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12 Attorney for Plaintiffs,  
13 Asia Economic Institute,  
14 Raymond Mobrez, and  
15 Iliana Llaneras

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

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

21 Plaintiffs. )

22 vs. )

23 XCENTRIC VENTURES, LLC, an Arizona )  
24 LLC, d/b/a as BADBUSINESS BUREAU )  
25 and/or EDU BY XCENTRIC VENTURES, LLC et al )  
26 and/or RIP OFF REPORT and/or )  
27 RIPOFFREPORT.COM; BAD BUSINESS )  
28 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

**DECLARATION OF RAYMOND  
MOBREZ PURSUANT TO THE  
COURT'S ORDER ON APRIL 19, 2010  
REGARDING PLAINTIFFS' RICO AND  
EXTORTION CAUSES OF ACTION**

Judge: Stephen V. Wilson  
Trial Date: August 3, 2010  
Time: 9:00 AM  
Courtroom: 6

Asia Economic Institute/EDU By Xcentric Ventures, LLC et al

Doc. 28

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2 I, Raymond Mobrez, declare under penalty of perjury as follows:

3 1. My name is Raymond Mobrez. I am a resident of that State of California, and am  
4 over the age of 18 years, and if called to testify in court or other proceeding I could and would  
5 give the following testimony which is based on my own personal knowledge unless otherwise  
6 stated.  
7

8 2. I am a principal of Asia Economic Institute ("AEI"). AEI had been in business in  
9 California for the past nine years. At the time the defamatory posts were posted on Ripoff  
10 report, AEI operated as a free, on-line, non-governmental publication of current news and events.  
11

12 3. On or about February 2009, Ms. Llaneras and I conducted a search on  
13 Google.com ("Google") and/or Yahoo.com ("Yahoo") using the following terms: Raymond  
14 Mobrez, Mobrez, Iliana Llaneras, Llaneras, and AEI. Within the first few search results, our  
15 names appeared in association with a "Ripoff Report." The resulting text also claimed that we  
16 had exploited our employees and warned search engine users not to work for AEI. The posts are  
17 attached to Plaintiffs' Complaint.  
18

19 4. On February 15, 2009, I sent an e-mail to Ripoff Report informing the Defendants  
20 of the "outlandish lies" published on their Web site. In an effort to avoid the judicial process, I  
21 simply requested that the Defendants remove the posts from their Web site and identify the  
22 individuals responsible. Likewise, I informed Defendants "Your false publishing has caused me  
23 and others that you have named hardship and enormous loss." At this time, I made Defendants  
24 aware of the damage we were suffering because of these posts. Specifically, I told him he had  
25 put me out of business. He was not responsive. Attached hereto as EXHIBIT A is a true and  
26 accurate copy of my February 15, 2009 e-mail to Defendants. Defendants never responded.  
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1           5.       After there had been no response, AEI filed a "Rebuttal" on April 3, 2009 for  
2 each report listed on the Ripoff Report Web site at that time. These "rebuttals," however, do not  
3 appear as "results" on Internet search engines such as Google and Yahoo. Attached hereto as  
4 EXHIBIT B is a true and accurate copy of the rebuttal.  
5

6           6.       On April 29, 2009, I contacted the Ripoff Report office using the telephone  
7 number listed on its Web site. I was taken through a series of voice prompts which eventually led  
8 me to someone who identified himself as the "EDitor." The speaker immediately inquired into  
9 the size and profitability of my business. Based on my recollection, the speaker asked, among  
10 other things, whether my company was internationally based, the size of the company, and how  
11 we were making money. I responded that AEI is an American company that has been shut down  
12 by the accusations posted on his Web site. Later in our conversation, he boasted that Ripoff  
13 Report was at the top of all the search engines. The call was disconnected immediately  
14 thereafter. Attached hereto as EXHIBIT C is a true and accurate copy of Mr. Mobrez's phone  
15 records from April 27, 2009.  
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18           7.       I immediately re-dialed the number. During this brief conversation, the "EDitor"  
19 asked if we had read about his Advocacy program. Having not been aware of this program, I  
20 asked what the program entailed. Our phone call was again disconnected. See EXHIBIT C to  
21 confirm the second phone call  
22

23           8.       Again, I re-dialed the number. During this conversation the "EDitor" told me to  
24 read the information online regarding his "CAP." He instructed me to fill out an on-line form. I  
25 was then asked to send an e-mail to "EDitor@ripoffreport.com" identifying myself and  
26 describing the reason for my phone call. See EXHIBIT C to confirm the third phone call.  
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1           9.     On the following day, I sent an e-mail to “EDitor@ripoffreport.com” as  
2 instructed. I offered to prove the falsity of the posts and requested the assistance of the “EDitor”  
3 in removing the bogus reports from his Web site. Attached hereto as EXHIBIT D is a true and  
4 accurate copy of my April 28, 2009 e-mail to Defendants.  
5

6           10.    On May 5, 2009, I again contacted the Ripoff Report office by phone. I asked the  
7 man, who now identified himself as Ed Magedson, if he had received the e-mail I sent to him on  
8 February 28, 2009. Mr. Magedson responded that I would need to enroll in the CAP program.  
9 Again, I asked for more information regarding the program, including the cost of participation.  
10 Mr. Magedson proceeded to describe his Web site and how it could benefit us. He then  
11 emphasized that his Web site has immunity under the law and, therefore could not be sued.  
12 Moreover, he claimed to have a team of lawyers that would fight us if we chose to sue him. He  
13 further warned that others had tried but failed and that it was best to just “go with the program.”  
14 Ms. Llaneras witnessed this conversation from her office phone. Attached hereto as EXHIBIT E  
15 is a true and accurate copy of Mr. Mobrez’s phone records from May 5, 2009.  
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17           11.    After our conversation, I re-sent Mr. Magedson the April 28<sup>th</sup> e-mail. Attached  
18 hereto as EXHIBIT F is a true and accurate copy of my May 5, 2009 e-mail to Defendants.  
19

20           12.    On May 5, 2009, Mr. Magedson made a lengthy response describing, among other  
21 things, the “Rip-off Report’s Corporate Advocacy, Business Remediation and Customer  
22 Satisfaction Program.” The program, as described by Mr. Magedson’s e-mail, promised to  
23 change “the negative listings on search engines into a positive along with all the Reports on Rip-  
24 off Report.” I never threatened to sue Mr. Magedson or his company; yet, the e-mail warned that  
25 a lawsuit against the Web site was a losing battle. The e-mail boasted that the Web site “NEVER  
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1 lost a case” and that suing would “only get [us] more publicity and additional listings on search  
2 engines.” EXHIBIT G is a true and accurate copy of Defendants’ e-mail.

3  
4 13. Later that day, I responded to Mr. Magedson’s e-mail by phone. I told Mr.  
5 Magedson that I had received his e-mail and was still uncertain what he wanted me to do. Mr.  
6 Magedson responded that I would have to go onto his Web site and enroll in the CAP program.  
7 When asked what it would cost for us to participate in his program, Mr. Magedson replied that it  
8 would cost us at least “five grand” plus a monthly maintenance fee of a couple hundred dollars.  
9 He stated that these charges were based on the size if company. Specifically, he stated that the  
10 more money a company made, the more they would be charged. When asked the reasoning  
11 behind this, he was not responsive. He again instructed me to fill out the CAP forms. Again, Ms.  
12 Llaneras listened from her office phone. See EXHIBIT E to confirm Mr. Mobrez’s phone call.  
13

14 14. On May 12, 2009, I contacted Mr. Magedson by phone. This phone call lasted  
15 approximately 17 minutes. During this time, I told Mr. Magedson that I was hesitant to join his  
16 program because I could not stipulate to the allegations in the posts because they were not true.  
17 Again, I offered to prove their falsity. He was not responsive. Mr. Magedson said that I would  
18 have to agree to his terms in order for him to help. When asked what we would receive if we  
19 paid the fees he demanded, Mr. Magedson claimed that “all the negative goes away and you see  
20 the positive.” At the conclusion of this phone call, Mr. Magedson again insisted that we fill out  
21 the necessary paperwork. He told me that once I filled out the form and entered CAP “all of the  
22 negative goes away and you see the positive.” Ms. Llaneras witnessed this conversation from her  
23 office. EXHIBIT H is a true and accurate copy of Mr. Mobrez’s phone records from May 12,  
24 2009.  
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1           15.     Later that day, I received an e-mail from Mr. Magedson. The e-mail complained  
2 that I had driven Mr. Magedson “crazy” because I “never filled out the form.” Again, Mr.  
3 Magedson provided me with a link to the required application form for the CAP. Attached  
4 hereto as EXHIBIT I is a true and accurate copy of Mr. Magedson’s May 12, 2009 e-mail.

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6           16.     On July 24, 2009, I responded the above e-mail and again informed Mr.  
7 Magedson that I was hesitant to join the CAP. I refused to stipulate to the false accusations  
8 posted on his Web site. Again, I offered to disprove the veracity of the posts and offered to meet  
9 with Mr. Magedson in person to discuss the terms of the CAP. Attached hereto as EXHIBIT J is  
10 a true and accurate copy of my May 5, 2009 e-mail to Defendants.

11           17.     In his e-mail response dated July 24, 2009, Mr. Magedson stated that there was no  
12 sense of meeting. He reiterated that the Web site never removes the reports. He claimed that  
13 “even if you were the pope.. (sic.) It would not make a difference.” Again, he expressed that the  
14 Web site has “spent over 3.4 million in legal fees and never lost a case.” Attached hereto as  
15 EXHIBIT K is a true and accurate copy of Mr. Magedson’s July 24, 2009 e-mail.

16  
17           18.     Despite the unremitting damage to my company, I refused to participate in the  
18 CAP. Again, I pleaded with him that he put us out of business and ruined our names. Sadly and,  
19 yet again, he was not responsive and, not surprisingly, again brought up the topic of money.  
20 Because we refused to pay Mr. Magedson, the accusatory posts continue to appear on Internet  
21 search engines such as Yahoo and Google.

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23           19.     Attached hereto as EXHIBIT L true and accurate copies of hand written notes  
24 taken by me during my telephone conversations with Mr. Magedson.

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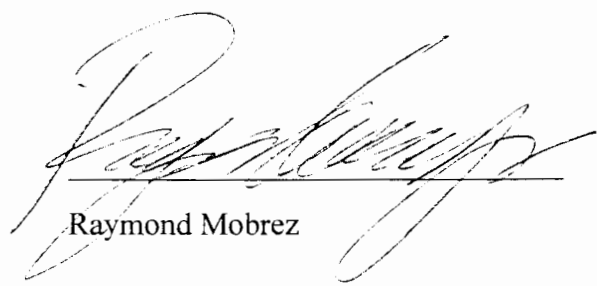
4 Pursuant to 28 U.S.C., Section 1746, I declare under penalty of perjury under the laws of the  
5 United States of America that the foregoing is true and correct.

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7 EXECUTED ON: April 2, 2010.

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Raymond Mobrez

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