

DANIEL F. BLACKERT, ESQ., CSB No. 255021
Asia Economic Institute
11766 Wilshire Blvd., Suite 260
Los Angeles, CA 90025
Telephone (310) 806-3000
Facsimile (310) 826-4448
Daniel@asiaecon.org
Blackertesq@yahoo.com

Attorney for Plaintiffs,
Asia Economic Institute,
Raymond Mobrez, and
Iliana Llaneras

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

ASIA ECONOMIC INSTITUTE, a California)
LLC; RAYMOND MOBREZ an individual;)
and ILIANA LLANERAS, an individual,)

Plaintiffs,)

vs.)

XCENTRIC VENTURES, LLC, an Arizona)
LLC, d/b/a as BADBUSINESS BUREAU)
and/or BADBUSINESSBUREAU.COM)
and/or RIPOFF REPORT and/or)
RIPOFFREPORT.COM; BAD BUSINESS)
BUREAU, LLC, organized and existing under)
the laws of St. Kitts/Nevis, West Indies;)
EDWARD MAGEDSON an individual, and)
DOES 1 through 100, inclusive,)

Defendants.)

Case No.: 2:10-cv-01360-SVW-PJW

PLAINTIFFS' MOTION TO REMAND

Hearing Date: April, 26, 2010

Time: 1:30 PM

Courtroom: 6 (Hon. Stephen Wilson)

Complaint Filed: January 27, 2010

Asia Economic Institute et al v. Xcentric Ventures LLC et al

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2 **TO ALL PARTIES AND THEIR ATTORNEYS PF RECORD**

3 NOTICE IS HEREBY GIVEN that on April 26, 2010 at 1:30 PM or as soon thereafter as
4 counsel may be heard in courtroom 6 of the above-entitled court located at 312 North Spring
5 Street Los Angeles CA 90012, Plaintiffs ASIA ECONOMIC INSTITUTE, RAYMOND
6 MOBREZ, and ILIANA LLANERAS, will move this Court for an order seeking to Remand this
7 case back to State Court.

8 This motion will be based on this Notice, the accompanying Memorandum of Points and
9 Authorities, all pleadings and records on file herein, and upon such other and further oral and
10 documentary evidence as may be presented prior to or at the time of the hearing.

11 This motion is mad4e following the conference of counsel pursuant to L.R. 7-3.
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2 **MEMORANDUM OF POINTS AND AUTHORITIES**

3 **I. INTRODUCTION**

4 The burden of establishing the propriety of removal rests on the party requesting removal.
5 Although the Complaint states that Magedson is a resident of Arizona, the Defendant is required
6 to prove the citizenship of each party. Counsel has offered no proof of this matter. On the other
7 hand, Defendant Magedson confessed to Plaintiff Mobrez that he currently lives in California.
8 Remanding the present case is appropriate because Plaintiff's Complaint contains ten state
9 claims and two federal claims arising from subsections of 18 U.S.C. § 1962 (herein "RICO").
10 The Court should the court to exercise its discretion pursuant to 28 U.S.C. § 1441(c) to "remand
11 all matters in which State law predominates."
12

13 **II. BACKGROUND**

14 **a. Parties**

15 Plaintiff, Asia Economic Institute ("AEI") conducted business in California for the past
16 nine years. At the time the defamatory posts were posted on rip-off report, AEI operated as a
17 free on-line non-governmental publication of current news and events. They were not involved
18 in sales or marketing. At or around the time of the posts, AEI was a small virtually unknown
19 operation employing approximately 10 employees, including Principals, Raymond Mobrez and
20 Iliana Llaneras, Plaintiffs in the present litigation. Plaintiff's business was still in its early stages
21 and had not yet made a name for themselves in the financial industry. Any progress Plaintiffs
22 had made was thwarted by the patently false and outrageous comments appearing on
23 Defendants' websites. The posts and Magedson's subsequent misconduct were so outrageous
24 that it forced AEI out of business.

25 Defendants are in the business of defamation for profit. Defendants purport to be
26 consumer advocates, but this could not be further from the truth. Behind this facade Defendants
27 operate as an extortion scheme. They use the Communications Decency Act ("CDA") as both a
28

1 sword and a shield in order to extort monies from individuals and businesses who find
2 themselves in the unfortunate predicament of being victimized by Defendants' websites.

3 **b. Facts**

4 On or about February 2009, Plaintiffs conducted a search on Google.com ("Google")
5 and/or Yahoo.com ("Yahoo") using the following terms: Raymond Mobrez, Mobrez, Iliana
6 Llaneras, Llaneras, and AEI. The results were that Plaintiffs appeared on said search engines
7 (usually in the first 2-3 hits) as individuals and businesses who had been defamed on
8 Defendants' websites.

9 To date, there are six (6) reports regarding Plaintiffs on Defendants' websites.¹ These
10 posts initially written by former employees are defamatory, false, and malicious. In addition,
11 they have severely injured Plaintiffs' reputation and virtually halted their business.

12 Defendants' websites contain some of following posts regarding plaintiffs (note, this list
13 is not exhaustive, more defamatory posts appear on Defendants' websites.):

- 14 A. "Asia Economic Institute lie cheat tax fraud. (sic)."
- 15 B. "Promised work visas, reference letters, and numerous raises and they have failed
16 every time."
- 17 C. "They reduce pay illegally."
- 18 D. "Knowingly take advantage of workers."
- 19 E. "Internet sweatshop."
- 20 F. "Complete disorganization."
- 21 G. "They are laundering money."
- 22 H. "They have no idea how to run any business and continue to ruin people's lives."
- 23 I. "Credentials of Raymond Mobrez [...] and Iliana Llaneras, are as muddled as
24 they possibly can be [...] The truth is there are no credentials to back up the
25 scheme that they are running."
- 26 J. "Raymond explained to me that he hires & fires based on race, religion, gender,
27 etc. Raymond told me girls are good for administrative tasks, especially Filipinas,
28 because they do what they are told. Raymond told me not to trust Persians and
Muslims. He told me the 'blacks' only want to work in entertainment so you
should not hire them. This is offensive and illegal. Obviously."
- 29 K. "Asia Economic Institute it's a SCAM."
- 30 L. "Mobrez and Llaneras deserve serious legal punishment for ruining my life."

¹ At the time the Complaint was filed, there were only four (4) reports, however Plaintiffs intend
to amend their Complaint to add any additional reports as they appear.

- 1 M. “[...] Raymond Mobrez ?? [...] sewage, unscrupulous, mendacious, buffoonish
2 cretin.”
3 N. “They routinely ignore employment laws.”
4 O. “[...] Shady business practices [...] in which he and Iliana engage.”

5 As explained below and as alleged in Plaintiffs’ Complaint, Defendants add actual
6 content to third party posts, thereby making them information content providers stripping them
7 them of CDA immunity.

8 On February 15, 2009, Plaintiffs sent a letter to Defendants asking that they remove the
9 defamatory posts. On or about May 2009, Plaintiffs contacted Magedson via telephone
10 informing him that the posts were false and written by former disgruntled employees. Moreover,
11 Plaintiffs offered to prove the falsity of the posts. Magedson was not responsive.

12 Shortly thereafter, Plaintiffs emailed Magedson and again asked that the posts be
13 removed. (Copies of Plaintiffs’ and Defendants’ email exchanges are attached hereto
14 collectively as EXHIBIT A) Moreover, Plaintiffs asked to meet with Magedson to discuss the
15 matter.² In an email Magedson responded as follows: “I am in California... I live here now. But
16 wh[sic.] the sense of meeting. [...] we do not remove posts [...] no amount of money can
17 change this. Even if you were the pope,. (sic.) It would not make a difference. A (sic.) pope
18 (sic.) has access to a computer m (sic.) sure.”

19 III. **ARGUMENT**

20 IV. Standard

21
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23 In Magedson’s Affidavit to Defendants’ Special Motion to Strike at ¶31, he alleges that
24 Plaintiffs threatened him. This allegation is completely baseless. Plaintiffs wanted to have
25 dinner with Magedson and discuss how to have the posts removed. More troubling is the fact
26 that in a telephone conversation between Plaintiff’s Counsel and Defense Counsel, Defense
27 Counsel admitted that his client lied about living in California in order to benefit of the Anti-
28 SLAPP statute, *not* because Plaintiffs had threatened him. Plaintiff’s Counsel sent Defense
Counsel a letter confirming their telephone conversation whereby Defense Counsel admitted that
his client lied about living in California in order to get the benefit of the Anti-SLAPP statute.
Plaintiffs are considering whether to pursue perjury charges against Magedson for such a blatant
lie. (A copy of Plaintiff’s letter to Defense Counsel is attached hereto as EXHIBIT B.)

1 Courts must strictly construe the removal statute against removal jurisdiction. Gaus v.
2 Miles Inc., 980 F.2d 564, 566 (9th Cir. 1992) (citing Boggs v. Lewis, 863 F.2d 662, 663 (9th Cir.
3 1988), and Takeda v. Northwestern Nat'l Life Ins. Co., 765 F.2d 815, 818 (9th Cir. 1985)); see
4 also 1-8 Moore's Manual--Federal Practice and Procedure § 8.05 ("The entitlement to removal is
5 very narrowly construed because it is a purely statutory right, and because of the concerns of
6 federalism, a clear congressional intent to limit removal jurisdiction, and the traditional
7 preference to allow a plaintiff to choose the forum for litigation.")

8 As such, federal jurisdiction must be rejected if there is any doubt as to the right of
9 removal. Gaus, 980 F.2d at 566 ("Federal jurisdiction must be rejected if there is any doubt as to
10 the right of removal in the first instance," citing Libhart v. Santa Monica Dairy Co., 592 F.2d
11 1062, 1064 (9th Cir. 1979)).

12 Furthermore, because of this strong presumption against removal, the burden is on the party
13 requesting removal to establish the propriety of removal. Id. (citing Nishimoto v. Federman-
14 Bachrach & Assoc., 903 F.2d 709, 712 n. 3 (9th Cir. 1990), and Emrich v. Touche Ross & Co.,
15 846 F.2d 1190, 1195 (9th Cir. 1988)); Salveson v. Western States Bankcard Assoc., 731 F.2d
16 1423 (9th Cir. 1984) ("The burden of establishing federal jurisdiction is placed on the party
17 seeking removal.")

18 V. Diversity Jurisdiction

19
20 In diversity cases, the burden of proving all jurisdictional facts rests on the party seeking
21 removal. Befitel v. Global Horizons, Inc., 461 F. Supp. 2d 1218, 1221 (D. Haw. 2006), citing
22 Kanter v. Warner-Lambert Co., 265 F.3d 853, 857-58 (9th Cir. 2001). As with all issues of
23 removal, removal based on diversity jurisdiction is to be strictly construed and any doubts are to
24 be resolved in favor of remand to the state court. Id., citing Gaus, 980 F.2d at 566; Kantor v.
25 Wellesley Galleries, Ltd., 704 F.2d 1088, 1092 (9th Cir. 1983); McNatt v. Allied-Signal, Inc.,
26 1992 U.S. App. LEXIS 28787 ("Because federal courts are courts of limited jurisdiction, there is
27 a presumption against exercising diversity jurisdiction.")
28

1 a. Defendant has not met burden of establishing complete diversity.

2
3 Jurisdiction based on 28 U.S.C. § 1332 requires that the parties be in complete diversity
4 and the amount in controversy exceed \$ 75,000. Matheson v. Progressive Specialty Ins. Co., 319
5 F.3d 1089, 1090-91 (9th Cir. 2003). As such, removal premised on diversity is permissible only
6 if there is no plaintiff and no defendant who are citizens are the same state Deutsche Bank Nat'l
7 Trust Co. v. Arenas, 2008 U.S. Dist. LEXIS 104187 (C.D. Cal. Dec. 8, 2008), citing Strawbridge
8 v. Curtiss, 7 U.S. 267 (1806); Caterpillar Inc. v. Lewis, 519 U.S. 61, 68 (1996). Furthermore,
9 even if the jurisdictional requirements are met, an action can not be removed on the basis of
10 diversity if at least one of the defendants is a citizen of the forum state. 28 U.S.C. § 1441(b)
11 (“Any . . . action [other than one involving a federal question] shall be removable only if none of
12 the parties in interest properly joined and served as defendants is a citizen of the State in which
13 such action is brought.”)

14 Over the years, courts have developed a simple test to determine citizenship. McNatt v.
15 Allied-Signal, Inc., 1992 U.S. App. LEXIS 28787. Natural persons must be “both a United States
16 citizen and be ‘domiciled’ in a state of the United States.” Id., citing Lew v. Moss, 797 F.2d 747,
17 749 (9th Cir. 1986). The courts have held that “the determination of an individual's domicile
18 involves a number of factors (no single factor controlling), including: current residence, voting
19 registration and voting practices, location of personal and real property, location of brokerage
20 and bank accounts, location of spouse and family, membership in unions and other organizations,
21 place of employment or business, driver's license and automobile registration, and payment of
22 taxes.” Lew, 797 F.2d at 750.

23 In their Notice of Removal, Defendants Xcentric Ventures, LLC (“Xcentric Ventures”)
24 and Edward Magedson (“Magedson”) claim that “each Defendant is a citizen of either Arizona
25 or St. Kitts/Nevis, West Indies.” Such an unsupported allegation fails to meet the heavy burden
26 courts have placed on the Defendant to demonstrate jurisdictional facts. Defendants have not
27 alleged even one of the factors listed in Lew. Without such proof, the court should resolve the
28 uncertainty of citizenship in favor of remand to state court.

1 Moreover, in an e-mail attached to the original complaint, Defendant Magedson admits to
2 Plaintiff Raymond Mobrez that he currently lives in California. EXHIBIT A. Such a voluntary
3 admission not only casts doubt on Magedson's actual citizenship but it precludes removal under
4 28 U.S.C. § 1441(b). Accordingly, the court can not allow removal if any defendant is a citizen
5 of the state in which the action was filed (here, California). Spencer v. US Dist. Court, 393 F.3d
6 867, 870 (9th Cir. 2004), citing Erwin Chemerinsky, Federal Jurisdiction § 5.5, at 345 (4th ed.
7 2003) ("This 'forum defendant' rule 'reflects the belief that [federal] diversity jurisdiction
8 is unnecessary because there is less reason to fear state court prejudice against the defendants if
9 one or more of them is from the forum state.'")

10 b. Defendant has not met burden of establishing that the amount in controversy
11 exceeds \$75,000.

12 In addition to complete diversity, removal premised on diversity jurisdiction requires that
13 the amount in controversy exceed \$75,000. Where it is not evident from the fact of the
14 complaint, the removing party "must prove, by a preponderance of the evidence, that the amount
15 in controversy meets the jurisdiction threshold." Matheson v. Progressive Specialty Ins. Co., 319
16 F.3d 1089, 1090-1091 (9th Cir. 2003). Again, if there are any doubts regarding the right of
17 removal, the case should be remanded to state court.

18 To satisfy this preponderance of the evidence standard, the Ninth Circuit has adopted the
19 Fifth Circuit's practice of considering facts presented in the notice of removal as well as "any
20 summary judgement-type evidence relevant to the amount in controversy at the time of
21 removal." Id., quoting Singer v. State Farm Mut. Auto Ins. Co., 116 F.3d 373, 375-77 (9th Cir.
22 1997). Conclusory allegations are insufficient proof of amount in controversy. Id.

23 Defendants Xcentric Ventures and Magedson state that "the Complaint clearly seeks
24 damages that may exceed \$75,000 including general damages, special damages, punitive
25 damages, treble damages under RICO, attorney's fees, and injunctive relief." (emphasis added).
26 Defendants point to Valdez v. Allstate Ins. Co. as authority for this assessment. 372 F.3d 1115
27 (9th Cir. 2004). In that case, the defendant's Petition for Removal averred "upon information and
28 belief...that the amount in controversy...exceeds \$75,000.00. [Plaintiff's] complaint alleges she

1 has suffered a loss of insurance benefits, financial loss, and emotion distress, and further alleges
2 entitled to punitive damages and attorneys' fees in an unspecified amount." Id. at 1116. The
3 Ninth Circuit held that the Defendant did not meet its burden in proving the amount in
4 controversy met the jurisdictional minimum. Such statements, they held, were nothing more than
5 conclusory allegations and insufficient to prove the amount in controversy. Similarly,
6 Defendants Xcentric and Magedson have done nothing more than state the damages may exceed
7 \$75,000 and recite the various damages alleged by Plaintiffs in its Complaint. As such, the
8 Defendants have failed to demonstrate by a preponderance of the evidence that the amount in
9 controversy meets the statutory minimum. Again, such doubt must be resolved in favor of
10 remand to state court.

11 VI. Federal Question

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14 A case initially brought in state court, of which the United States district courts have
15 original jurisdiction, may be removed by the defendant to federal court. 28 U.S.C. § 1441(a).
16 Upon removal, the court will have "supplemental jurisdiction over all other claims that...form
17 part of the same case or controversy." 28 U.S.C. § 1367(a). However, the court may, in its
18 discretion, "remand all matters in which State law predominates." 28 U.S.C. § 1441(c);
19 Harmston v. City & County of San Francisco, 2008 U.S. Dist. LEXIS 85169 (N.D. Cal. Oct. 9,
20 2008).

21 Remanding the present case is appropriate because Plaintiff's Complaint contains ten
22 state claims and two federal claims arising from subsections of 18 U.S.C. § 1962 (herein
23 "RICO").

24 The United States District Court for the Northern District of California was presented
25 with similar circumstances. Felder v. Puthuff, 1993 U.S. Dist. LEXIS 4557 (N.D. Cal. Feb. 12,
26 1993). In that case, the Defendant filed a Notice of Removal, asserting federal question
27 jurisdiction due to Plaintiffs' allegations of RICO violations pursuant to 18 U.S.C. § 1960 et seq.
28 Plaintiff sought to remand the case to state court, arguing the complaint contained eight state

1 claims and one federal claim. The Plaintiff further argued that remand was appropriate because
2 state courts have concurrent jurisdiction over RICO claims. See Tafflin v. Levitt, 493 U.S. 455
3 (1990) (holding state courts have concurrent jurisdiction over civil RICO claims). In finding
4 remand appropriate, the Court relied on 28 U.S.C. § 1441(c) which provides that whenever
5 separate and independent claims are “joined with one or more otherwise non-removable claims
6 or causes of action” the court may, in its discretion, “remand all matters in which state law
7 predominates.” 28 U.S.C. § 1441(c). Finding state law predominated, the court remanded the
8 entire case to state court. They further noted that, “although Plaintiff has pled a violation under
9 RICO, it makes no sense in terms of judicial economy to retain only the federal claim. Moreover,
10 as previously mentioned, state courts have concurrent jurisdiction over RICO claims.”

11 VII. Pendent Jurisdiction

12 Pursuant to Section 1367(c), a district court may decline to exercise pendent jurisdiction
13 over a claim grounded in state law if: (1) the claim raises a novel or complex issue of State law;
14 (2) the claim substantially predominates over the claim or claims over which the court has
15 original jurisdiction; (3) the district court has dismissed all claims over which it has original
16 jurisdiction, or (4) in exceptional circumstances, there are other compelling reasons for declining
17 jurisdiction. 28 U.S.C. § 1367(c). The Supreme Court has noted that the statute reflects the
18 understanding that, when deciding to exercise supplement jurisdiction, a federal court should
19 consider and weigh in each case, and at every stage of the litigation, the values of judicial
20 economy, convenience, fairness, and comity. City of Chi. V. Int’l College of Surgeons, 522 U.S.
21 156, 173 (1997). For these reasons, it has consistently been recognized that pendent jurisdiction
22 is a doctrine of discretion. Borough of W. Mifflin v. Lancaster, 45 F.3d 780, 788 (3rd. Cir.
23 1995).

24 In fact, the Supreme Court instructed district courts to “hesitate to exercise jurisdiction
25 over state claims,” stating that “needless decisions of state law should be avoided both as a
26 matter of comity and to promote justice between the parties, by procuring for them a surer-footed
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1 reading of applicable law." United Mine Workers of America v. Gibbs, 383 U.S. 715, 725
2 (1966).³

3 Here, even if this court decides to exercise federal jurisdiction over plaintiff's RICO
4 claims, it may decline to exercise jurisdiction over the remaining state law claims if to do so
5 would negatively impact any of these factors mentioned by the Supreme Court.

6 More specifically, California federal district courts have found that exercising pendent
7 jurisdiction over state law claims brought in conjunction with RICO claims would needlessly
8 complicate trial and waste the court's time. Matek v. Murat, 638 F. Supp. 775, 777 (C.D. Cal.
9 1986)(aff'd Matek v. Murat, 862 F.2d 720 (9th Cir. 1988)). The court in Matek concluded that
10 pendent claims involved different issues and proof than RICO claims giving rise to likelihood
11 that state law issues would predominate, interests of judicial economy and fairness to litigants
12 would not be served by retention of pendent claims. Id. Moreover, the court concluded that
13 litigation would be conducted more efficiently and economically if all state claims were heard by
14 state court inasmuch as there were numerous state actions pending between parties. Id.
15 Therefore, the Matek court declined to exercise pendent jurisdiction under the discretion granted
16 in section 1367(c)(2).

17 Although the state law claims at issue in this case are different from the state law claims
18 at issue in Matek, the same analysis applies. The state law claims relating to defamation, false
19 light, intentional interference with prospective economic relations, breach of contract, and civil
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21 ³ Although the Gibbs case was superseded by section 1367, the conditions and limitations
22 statutorily created do not affect the exercise of pendent jurisdiction in this case. Courts have
23 interpreted Section 1367 as a codification, rather than an alteration, of judicially made principals
24 of pendent jurisdiction. Brazinski v. Amoco Petroleum Additives Co., 6 F.3d 1176 (7th Cir.
25 1993). Moreover, although the Ninth Circuit has more narrowly construed Section 1367, the
26 court may still exercise discretion. The Ninth Circuit held that, unless a court properly invokes a
27 section 1367(c) category in exercising its discretion to decline to entertain pendent claims,
28 supplemental jurisdiction must be asserted." Executive Software North America, Inc. v. District
Court, 24 F.3d 1545 (9th Cir. 1994)(overruled on separate grounds. Cal. Dep't of Water Res. v.
Powerex Corp., 533 F.3d 1087 (9th Cir. 2008). Here, Plaintiffs argue that the court may, in its
discretion, decline to exercise pendent jurisdiction under section 1367(c)(2). Therefore,
irrespective of which analysis this court applies, the court has discretion in remanding the state
law claims.

1 conspiracy involve different issues than the RICO claims. Given the wide range of state law
2 claims in this case, there is a substantial likelihood that the state law claims would predominate
3 the RICO claims. Furthermore, exercising pendent jurisdiction over such claims would
4 unnecessarily complicate litigation, and take these state law claims out of the hands of the court
5 that is best suited to hear them. Given the sheer volume of state law claims, the state should hear
6 these claims in the interest of serving judicial economy and efficiency, as the court stated in
7 Matek.

8 Because the numerous state law claims would predominate the RICO claims in this case,
9 the court should decline to exercise pendent jurisdiction in the interest of judicial economy.

10 **CONCLUSION**

11 For the foregoing reasons, Plaintiffs respectfully request that this Court grant its motion
12 in its entirety and remand this case back to the state Court.

13
14 DATED: March 29, 2010

Asia Economic Institute

15
16 By:


17 DANIEL F. BLACKERT
18 Attorneys for Plaintiffs,
19 Asia Economic Institute, Raymond
20 Mobrez, and Iliana Llaneras
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CERTIFICATE OF SERVICE

I certify that on March, 29, 2010 I electronically transmitted the attached document to the Clerk's Office using the CM/ECF System for filing, and for transmittal of a Notice of Electronic Filing to the following CM/ECF registrants:

David S. Gingras
Gingras Law Office, PLLC
4072 E. Mountain Vista Drive
Phoenix, AZ 85048
Attorney for Defendants

And a courtesy copy of the foregoing delivered to:
Honorable Stephen V. Wilson
U.S. District Judge

EXHIBIT A

Subject: [Fwd: RE: Asia Economic Institute, AEI, WorldEcon - application about CAP]
From: Raymond <raymond@asiaecon.org>
Date: Wed, 20 Jan 2010 14:51:01 -0800
To: daniel@asiaecon.org, kristi@asiaecon.org

----- Original Message -----

Subject: RE: Asia Economic Institute, AEI, WorldEcon - application about CAP
Date: Fri, 24 Jul 2009 18:31:30 -0700
From: "EDitor @ npo:ifreport.com"
To: raymond @ asiaecon.org
References: <4A6A51B2.2000507 @asiaecon.org >

I am in California, ... I live here now.

But, whatâ€™s the sense of meeting? I want to help you, but, there is nothing we can do.

We do not remove reports.

Weâ€™ve spent over 3.4 million in legal fees â€“ never lost a case â€“ people know, we DO NOT REMOVE REPORTSâ€”!

You can file a rebuttalâ€”!

No amount of money can change this.

Even if you were the pope.. It would not make a difference.Â The pope has access to a computer lâ€™m sure.

Rip-off Report

PO Box 310, Tempe, Arizona 85280

From: Raymond [<mailto:raymond@asiaecon.org>]
Sent: Friday, July 24, 2009 5:29 PM
To: EDitor@ripoffreport.com
Subject: Asia Economic Institute, AEI, WorldEcon - application about CAP

Dear Ed,

As I mentioned to you on the phone, our Institute is a free Online publication which publishes current news. It is Not involved in sales, service or marketing of any kind.

You may recall my mention that on your website my partner and I were accused of incredulous lies, posted by names unknown to our Institute, which included our being accused of "money laundering", running a "Scam," and calling into question my education.

We are strictly a non-political publication focused on economic news, so we don't know how we can be labeled a scam. The other points are easily disproved.

Once again, we have No idea who would post such flagrant lies about us, or our Institute. We pride ourselves on possessing a longstanding high reputation in everything we do. You mentioned that you are not international, but you are viewed in other parts of the world where the USA laws do not have jurisdiction. Therefore, how do you handle that matter?

Having just returned from being out of the country, and reviewing the forms you e-mailed to me, and you asked me to complete them per your instructions, I realize that we cannot fill in the blanks as you have created them. It would not be prudent to stipulate to anything we did not do, and further are flagrant untruths. The form you sent to me, appears to be a "one size fits all" which clearly does Not apply to us.

We may have to deal with this the other way around Ed. I wonder if you ever come to Los Angeles. Perhaps we can meet in person to discuss your terms further. This has clearly harmed our good name, and we would like you to rectify this situation as soon as possible.

On a side note, meant to ask you, what is the name of your dog?

Meanwhile, I will await your response.

Raymond Mobrez
Asia Economic Institute
(310) 806-3000 x-223
Raymond@asiaecon.org

Editor@ripoffreport.com wrote:

Raymond Mobrez
Asia Economic Institute
(310) 806-3000 x-223
Raymond@asiaecon.org

Dear Raymond,

You drove me crazy today.. why? .. because you never filled out the form as you said you did. You never filled out anything. I ran my tech staff looking for something you never did.

You need to click on this LINK and fill out the form.

<http://www.ripoffreport.com/capJoin.asp>

Rip-off Report

PO Box 310, Tempe, Arizona 85280

From: Raymond [<mailto:raymond@asiaecon.org>]

Sent: Tuesday, May 12, 2009 2:59 PM

To: Editor@ripoffreport.com

Subject: Re: Reports/0/417/RipOff0417493.htm=Report: #417493= Report: #423987]

Editor@ripoffreport.com wrote:

Most things on the internet are anonymous â€ people donâ€™t want to get sued.
We did not make up the rules..

Best to read below.

Right or wrong.. true or falseâ€ Best to respond to the report. Be pleasant and show consumers what kind of person ./ company you areâ€ it works for other business. If you handle it the right way, it will bring you new found business. Consumers like to hear a 3rd party opinion. They like to see how a business handles problems, whether they be true or false. â€ if false, explain why. .. if true, who would not want to do business with a company that can admit, maybe they made a mistake. .. this shows a consumer that you have nothing to hide, it will show them that you want to take care of business, by taking care of that consumer, telling them to please contact you (in your rebuttal) so you can make things right for them. What consumer would not want to do business with someone that knows how to make things rightâ€ Just file a rebuttal.. the truth shall set you free.

We do hear what you are saying â€ and let ' s say we believe you â€ but, we never really know for sure about those who email us, ..as you can imagine people tell us all kinds of things, lying to usâ€ just to try to convince us to remove the report about them. How are we to know who is telling the truth? And how could we afford to investigate all of the claims that are made by people who want their report taken down. Hopefully you realize the true value of

Rip-off Report for consumers. ..the authorities and the media do..

Our philosophy is that Rip-off Report is a permanent record just like when someone files a complaint in court. You can file a rebuttal, like when you file an answer in court when someone files a bogus law suit, .. the court will never remove the complaint from the public records either. They are now being found on the search engines too... When we get sued, those court record law suits are found right on the same page with Rip-off Report.

Read below the usual email we send to people who ask us to remove Reports. .. some even threaten us with a law suit. So, weâ€™ve included that information below. .. so please donâ€™t be insulted when we mention it below.

=====

We do remove social security numbers, bank account numbers, threats of violence, some foul language and links to places we do not know about. If we missed something and are notified about it, we will remove it.

This is the way the internet is.

we did not create the laws

we did not create the Internet

we did not create the Report(s) filed

if you don't care what we have to say and don't want to read our philosophy below, you must read this first link below. Be warned. To those of you who threaten to sue, be prepared to go the long haul, and, when you want to do a walk away because you realize you cannot and will not win because you filed a frivolous law suit, ...you will be paying for our legal bill and in some cases and then some, before we will let you out of the case. .. Just ask anyone who has sued us for years. Many of them will not admit to you that they paid us.. but they do.. If you are thinking of suing us, I hope you are personally prepared for this. We are.

For those who are thinking of suing..

<http://www.ripoffreport.com/wantToSueRipoffReport.asp>

you may be interested to know since the above LINK was created, there have been a lot more legal superior court decisions, and other lower court decisions â€” some published decisions ... **ALL IN OUR FAVOR**.. and we have been sued more than 2 dozen times and never, that's **NEVER lost a case**. Suing us will only get you more publicity and additional listings on search engines

'Why do we win? â€” just do a Google search for **Communications Decency Act** â€” CDA.

below is for those who have read the case laws and/or those of you who have no intention of suing and are looking for ways to just make things right for your customers, or just setting the record straight - a€” even if the comments are just about you personally. â€” remember, we will all be blogged. Good or bad, right or wrong, we WILL all be blogged, somewhere..Best to set the record straight, here and now. Please read below:

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you do not want to miss any of what we are saying below - - many things are repeated so you understand our point,.. this is all about NEW thinking for the 21st century... For many people, this just has not sunk in yet.

The short answer is ... a Rip-off Report cannot be taken off.

if you keep reading, you will understand how you will end up doing better with the Report

staying up and not removing the Report.. by you setting the record stright now, you won't have to worry about other blogs as much.. Either way, those who want to get information out about you will.

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The United States of America puts people to death after 1 or 2 jury trials, all kinds of witnesses and countless appeals, to only find out 15 to 30 years later, ..oops! ... Gee, they weren't guilty after all! ... and businesses want Rip-off Report to figure out who is right and who is wrong? Where do we start and stop with evidence? We cannot play judge and jury..

FACT: CONSUMERS WANT TO HEAR A 3rd PARTY OPINION:

Most businesses ask: "In 2008, what good does it do if a consumer sees Rip-off Reports from back in 2005?" - - We tell them that this is THE most important benefit you can ever get from Rip-off Report! ... Yes, you the business, the person that was reported ... Any educated consumer who is surfing the web in July of 2008 and comes across a Rip-off Report on you personally or your business ... consider yourself lucky. ... Think about it. Remember, all businesses will get complaints: ALL!! If you address the complaint, rectify the situation, be nice and not combative, this will show the consumer that you were man/woman enough to address your issues ... This will also show how you are committed to making changes and committed to total customer satisfaction! ... **What consumer would not want to do business with you after seeing how you took care of business by fixing a complaint and was nice about it ? .. to err on the side of the consumer.**

For example, even if YOU were not wrong and the customer was being a real jerk ... Here's what you do: without insulting the consumer you explain in your rebuttal in a very nice way why they should not be getting a refund, but, in the name of good customer service we will make things right with you. However, it is always best to add some sort of an admission of at least the

possibility you or your company did make a mistake or someone from the company *might have made a mistake*, so, in the name of "good customer service make a statement on how you will be giving the customer the benefit of the doubt and will just issue a refund." .. this will go a long way! imagine what the consumer is thinking when they read this ... Even the guilty businesses with real customer service issues will look responsive (like a hero) and, hopefully, will get tired of making refunds and change their ways. Yes, this has always been one of the main goals of Rip-off Report.

EVEN IF YOU ARE NOT A BUSINESS = YOU ARE AN INDIVIDUAL WITH A REPORT(S) FILED AGAINST YOU?

Even if you are an individual and *might have* pissed off someone in the past, you need to do what you have to to just make it right with them Like we stated above, ... just give them the benefit of the doubt ... file a rebuttal to the nasty Report about you, state that you had made a mistake in the past and explain how you've contacted (or are contacting if the rebuttal is your sole method of contact) the author of the report to make things right with them. You can also state -- that you don't blame them for being upset with you. ... NOW, ... if you stated something like that on that nasty Report about you, ... after someone is looking you up on the Internet and reads what you wrote (what we've suggested here), ... please tell me, who would not want to do business with someone who took care of a situation like this! ?? We know it works -- from dead beat dads who did not pay child support to the business that actually ripped someone off ... they just show how they made things right. - You have to admit, if you read a complaint that way, you too would now trust that business. We are told this all the time by businesses. People who once threatened us, cursed us out and even businesses that sued us and lost (like they all do) .. they all say to us, they should have handles it this way from the very beginning as we've suggested to you hear in this email.

Rip-off Report did not invent the Internet,

and with or without Rip-off Report you would be blogged about your business or just you personally -- and again I say, ... this IS the 21st Century ... True or false or partly false, right or wrong, . we will all be blogged!

Because so many people just don't get the concept that we know works so well I must reiterate...

FACT: Businesses that admit they may have made a mistake, give their customer the benefit of the doubt, and show how they took care of the complaint. ... TELL ME, what consumer would not want to do business with them. Even if the complaint is totally false but the customer feels in their heart that they were wronged in some way, you can turn that around by explaining what you know in a nice way, maybe getting them to still do business with you by replacing the product, or the sales person, agent etc. **If handled correctly, you will turn a negative into a positive..** Either way... The Internet is here to stay, and the tides have turned for the benefit of the consumer. **BIG BUSINESSES with lots of money is no longer in control.** ... This will not change.

Rip-off Report is thanked all the time

by businesses that first said, "this will not work, you are full-of-it!" ... Most Businesses admitted after doing what we suggested, they now get business from the Report, new found business they would have never had if the Rip-off Report did not exist.

Those of you that have many complaints and need more help can always look into Rip-off Report's Corporate Advocacy, Business Remediation and Customer Satisfaction Program... *a long name for a program that does a lot for both the consumer and businesses alike.*

AGAIN, YOU CAN FILE A REBUTTAL(S) FOR FREE

We DO NOT author the Reports. Consider yourself lucky the customer did not make up some sucks.com website on your company located in some 3rd world country where you could not respond to the charges like you can on Rip-off Report. We think if you handle your response in the correct way, that will say it all, and in your favor, turning that negative into a positive, taking the high road.

If a Report is responded to properly, any half intelligent consumer will know what kind of company or individual you are!

The nicer you are, the more you turn around the possible negativity of a Rip-off Report. We live in the Internet age. Unless Al Gore pulls the plug on the internet, we are all stuck with it. :-)

Deal with it, and show what a good business or business person you are: put your best foot forward, go beyond the call of good customer service, then the Rip-off Report will work as a positive advertisement you will want ALL your customers to see. Better yet, Rip-off Report is a lot cheaper than those costly full page ads in the paper, advertisement on the Internet or on TV. Once you see this is working as a positive for your company, maybe you will think about donating some of those advertising dollars. As you will see, Rip-off Report **WILL GET YOU NEW FOUND BUSINESS**, if, but only IF, you handle the Report in a positive way. Anyone thinking of coming after Rip-off Report (filing a lawsuit) will get nowhere and will only, more than likely, get even more bad publicity, because that lawsuit is public information.

Rip-off Report has no way of determining whether you or the author of the report is telling the truth. We encourage you to post a rebuttal explaining your side of the story, but we have a uniform policy against removing reports posted by consumers.

I know at this point you don't want to hear it, but here are more reasons Why WE DO NOT Remove any Rip-off Reports:

If we remove a Rip-off Report, we would be no better than the BBB. Although we do not remove reports, we do provide for the Author of the Report an UPDATE feature that allows the Author of the Report to supply additional positive or negative information regarding your business dealings.

Do what's right or, what about going beyond the call of good customer service. The consumer will be surprised and post your response - - you won't have to worry about them saying anything bad.. just show that you understand their point, and make it right with them..!

YOU MUST UNDERSTAND OUR PHILOSOPHY:

If Rip-off Report removed a Report every time a business threatened, consumers would be back to where they were before. There would be no history of how the business took care of past problems. This Report on the business or individual can work as a positive or as a promotional tool if they respond properly and do the right thing by taking care of their customer. Consumers will see this and will want to do business with them in spite of what has been written about them. ...

That is why we supply a REBUTTAL feature so that the company reported has a chance to

respond by agreeing, disagreeing, or apologizing and explaining what will be done to fix the issue.

By allowing consumers to view the original report, updates, and rebuttals, consumers will be able to make informed and educated decisions. This is mainly because consumers will be able to see how the company in question deals with complaints. All business get them from time to time.

Regardless, as a matter of policy, we do not remove a submitted Rip-off Report, and we never will. Some people claim that we remove reports for money, but that is just plain false. We have been offered as much as \$50,000 to remove just one Rip-off Report, but we declined because doing so is in violation of our policy, and more importantly, goes against what we what we stand for ... Please understand our position.

Remember, all businesses will get complaints ... ALL! ... as stated above, at least file a rebuttal that is pleasant and, if you wish, mention that you support this forum and freedom of speech -- even if you disagree with what was said. Whining to consumers about how bad and unfair Rip-off Report is will only sour their opinion of you.

Also tell what the situation was at the time the Report was posted, even if it's a long time a ago and how you made improvements to your company to avoid this and similar things from happening again, and other positive comments about your company ... that is free. You can turn that negative into a positive! Consumers are probably finding your business on search engines that would never even know about you! If handled correctly, this can come permanent positive advertisement!

You may have not mentioned it, but, we know it's always in everyone's mind that they want to sue us -- usually it's the dishonest companies that cannot admit wrong doing and could never change their ways that threaten to sue us.

For those who are thinking of suing ..

<http://www.ripoffreport.com/wantToSueRipoffReport.asp>

For those of you who are a business only and have many Reports filed against them, read the following...

Those of you that have too many complaints and need more help can always look into Rip-off Report's Corporate Advocacy, Business Remediation and Customer Satisfaction Program ... a long name for a program that does a lot for both the consumer and businesses alike. This is a program that gives consumers confidence in doing business with you or your business.

- This program changes the negative listings on search engines into a positive along with all the Reports on Rip-off Report (Reports are never deleted).
- As a condition of joining this program, the Reported business allows us to email everyone who filed a complaint that the business has contacted Rip-off Report and wants to make things right . This weeds out false Reports and shows your commitment to your customers and is later Reported in our findings about your company we post to every Report about your business.
- You must live up to your stated commitments through our program requirements.
- Read about this program and how it changes all the negative into a positive - fill out our Corporate Advocacy Program intake form.

http://www.ripoffreport.com/corporate_advocacy.asp

This program now includes a "Rip-off Report Verified:

cid:image001.png

Verified Site

Click the above link to see how businesses use this to their benefit. =

Do a Google search for companies like:

One Stop Motors

The Tax Club

Those are just some of the hundreds of examples of our members...

We're always open for suggestions and improvements to our programs, even if we don't agree with you... :-)

ED Magedson - Founder

EDitor@ripoffreport.com

www.ripoffreport.com

Rip-off Report

badbusinessbureau.com

PO Box 310 Tempe, Arizona 85280

From: Raymond [<mailto:raymond@asiaecon.org>]

Sent: Tuesday, May 05, 2009 11:35 AM

To: EDitor@ripoffreport.com; Info@ripoffreport.com

Subject: Reports/0/417/RipOff0417493.htm=Report: #417493= Report: #423987]

Dear Editor,

I spoke with someone at your office yesterday, who asked me to send an e-mail to explain who I was, and why I was calling. Simply put, our company has shown up on your "Ripoff Report," (link:

<http://www.ripoffreport.com/reports/0/417/RipOff0417493.htm>)

(Report: #423987) and we have no idea who this person or persons are making the complaint/s. We have employed no one by the name/s registered on your website.

How can you assist us in removing these bogus posts from your website?

Yours truly,

Subject: Re: Reports/0/417/RipOff0417493.htm=Report: #417493= Report: #423987
From: Raymond <raymond@asiaecon.org>
Date: Wed, 20 Jan 2010 14:55:12 -0800
To: daniel@asiaecon.org, kristi@asiaecon.org

----- Original Message -----

Subject: Re: Reports/0/417/RipOff0417493.htm=Report: #417493= Report: #423987]
Date: Tue, 12 May 2009 14:58:59 -0700
From: Raymond <raymond@asiaecon.org>
Reply-To: raymond@asiaecon.org
To: Editor@ripoffreport.com
References: <4A0086E5.7030507@asiaecon.org> <069c01c9cdb2\$0e6ff1e0\$2b4fd5a0\$@com>

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We DO NOT author the Reports. Consider yourself lucky the customer did not make up some sucks.com website on your company located in some 3rd world country where you could not respond to the charges like you can on Rip-off Report. We think if you handle your response in the correct way, that will say it all, and in your favor, turning that negative into a positive, taking the high road.

If a Report is responded to properly, any half intelligent consumer will know what kind of company or individual you are...

The nicer you are, the more you turn around the possible negativity of a Rip-off Report. We live in the Internet age. Unless Al Gore pulls the plug on the internet, we are all stuck with it. :-) Deal with it, and show what a good business or business person you are: put your best foot forward, go beyond the call of good customer service, then the Rip-off Report will work as a positive advertisement you will want ALL your customers to see. Better yet, Rip-off Report is a lot cheaper than those costly full page ads in the paper, advertisement on the Internet or on TV. Once you see this is working as a positive for your company, maybe you will think about donating some of those advertising dollars. As you will see, Rip-off Report WILL GET YOU NEW FOUND BUSINESS, if, but only IF, you handle the Report in a positive way. Anyone thinking of coming after Rip-off Report (filing a lawsuit) will get nowhere and will only, more than likely, get even more bad publicity, because that lawsuit is public information.

Rip-off Report has no way of determining whether you or the author of the report is telling the truth. We encourage you to post a rebuttal explaining your side of the story, but we have a uniform policy against removing reports posted by consumers.

Doc: Reports/0/417/RipOff0417493.htm Report: #417493 Report: #...

One Stop Motors

The Tax Club

Those are just some of the hundreds of examples of our members...

We're always open for suggestions and improvements to our programs, even if we don't agree with you... :-)

ED Magedson - Founder
EDitor@ripoffreport.com

www.ripoffreport.com

Rip-off Report

badbusinessbureau.com
PO Box 310 Tempe, Arizona 85280

From: Raymond [<mailto:raymond@asiaecon.org>]
Sent: Tuesday, May 05, 2009 11:35 AM
To: EDitor@ripoffreport.com; Info@ripoffreport.com
Subject: Reports/0/417/RipOff0417493.htm=Report: #417493= Report: #423987]

Dear Editor,

I spoke with someone at your office yesterday, who asked me to send an e-mail to explain who I was, and why I was calling. Simply put, our company has shown up on your "Ripoff Report," (link: <http://www.ripoffreport.com/reports/0/417/RipOff0417493.htm>) (Report: #423987) and we have no idea who this person or persons are making the complaint/s. We have employed no one by the name/s registered on your website.

How can you assist us in removing these bogus posts from your website?

Yours truly,

Raymond Mobrez
Asia Economic Institute
(310) 806-3000 x-223
Raymond@asiaecon.org

EXHIBIT B

Asia Economic Institute
Daniel F. Blackert, Esq.
11766 Wilshire Blvd., Suite 260
Los Angeles, CA 90025
(310) 806-3000

David Gingras, Esq.
Gingras Law Office, PLLC
4072 E. Mountain Vista Dr.
Phoenix, AZ 85048

March 3, 2010

Re: Asia Economic Institute v. Xcentric Ventures, LLC, et al.
Case No.: SC106603

Dear Mr. Gingras:

It was nice speaking with you on Monday. I just wanted to memorialize some of the issues discussed in our telephone conversation.

You agreed that you had accepted service of process in the above referenced matter on behalf of your clients, Ed Magedson and Xcentric Ventures, Inc. Again, thank you for your professional courtesy with respect to this matter.

In addition, we also discussed the issue of whether your client resides or lives in California. As you know, Mr. Magedson sent my client an email unequivocally stating that he currently lives in California.¹ A copy of this email is attached to our Complaint. I asked you whether your client did, in fact, live or reside in California. You responded that your client had lied in his email and that he did not live in California. You explained the reason your client lied was because he wanted to be sued in California in order to take advantage of the anti-SLAPP statute. I am not sure what to make of these conflicting assertions, but as litigation continues I am sure we will resolve this issue and determine whether your client is, in fact, lying.

As we discussed on the phone, the issue of whether your client lives or resides in California is relevant to the issue of removal. As such, I am sure that we will iron out this issue when we file papers to oppose your removal.

I look forward to hearing from you soon.

Very truly yours,



Daniel F. Blackert, Esq.

¹ "I am in California...I Live here now."