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Attorneys for Plaintiffs,

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

11 ASIA ECONOMIC INSTITUTE, a
 12 California LLC; RAYMOND
 13 MOBREZ an individual; and ILIANA
 14 LLANERAS, an individual,

Plaintiffs,

vs.

15 XCENTRIC VENTURES, LLC, an
 16 Arizona LLC, d/b/a as BADBUSINESS
 17 BUREAU and/or
 18 BADBUSINESSBUREAU.COM
 19 and/or RIP OFF REPORT and/or
 20 RIPOFFREPORT.COM; BAD
 21 BUSINESS BUREAU, LLC, organized
 22 and existing under the laws of St.
 23 Kitts/Nevis, West Indies; EDWARD
 24 MAGEDSON an individual, and DOES
 25 1 through 100, inclusive,

Defendants.

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

The Honorable Stephen V. Wilson

**DECLARATION OF LISA J.
 BORODKIN IN SUPPORT OF
 MOTION FOR
 RECONSIDERATION OF ORDER
 GRANTING PARTIAL
 SUMMARY JUDGMENT ON
 PLAINTIFFS RICO CLAIMS
 PREDICATED ON EXTORTION
 AND FOR RECONSIDERATION
 OF ORDER DENYING RELIEF
 UNDER RULE 56(F)**

Date: September 20, 2010

Time: 1:30 p.m.

Ctrm: 6

1 I, Lisa J. Borodkin, declare:

2 1. I am an attorney at law, duly admitted to practice before all the
3 courts of the State of California and this Honorable Court. I am co-counsel of
4 record for Plaintiffs Asia Economic Institute LLC, Raymond Mobrez and Iliana
5 Llaneras (“Plaintiffs”) in this action. I have first-hand, personal knowledge of the
6 facts set forth below and, if called as a witness, I could and would testify
7 competently thereto.

8 2. This Declaration is made in support of Plaintiffs’ Motion for
9 Motion For Reconsideration Of Order Granting Partial Summary Judgment On
10 Plaintiffs Rico Claims Predicated On Extortion And For Reconsideration Of Order
11 Dnying Relief Under Rule 56(f) pursuant to Federal Rule of Civil Procedure 59(e)
12 or in the alternative Rule 60.

13 3. Attached hereto as **Exhibit “1”** is a true and correct copy of the
14 Second Questionnaire provided by Defendants to Plaintiffs for the first time on
15 July 13, 2010.

16 4. Attached hereto as **Exhibit “2”** is a true and correct copy of the
17 Declaration of Kenton J. Hutcherson dated July 20, 2010 authenticating emails
18 confirming that Defendants took down or deactivated Reports in compliance with a
19 settlement agreement in which fees were exchanged. Mr. Hutcherson first
20 informed Plaintiffs’ counsel of the existence of the facts contained in Exhibit 2 in a
21 phone call on July 16, 2010.

22 5. Attached hereto as **Exhibit “3”** is a copy of what has been
23 represented to Plaintiffs’ counsel as the settlement agreement referred to in Exhibit
24 2, between Defendants and the counterparty thereto.

25 6. At a July 20, 2010 informal settlement discussion, Defendant
26 Ed Magedson looked at me and told me that Ripoff Reports happen to everyone,
27 and said “It will happen to you.” On July 20, 2010, Defendant Ed Magedson also
28 approached me physically and told me “You’re going to be on the cover of my

1 book,” which I later came to understand is a book about his dissatisfaction with
2 lawyers.

3 7. These threats were unprovoked. I do not bear any personal
4 animosity towards Mr. Magedson, nor have I ever exhibited any. As my clients and
5 co-counsel are aware, I have repeatedly expressed that I share and respect Mr.
6 Magedson’s passion for First Amendment liberties, particularly on the Internet.

7 8. Defendants counsel have threatened Plaintiffs’ counsel with a
8 variety of retaliatory actions ranging from a lawsuit in Arizona for abuse of
9 process, and a future lawsuit for malicious prosecution. The threats of a lawsuit
10 against Mr. Blackert and me personally were made most recently on July 20, 2010
11 at a conference between Ms. Speth, Mr. Gingras, Mr. Kunz, Mr. Blackert and
12 myself.

13 9. Defendants’ counsel expressly offered that they would be
14 willing to release future claims of a lawsuit for malicious prosecution that have not
15 yet ripened on July 20, 2010. Defendants’ counsel offered a release of the future
16 claims for malicious prosecution and abuse of process threatened against Mr.
17 Blackert and me personally if we would effect an immediate settlement of the case
18 between our clients and Defendants for a payment of either \$35,000 or \$50,000
19 from our clients, which Defendants’ counsel referred to as attorneys’ fees. The
20 numbers proposed seemed arbitrary and did not seem to reflect actual
21 legal billings, since Ms. Speth proposed \$35,000 and Mr. Kunz proposed \$50,000.

22 10. A true and correct copy of an August 3, 2010 email and
23 attachment I received from Kenton Hutcherson is attached hereto as **Exhibit “4.”**
24 The attachment threatens to create a “Hall of Shame” for Mr. Hutcherson for Mr.
25 Hutcherson’s past conduct in providing Plaintiffs with a declaration and issuing a
26 press release about same.

