

1 UNITED STATES DISTRICT COURT
2 CENTRAL DISTRICT OF CALIFORNIA

3 ASIA ECONOMIC INSTITUTE, LLC,)
4 et al.,)

5) Case No.:
6 Plaintiffs,) 2:10-CV-01360-
7) SVW-PJW

8 v.)

9)
10 XCENTRIC VENTURES, LLC, et al.,)

11)
12 Defendants.)
13 _____)

14 DEPOSITION OF RAYMOND MOBREZ,
15 taken on behalf of the Defendants,
16 at 777 South Figueroa Street, 47th Floor,
17 Los Angeles, California, commencing at
18 10:12 A.M., Friday, May 7, 2010, before
19 Yaelle Daneshrad, Certified Shorthand
20 Reporter No. 11754.
21
22
23
24
25

2

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3 DEPONENT EXAMINED BY PAGE
4 RAYMOND MOBREZ MR. GINGRAS 8

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1 APPEARANCES OF COUNSEL:

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4 -and-

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22 ALSO PRESENT:

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24 JULIO PENA, Videographer
25

3

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<p>1 EXHIBITS 2 EXHIBIT PAGE 3 Exhibit 24 - Declaration of Iliana 263 Llaneras Pursuant to the Court's 4 Order on April 19, 2010, Regarding Plaintiffs' RICO and Extortion 5 Causes of Action 6 Exhibit 25 - Recordings of phone calls 271 and Index of Files on Disc 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p> <p style="text-align: right;">6</p>	<p>1 And she's not appearing, but you can state 2 your name. 3 MR. BLACKERT: Let me just clarify, Daniel 4 Blackert on behalf of plaintiffs. 5 THE VIDEOGRAPHER: Would the court 6 reporter please swear in the witness. 7 MS. SPETH: Maria Speth, but I'm not 8 actually appearing. 9 MR. GINGRAS: She's just an assistant. 10 11 RAYMOND MOBREZ, 12 having been first duly sworn, 13 was examined and testified as follows: 14 15 EXAMINATION 16 BY MR. GINGRAS: 17 Q Mr. Mobrez, good morning. You and I have 18 not met before. My name is David Gingras. I'm a 19 lawyer, as you probably know, representing the 20 defendants in this lawsuit. 21 And we're going to talk a lot about this 22 lawsuit today, and when we do that, just for 23 convenience, I'm sure that you'll understand I'm 24 talking about the lawsuit pending in the Federal 25 Court that you filed. And we're here to talk about</p> <p style="text-align: right;">8</p>
<p>1 LOS ANGELES, CALIFORNIA; FRIDAY, MAY 7, 2010 2 10:12 A.M. 3 -o0o- 4 THE VIDEOGRAPHER: The date is May 7, 5 2010. The time is 10:12. We are taking 6 volume 1 of the deposition of Raymond Mobrez in 7 the matter of Asia Economic Institute, et al., 8 v. Xcentric Ventures, et al., for the United 9 States District Court, Central District of 10 California, case No. 2:10-CV-01360. 11 My name is Julio Pena. I represent Hahn 12 and Bowersock, which is located in Costa Mesa, 13 California. This deposition is being taken at 14 Klinedinst, located in Los Angeles, California. 15 At this time could all parties please 16 introduce themselves, starting with the 17 witness. 18 THE WITNESS: Raymond Mobrez. 19 MR. BLACKERT: Daniel Blackert. 20 MS. BORODKIN: Lisa Borodkin for 21 plaintiffs. 22 MS. LLANERAS: Iliana Llaneras. 23 MR. GINGRAS: David Gingras on behalf of 24 defendants Xcentric Ventures, LLC, and Edward 25 Magedson.</p> <p style="text-align: right;">7</p>	<p>1 that today. 2 A Yes, I do. 3 Q Would you state your full name? Do you 4 have a middle name? 5 A I don't have a middle name. My first name 6 is Raymond. 7 Q And what is your date of birth, please? 8 A 11-5-51. 9 Q Mr. Mobrez, have you had your deposition 10 taken before? 11 A Some time ago, yes. 12 Q Do you remember what kind of matter that 13 was? 14 A Maybe arbitration. 15 Q But what kind of case was it? A contract 16 case or debt collection -- 17 A Maybe, a transaction. 18 Q Since it's been a while since you've had 19 your deposition taken, I'll give you what we call 20 the ground rules. The goal here is to make a very 21 clear record of what you have said, what you have 22 testified to and also what my questions are. 23 The way that we will do that effectively 24 is, most important, wait, please listen to what I'm 25 asking you and wait until I'm done. Even if you</p> <p style="text-align: right;">9</p>

1 know exactly what I'm about to say, if I'm in the
2 middle of a sentence, please wait until I'm done.
3 That way the court reporter can finish what I am
4 saying. And then begin with what you're saying.
5 Okay?
6 A Yes, I do.
7 Q And that leads to my next one, which is I
8 need verbal responses from you. I can see you, I
9 can see you nodding or shaking your head, but the
10 court reporter needs to accurately record your
11 response. And we need a word to do that. So "yes"
12 or "no" will do, something like that.
13 Okay?
14 A Yes, I do.
15 Q Also, during the course of the deposition,
16 it is possible that your attorney may object to one
17 or more of my questions. Unless your attorney tells
18 you not to answer, you can essentially ignore him.
19 Those objections are being made for the
20 record. Obviously the judge isn't here with us
21 today, so he cannot make rulings on specific
22 objections, and so we just do that to make a record
23 in case we need to have a resolution of that
24 objection later. Okay?
25 A Yes.

10

1 Q So, again, unless your attorney tells you
2 not to answer a question, you can just listen to,
3 listen to him and then ignore that. Okay?
4 Finally if you need to take any breaks,
5 you're welcome to do that as long as there's no
6 question pending. Essentially I am in charge of
7 this deposition today. I'm entitled to take your
8 testimony, and you're entitled to reasonable
9 accommodations. If you need a break, just ask. But
10 other than that, if there's a question pending, I'd
11 like an answer before you call a break.
12 Okay?
13 A Will do.
14 Q Okay. Mr. Mobrez, where do you currently
15 reside?
16 A 1021 Lincoln Boulevard.
17 Q And what city is that?
18 A Santa Monica.
19 Q California?
20 A California.
21 Q Have you -- how long have you lived there?
22 A I lived there about 30 years.
23 Q I'm sorry, 30 years?
24 A Uh-huh.
25 Q Do you have any residences outside of the

11

1 State of California?
2 A Not currently.
3 Q Did you in the past?
4 A I had properties outside of California.
5 Q And you currently do or no longer do?
6 A I don't.
7 Q Mr. Mobrez, I was reading a little bit
8 about your biography, and I'm going to show you some
9 exhibits, and we'll get to those things.
10 I understand you were born in England; is
11 that right?
12 A No, I was not born in England.
13 Q Where were you born?
14 A I was born in Tabriz, Iran.
15 Q Okay. Are you a U.S. citizen?
16 A Yes, I am.
17 Q Okay. I've got an exhibit that says you
18 were born in England. But, you know, you don't
19 believe everything you read. Where --
20 A I grew up in England.
21 Q Pardon?
22 A I grew up in England.
23 Q Whereabouts?
24 A London.
25 Q My wife is from London. I just found

12

1 that, that little detail interesting.
2 Are you currently married?
3 A Yes, I am.
4 Q Who is your spouse?
5 A Iliana Llaneras.
6 Q When did you get married?
7 A Eighteen years ago.
8 Q And you've been married the whole 18
9 years?
10 A Yeah.
11 Q Congratulations.
12 Before Ms. Llaneras, were you married to
13 anyone else?
14 A Yes, I did.
15 Q And who is that?
16 A Connie.
17 Q I'm sorry?
18 A Connie.
19 Q Does Connie have a last name?
20 A No, Connie is her first name.
21 Q Is there a last name associated with --
22 A Connie Byers.
23 Q And you were divorced from Ms. Byers?
24 A Yes.
25 Q When was that?

13

1 A '85.
2 **Q Do you know where that divorce case was**
3 **pending?**
4 A I assume California, Los Angeles.
5 **Q Were you, were you a party to the case?**
6 **Do you not remember where it was?**
7 A We filed for divorce at that time.
8 **Q And you were living in Los Angeles?**
9 A Correct.
10 **Q Okay. Would you please describe your**
11 **education starting with high school. And if you**
12 **didn't attend high school in the States, then just**
13 **begin at whatever the equivalent was.**
14 A I started going to college here. I
15 continued after college that I had the units from
16 Europe, England.
17 **Q Did you attain a Bachelor's or Associate's**
18 **degree?**
19 A Yes, I did.
20 **Q From what university?**
21 A I got my degree finally from La Jolla
22 University.
23 **Q And what degree was that?**
24 A My Ph.D.
25 **Q What was the Ph.D. focusing in?**

14

1 A Human Behavioral.
2 **Q And I'm sorry, you said Loyola?**
3 A Yes.
4 **Q And what year was that?**
5 A I believe 1990 or '91.
6 **Q Other than your Ph.D., what other degrees**
7 **do you have?**
8 A That's it.
9 **Q No undergraduate degree?**
10 A I have Bachelor and Master from the same
11 school.
12 **Q Is that a different school than Loyola?**
13 A No, La Jolla.
14 **Q I keep hearing you say La Jolla, and then**
15 **I hear Loyola.**
16 A No, La Jolla.
17 **Q La Jolla?**
18 A Yes. City of La Jolla in California.
19 **Q Just so I am really clear on what you're**
20 **saying, tell me again the name of the university**
21 **that you obtained your Ph.D. from.**
22 A La Jolla.
23 **Q La Jolla University?**
24 A Correct.
25 **Q And that's in La Jolla, California?**

15

1 A San Diego.
2 **Q San Diego? Does that school still exist?**
3 A I don't know.
4 **Q Okay. Mr. Mobrez, one of the reasons I'm**
5 **focusing on that issue is one of the reports in that**
6 **case, and we're about to look at them as soon as**
7 **they're done being marked, one of the reports in**
8 **this case talks about you having a Ph.D., and I**
9 **think they're questioning whether or not that's**
10 **true.**
11 **Are you making an issue in this case as to**
12 **the truthfulness of that statement? In other words,**
13 **is part of your defamation claim or any other claim**
14 **based on whether or not you have a Ph.D.?**
15 MR. BLACKERT: Objection. Calls for a
16 legal conclusion.
17 BY MR. GINGRAS:
18 **Q You can answer the question. Do you claim**
19 **that you have been defamed by somebody saying that**
20 **you represent to people that you are a doctor or**
21 **that you have a Ph.D. when in fact that's not the**
22 **case?**
23 MR. BLACKERT: Again, objection, calls for
24 a legal conclusion.
25 THE WITNESS: I don't represent anything

16

1 other than what I have.
2 BY MR. GINGRAS:
3 **Q But you are a doctor? Is that your**
4 **position?**
5 A I'm a Ph.D., yes.
6 **Q Ph.D. And so if somebody said that you**
7 **didn't have a Ph.D., would that statement be true or**
8 **false?**
9 A False.
10 **Q Okay. And is that statement something**
11 **that you are seeking to recover damages for in this**
12 **case?**
13 MR. BLACKERT: Objection --
14 BY MR. GINGRAS:
15 **Q I'm not trying to play any tricks with**
16 **you. What I'm asking is sometimes people will say**
17 **things about a person, and you really don't care.**
18 **Somebody could say that I used to play football in**
19 **the NFL. That's false, but I don't think that**
20 **damages me, so I'm not concerned if they say that.**
21 **That's what I'm trying to ask you. Is, is**
22 **the statement about your having a Ph.D. and telling**
23 **people falsely that you're a doctor when you're not,**
24 **I'm not saying that this is true or false, but is**
25 **that part of your claim for damages?**

17

1 MR. BLACKERT: Objection. Calls for a
2 legal conclusion. Vague and ambiguous.
3 THE WITNESS: All I can answer is that is
4 not the one element of defamation of somebody.
5 There's more than that what it is --
6 BY MR. GINGRAS:
7 **Q Of course, of course. But as to the Ph.D.**
8 **statement, are you claiming any damages in this case**
9 **as a result of that statement?**
10 **And I'll give you an example. Possibly**
11 **you had a customer who was doing business with you**
12 **and then decided to stop doing business with you**
13 **and, when you asked them why, they said "Because I**
14 **heard that you're falsely claiming to have a Ph.D.**
15 **when that's not true," something like that?**
16 MR. BLACKERT: Same objections.
17 THE WITNESS: I did not have any customer
18 or anyone without being concerned about my --
19 BY MR. GINGRAS:
20 **Q Fair enough. I'm not trying to belabor**
21 **this point. I'm trying to understand your case.**
22 **Okay? What professional licenses do you currently**
23 **hold, if any?**
24 A California real estate broker license.
25 **Q Is that current and in good standing?**

1 A Yes, it is.
2 **Q How long have you had that license?**
3 A Maybe 20 years.
4 **Q Do you hold any other professional**
5 **licenses?**
6 A Not currently.
7 **Q Have you in the past?**
8 A Yes, I did.
9 **Q What would those licenses be?**
10 A Real estate. And that's about it.
11 **Q Like a salespersons license or something?**
12 A Yes.
13 **Q Have you ever had a professional license**
14 **revoked or denied for any reason?**
15 A No.
16 **Q Have you ever been convicted of any crime?**
17 A No.
18 **Q Have you ever been involved in any**
19 **litigation in the past, whether as a plaintiff,**
20 **defendant or a witness? And I understand that you**
21 **mentioned your divorce, and I would include that,**
22 **but we've already covered that.**
23 **So other than the divorce, have you ever**
24 **been a party in any other lawsuits?**
25 A Yes, I believe I -- yeah.

1 **Q And I think I read about one of them where**
2 **you and Ms. Llaneras were plaintiffs in a case in**
3 **Federal Court. I think the word "Recovery" or**
4 **something was in the name of one of the defendants?**
5 A Correct.
6 **Q What was that case about?**
7 A I purchased a company, manufactures
8 gloves, and we entered the agreement. It was a
9 breach of contract.
10 **Q Breach of contract case? And it looked**
11 **like, from what I saw in the document, it didn't go**
12 **very far. Did you reach some sort of a settlement?**
13 A I had some money in the escrow, so they
14 returned my money back.
15 **Q And it didn't go to trial?**
16 A Correct.
17 **Q Did you testify in a deposition in that**
18 **case?**
19 A No.
20 **Q And it didn't go to trial, so there was no**
21 **trial testimony?**
22 A Yes.
23 **Q Besides that case, any other cases that**
24 **you've been involved in?**
25 A Not really.

1 **Q Sounds like you're unsure?**
2 A Well, you're talking about how far back?
3 This is about ten years ago? 20 years ago?
4 **Q As far as you can remember.**
5 A I had no other litigations.
6 **Q As far as you remember? But are you sure?**
7 A (No audible response.)
8 **Q You're not sure?**
9 A I'm not sure. It's been 20 years or more
10 perhaps.
11 **Q And I think you said earlier that you were**
12 **deposed in a previous case. Do you remember**
13 **anything about that case?**
14 A It was a broker. It was an arbitration I
15 believe.
16 **Q And what was your relationship to the**
17 **case? Were you a party?**
18 A Yes.
19 **Q Were you a plaintiff or defendant?**
20 A Defendant.
21 **Q What was the nature of the claims being**
22 **made?**
23 A Just the party has received this money and
24 was asking for more money, and he lost the case on
25 that.

<p>1 Q Did it go to trial? 2 A No. Well, he lost the case basically on 3 the merit of his case. Arbitration. 4 Q Understand. Okay. Do you remember the 5 name of the plaintiff in that case? 6 A No. 7 Q Do you remember where that case was 8 pending? 9 A Los Angeles, California. 10 Q State court or federal? 11 A State. 12 Q Have you ever been involved in any cases 13 before the Securities and Exchange Commission? 14 A Yes. 15 Q Tell me about that. 16 A NASD. 17 Q Anything more specific than that? 18 A It was a, I think this goes back to 1985 19 maybe. It was a churning broker was -- did churning 20 in my account. 21 Q And did you sue the broker? 22 A Yes. 23 Q You filed a complaint, and it went through 24 some kind of SEC arbitration or -- 25 A Correct.</p> <p style="text-align: right;">22</p>	<p>1 Q Is it in good standing currently? 2 A I believe so. 3 Q Is that kind of like a parent company for 4 AEI? 5 A Not really, no. 6 Q Okay. Other than World Econ, what other 7 businesses do you have any interest in? And that 8 includes LLCs, corporations, unincorporated sole 9 proprietorships, anything you would regard as a 10 business. 11 A Western American, Western American -- 12 Q Is that Western? 13 A Western American Pan Pacific. 14 Q Is that all one thing? 15 A Yes. 16 Q What is Western American Pan Pacific? 17 A It's a real estate brokerage investment 18 advisory consultant. 19 Q Is that company still in business? 20 A Yes. 21 Q And is World Econ still in business? 22 A Yes. 23 Q Any other companies? 24 A We -- Western American operates also in 25 DBA of Portfolio Securitization Capital Group.</p> <p style="text-align: right;">24</p>
<p>1 Q -- NASD? Did you prevail? 2 A It was resolved and dismissed basically. 3 Q Did you receive any money from that? 4 A No. 5 Q Mr. Mobrez, do you own any interest in any 6 businesses -- I know we're going to talk a lot about 7 Asia Economic Institute, LLC, which we'll probably 8 abbreviate to AEI. I'm not sure if that's easier to 9 say. And I'll ask you about that. 10 But other than AEI, do you have any 11 interests in any businesses? 12 A Yes, I do. 13 Q Please tell me the names of those 14 businesses. 15 A World Econ. 16 Q And maybe one at a time you can tell me 17 what each business is kind of generally? 18 A World Econ was going to be a, a holding -- 19 or some of the assets of Asia Economic Institute as 20 well as Africa Economic Institute, to be transferred 21 to -- on World Econ. 22 Q Is World Econ a corporation or LLC? 23 A LLC. 24 Q In California? 25 A Yes.</p> <p style="text-align: right;">23</p>	<p>1 Q And I've seen that, that name somewhere 2 before. Portfolio Securitization Capital Group? 3 A Yes. 4 Q Is that a corporation or an LLC? 5 A It is a DBA of Western American. 6 Q It's just a DBA. Okay. And is Portfolio 7 Securitization Capital Group, is that in business 8 still? 9 A Yes, it is. 10 Q What is the nature of that company's 11 business? 12 A Currently commercial mortgages and 13 commercial advisory. 14 Q As a broker? 15 A As a broker. 16 Q And I believe Portfolio Securitization 17 Capital Group shares the same address as AEI; is 18 that correct? 19 A Yes. 20 Q Do you have any other business locations 21 other than that, I think it's a Wilshire address? 22 A No. 23 Q I think we talked about three -- well, two 24 companies and then a DBA. Any other businesses that 25 you own any interests in?</p> <p style="text-align: right;">25</p>

1 A No.
 2 **Q That's it?**
 3 **Why don't we talk a little bit about AEI.**
 4 **I understand it's an LLC. Who are the members in**
 5 **that LLC?**
 6 A Myself and Iliana Llaneras.
 7 **Q Are you 50-50 members?**
 8 A I believe so, yes.
 9 **Q Anyone else?**
 10 A No.
 11 **Q Do you know if it's a manager-managed LLC**
 12 **or a member-managed LLC? It's okay if you don't.**
 13 A I don't.
 14 **Q Are you generally the person who is in**
 15 **charge of the operations of AEI?**
 16 A Yes, I am.
 17 **Q Mr. Mobrez, I understand that you have**
 18 **either ownership of or involvement with several**
 19 **websites; is that right?**
 20 A Yes, I am.
 21 **Q And I've actually tried to compile a list,**
 22 **and I stopped at about 30 names. I'll just read off**
 23 **some of them. Tell me if these are all businesses**
 24 **or websites that you're involved in.**
 25 **AsiaEconomyToday.com?**

26

1 A Yes.
 2 **Q AsiaEnergyForum.com?**
 3 A Yes.
 4 **Q AsiaBusinessInstitute.com?**
 5 A Yes.
 6 **Q AsiaIntern.com?**
 7 A Yes.
 8 **Q There's a list, like I said, it goes on**
 9 **and on.**
 10 A I don't know Asia Intern exists.
 11 **Q You don't know if it does?**
 12 A (No audible response.)
 13 **Q It's not important. It just seems to me**
 14 **there's a lot of websites that you're involved with;**
 15 **is that accurate?**
 16 A Indeed.
 17 **Q What is your involvement with those**
 18 **websites?**
 19 A We developed these websites for potential
 20 businesses to bring it to the Asia Economic
 21 Institute and Africa Economic Institute.
 22 **Q Do you have -- every single company on my**
 23 **list here begins with "Asia." Do you have a similar**
 24 **list of names that relate to Africa?**
 25 A I believe so.

27

1 **Q Okay. Who, who would you regard as the**
 2 **owner of those websites?**
 3 A Myself.
 4 **Q Personally or through AEI?**
 5 A Combination.
 6 **Q Do you know who monitors or administers**
 7 **those websites? What I'm asking is, if content was**
 8 **located on those websites, who would be the person**
 9 **that puts it there?**
 10 A Well, answer to that question is we have
 11 been out of business almost a year, and we were put
 12 out of business by your client. So we have not been
 13 maintaining these websites after basically this --
 14 we've been out of business.
 15 MR. GINGRAS: I'm not sure that that was
 16 an answer to my question. Can you read the
 17 question back.
 18 (The previous question was read.)
 19 BY MR. GINGRAS:
 20 **Q Can you answer that question, please.**
 21 A Nobody puts any content any longer to
 22 these websites.
 23 **Q That's still not answering my question.**
 24 **I'm asking you who put the content there that is**
 25 **currently there. Did you have a web developer or**

28

1 **like a guy in your, in your company who was**
 2 **responsible for running the website, making changes**
 3 **to it, posting material, things of that nature?**
 4 A Yes, we did.
 5 **Q Who was that person? Was that you?**
 6 A No.
 7 **Q Who was that person?**
 8 A It was a combination of various web
 9 developers.
 10 **Q Okay. Tell me as many names as you can**
 11 **remember.**
 12 A George, Richard, Ivan --
 13 **Q Do you recall the last names of any of**
 14 **those people?**
 15 A Richard --
 16 **Q Let me just make it easier. Were those**
 17 **employees of yours, or were those independent**
 18 **contractors, or were they employed by an outside**
 19 **company?**
 20 A Web developers predominantly is
 21 contractors, independent contractors.
 22 **Q That you entered into some sort of a**
 23 **relationship with on a per-job basis or something**
 24 **short term?**
 25 A Short term, yes.

29

1 **Q Would you have records relating to who**
2 **those people are?**
3 A I assume, yes.
4 **Q Okay. Then I'll let those -- we'll figure**
5 **out if we need that. I'm not sure if this was**
6 **covered by anything that you already said, but are**
7 **you currently employed?**
8 A Employed by?
9 **Q Yeah. That's what I'm asking is are you**
10 **employed by someone. How do you earn a living**
11 **currently?**
12 A Savings.
13 **Q So you're not working presently?**
14 A No.
15 **Q When did you last work?**
16 A I'm self-employed.
17 **Q That doesn't mean that you don't earn an**
18 **income by doing something.**
19 A Yes.
20 **Q When was the last time that you earned an**
21 **income from doing anything?**
22 MR. BLACKERT: Objection. Vague and
23 ambiguous. Overbroad.
24 BY MR. GINGRAS:
25 **Q You can answer the question.**

30

1 A Two years ago.
2 **Q And what, what was that?**
3 A Real estate.
4 **Q Specifically what type of real estate**
5 **activities?**
6 A Commercial mortgages.
7 **Q And I understand that industry has changed**
8 **a lot lately, so I understand why maybe you're not**
9 **doing that anymore. Is there any specific reason**
10 **why you're no longer working?**
11 A I like to revisit your answer -- your
12 question.
13 **Q Which one?**
14 A The one, answer, just comment you made.
15 In fact the real estate business is, it's the only
16 business right now. It's extremely vibrant.
17 **Q Well, you'd agree with me that the**
18 **mortgage industry as a whole in our country has**
19 **experienced a lot of changes in the last several**
20 **years, wouldn't you?**
21 MR. BLACKERT: Objection. Relevancy.
22 THE WITNESS: I respond to that by saying
23 just one word. "Mortgage" is just a generic
24 term, can be used from mobile home park to all
25 the way down to office building like this. So

31

1 let's not mix the residential and commercial in
2 the same blend, blender.
3 BY MR. GINGRAS:
4 **Q Well, I agree with you. I think we're**
5 **getting off on a tangent. I think my, my question**
6 **to you is really directed at why are you not**
7 **employed either by yourself, for yourself, or with**
8 **another company.**
9 **Why are you not currently working?**
10 A This defamation, this, your posting,
11 severely damaged my reputation. And I would contact
12 anybody or anybody wants to contact me, they would
13 not want to do business with me.
14 **Q And that's I think exactly what I'm trying**
15 **to get at is are you claiming that something to do**
16 **with my client's conduct has caused you to be unable**
17 **to work?**
18 A Yes.
19 **Q Have you tried seeking employment anywhere**
20 **and been turned away?**
21 A Employment of what kind?
22 **Q I think you understand my question.**
23 MR. BLACKERT: Objection. Vague and
24 ambiguous.
25 \\\

32

1 BY MR. GINGRAS:
2 **Q Have you applied for any work anywhere in**
3 **the last two years?**
4 A Can you be more specific? In 7-Eleven
5 or --
6 **Q Yes. McDonald's?**
7 A I haven't.
8 **Q Why not?**
9 A Maybe I'm overqualified.
10 **Q But how would you know if you haven't**
11 **applied?**
12 MR. BLACKERT: Objection. Vague and
13 ambiguous. Harassing.
14 THE WITNESS: This is, this is not a
15 fruitful conversation.
16 BY MR. GINGRAS:
17 **Q I'm trying to understand why you are**
18 **making a connection between my client's conduct and**
19 **your unemployment. I'm asking what evidence that**
20 **you have that anyone has been affected in any way by**
21 **what's on the Ripoff Report website.**
22 MR. BLACKERT: Objection. Vague and
23 ambiguous. Calls for a legal conclusion.
24 Overbroad.
25 \\\

33

1 BY MR. GINGRAS:
2 **Q You can answer the question.**
3 A It's just, it seem to me we are not really
4 conducting this in an intelligent manner. You're
5 asking why shouldn't I work at a 7-Eleven or
6 McDonald's, and I'm responding to you over and over
7 again that if I would go and do any real estate or
8 large commercial mortgages like this building, they
9 would not trust me when they see my name first thing
10 pops out the Ripoff Report.
11 **Q And what is your basis? Because you**
12 **haven't actually done that, so you don't know what**
13 **people would or wouldn't do. Would you agree with**
14 **that?**
15 A No, sir --
16 MR. BLACKERT: Objection. Calls for
17 speculation.
18 THE WITNESS: I have done that.
19 BY MR. GINGRAS:
20 **Q When?**
21 A I have gone to search myself to my name.
22 Ripoff Report goes before my name, and it says, it
23 says "These are scam artists."
24 **Q But you have not applied for any**
25 **employment anywhere and been told that you're**

34

1 **ineligible to work there because of the Ripoff**
2 **Report, have you?**
3 MR. BLACKERT: Objection. Vague and
4 ambiguous.
5 THE WITNESS: I don't need to seek an
6 employment where I am self-employed for past 25
7 years of my life.
8 BY MR. GINGRAS:
9 **Q Well, explain to me why what's posted on**
10 **the Ripoff Report affects your ability to work for**
11 **yourself.**
12 A Normally in today's world, anybody wants
13 to do business with anyone, almost 99.99 percent
14 will do a search engine on the name. And if the
15 name is some type of, has a bad reputation, people
16 will not want to do business with them.
17 **Q So what you're telling me is that you**
18 **believe if you tried to work, nobody would work with**
19 **you and, therefore, you are making no effort to**
20 **work?**
21 MR. BLACKERT: Objection. Calls for
22 speculation.
23 BY MR. GINGRAS:
24 **Q Have I accurately characterized your**
25 **testimony?**

35

1 A No. I would say I am trying every day,
2 I'm trying to work with people, and I'm not getting
3 anywhere ahead because of the, my inability to do my
4 work.
5 **Q Okay. So tell me the name of one person**
6 **who has refused to work with you because of the**
7 **Ripoff Report postings.**
8 A There is no one who's going to come and
9 say that Ripoff Report I saw there. I have had a
10 pattern of 25 years people, they want to do business
11 with me. And all of a sudden, stopped. And --
12 **Q Name one of those people for me, please.**
13 MR. BLACKERT: Hold on. He was still
14 answering his question.
15 THE WITNESS: I can give you one example.
16 We were in Asia. A governor of an estate
17 wanted to appoint me a representative in United
18 States.
19 A gentleman from the United States, I
20 believe he is with the International Economic
21 Development of County of San Bernardino or
22 Riverside was standing next to me. And Moses
23 said, I think he was at the same time, searched
24 for my name on his BlackBerry, and he said,
25 "Raymond, you need to get yourself a lawyer."

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1 BY MR. GINGRAS:
2 **Q And who is that person? What is that**
3 **person's name who said that to you?**
4 A Moses Cisseros (phonetic).
5 **Q Can you spell that for us, please.**
6 A I, I can give you his card because I have
7 his card. I can make a copy of it and send it to
8 you. Or I can --
9 **Q So other than Moses -- strike that.**
10 **Did Moses tell you that he was not willing**
11 **to do business with you because of something that he**
12 **had read on the Ripoff Report website?**
13 A He did not say that. He said, "You need
14 to find a lawyer for yourself."
15 **Q And did he tell you that that was because**
16 **of something that he had read on the Ripoff Report**
17 **website about you?**
18 A Later did, he told me that he saw
19 something on the Ripoff Report.
20 **Q Okay. How can I get in touch with Moses?**
21 **You said you have his card?**
22 A Absolutely.
23 **Q Where does Moses live?**
24 A I don't know. I'm assuming in Riverside
25 or San Bernardino.

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1 **Q And did this conversation take place in**
2 **Asia did you say?**
3 A Yes, sir.
4 **Q Where -- Asia's --**
5 A China.
6 **Q China. Do you intend to call Moses as a**
7 **witness at trial?**
8 MR. BLACKERT: Objection. Calls for a
9 legal conclusion.
10 THE WITNESS: No.
11 BY MR. GINGRAS:
12 **Q Okay. Other than Moses, is there any**
13 **specific person that you can tell me has either**
14 **directly or indirectly told you that they would not**
15 **do business with you because of something on the**
16 **Ripoff Report website about you?**
17 A A few.
18 **Q Who?**
19 A We had people in fact posted in the Ripoff
20 Report says, "I didn't want to work for them" --
21 **Q And we'll look at that in a minute. But**
22 **other than that person, can you give me the names of**
23 **any specific people that told you they would not do**
24 **business with you because of something on the Ripoff**
25 **Report website about you?**

38

1 A We are getting to the area of --
2 **Q This is a yes-or-no question, sir.**
3 A Yes.
4 **Q Who?**
5 A Many.
6 **Q Can you give me any names as we sit here**
7 **today?**
8 A I have to look up and give you those
9 names, list of it.
10 **Q Okay. Why don't we take a minute and**
11 **let's have some exhibits. This might help you a**
12 **little bit.**
13 **Before we get to that, the exhibits, you**
14 **just said that you could look up the names of other**
15 **people. Where would you look up those names?**
16 MR. BLACKERT: Objection.
17 Mischaracterizes plaintiff's testimony.
18 THE WITNESS: In my records or at my
19 office.
20 BY MR. GINGRAS:
21 **Q Are they specific records you're thinking**
22 **of? The reason I'm asking is so I can ask your**
23 **lawyer to produce a copy of those records to me.**
24 A Business card or names.
25 MS. SPETH: That's for the court reporter.

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1 MR. GINGRAS: We're going to start marking
2 some exhibits here. We've got, I've got all of
3 the reports, Mr. Mobrez. Just so you know,
4 I've got all the reports at least currently as
5 of today that are on the Ripoff Report website,
6 and I've marked them -- there's six of them.
7 I've marked them 1A and 1B through 6A and 6B.
8 And then we'll, let me just show these to you.
9 MS. SPETH: You're going to do all of them
10 at once?
11 MR. GINGRAS: Yeah, let's just go --
12 MS. SPETH: Why don't you start with that
13 one, and I'll have a whole set for you -- or
14 you want to do them together?
15 (Whereupon, exhibits 1A through 6B were
16 marked for identification and are bound under
17 separate cover.)
18 BY MR. GINGRAS:
19 **Q Mr. Mobrez, normally when we do these**
20 **cases, I ask the witness to take a highlighter or a**
21 **pen and mark every word on the reports themselves**
22 **that they claim is false. Because, like I said**
23 **before, not every statement that is about a person,**
24 **even if it's inaccurate, not every statement is**
25 **harmful and, therefore, not every statement might be**

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1 **part of the case.**
2 **I do not know which specific statements**
3 **you're claiming are false. So normally I would ask**
4 **that you underline the exact words that you're**
5 **offended by in these posts. For reasons of time, I**
6 **don't think we're going to have you do that today.**
7 **But are you aware of the fact that I've**
8 **sent discovery requests to your attorneys asking**
9 **that you do essentially what I've just explained?**
10 **Are you aware of that?**
11 A I am not or --
12 **Q Do you have any -- is there any reason**
13 **that you can't do that today? Or by the time those**
14 **responses are due in a couple of weeks?**
15 A I don't see any reason I would not be able
16 to do it.
17 MS. SPETH: That's three.
18 BY MR. GINGRAS:
19 **Q And, again, we'll get all of these to you.**
20 **Mr. Mobrez, you've obviously -- have you**
21 **seen each one of these before?**
22 A Yes.
23 **Q When was the first time that you recall**
24 **seeing them?**
25 A On or about February of 2009.

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1 Q All right. While we're finishing up with
 2 that, again, I don't want to get into each specific
 3 statement that you're concerned about because I
 4 think it will take too much time.
 5 But I would like you to spend time with
 6 these and highlight or underline in whatever way you
 7 wish the exact statements that you claim are false
 8 and that you claim have hurt you in some way.
 9 Do you understand that?
 10 A Correct.
 11 Q Okay. Let's go back to AEI for a minute.
 12 What kind of business is AEI?
 13 A Publication, news about economics and
 14 financial.
 15 Q Does AEI or did AEI ever sell any goods?
 16 A No.
 17 Q Did it ever sell any services?
 18 A No.
 19 Q How did AEI make money or try to make
 20 money?
 21 A AEI was in the R and D stage, and
 22 practically they reached the finish line. We were
 23 about to put our seminars, conferences, perhaps
 24 selling a membership to some of the programs.
 25 Q Is that everything?

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1 A That's about --
 2 Q I'm still not clear at all on how you
 3 intended to make money through AEI. Can you just
 4 sort of explain to me what services or products --
 5 A Seminars, conferences.
 6 Q What do you mean by seminars?
 7 A Seminars.
 8 Q Seminars on what?
 9 A In economics, finance.
 10 Q So your intent was to put on a seminar
 11 where you would speak on some issue and then you
 12 would charge money for people to come there?
 13 A Not personally but, yes. Conferences and
 14 seminars are conducted not by the, only the
 15 principal. There's other people that come into
 16 these forums.
 17 Q You'd hire speakers or --
 18 A Yeah, yes.
 19 Q Did AEI ever actually do that?
 20 A It's about to do it.
 21 Q That wasn't my question. In the past has
 22 AEI ever put on any seminars?
 23 A No.
 24 Q Has AEI ever made any money?
 25 A No.

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1 Q I think I read in your declaration, and
 2 we'll get to that in a minute, that AEI has been in
 3 business for nine years; is that right?
 4 A Correct, existence.
 5 MR. GINGRAS: Can I have Exhibit 7,
 6 please.
 7 MS. SPETH: So you're not going to use 1
 8 through 6? You needed me to mark them.
 9 MR. GINGRAS: They're there.
 10 MS. SPETH: Okay.
 11 MR. GINGRAS: Did you give --
 12 MS. SPETH: I gave them their set, yes.
 13 BY MR. GINGRAS:
 14 Q Do you have 1 through 6 in front of you?
 15 A I have one --
 16 Q I'm sorry. She gave them to me, and I
 17 didn't give them to you. That's the problem.
 18 A So where is the one? Or doesn't matter
 19 what order?
 20 Q You know, I do have a couple of specific
 21 questions about reports, and we'll get to them in a
 22 minute, so if you can just keep them in order as
 23 best you can.
 24 A Okay.
 25 (Whereupon, Exhibit 7 was marked for

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1 identification and is bound under separate
 2 cover.)
 3 BY MR. GINGRAS:
 4 Q I'll show you what I've marked as
 5 Exhibit 7. Exhibit 7 is a printout of the
 6 California Secretary of State website where you can
 7 find information on companies. And I printed this
 8 out myself some time ago.
 9 And it occurred -- it appears here that
 10 Asia Economic Institute, LLC, was formed on
 11 February 7th, 2007.
 12 Do you see that date on Exhibit 7?
 13 A Yes, I do.
 14 Q Does that date accurately reflect the date
 15 that AEI was formed as an LLC?
 16 A Yes.
 17 Q Prior to February of 2007, did AEI exist
 18 as simply a sole proprietorship or some kind of
 19 unincorporated business?
 20 A Unincorporated.
 21 Q Right. Was it a DBA of something else?
 22 A I believe maybe a DBA, yes.
 23 Q Of one of your other companies?
 24 A Yes.
 25 Q Do you know which one?

45

1 A Not any of the companies. DBA by itself.
2 **Q Okay. Does AEI have a website?**
3 A Yes.
4 **Q Is that website located at**
5 **www.AsiaEcon.org?**
6 A Yes.
7 (Whereupon, Exhibit 8 was marked for
8 identification and is bound under separate
9 cover.)
10 BY MR. GINGRAS:
11 **Q Exhibit 8. Mr. Mobrez, I'll show you what**
12 **I've marked as Exhibit 8 to your deposition. This**
13 **is a "Who Is" search for the website AsiaEcon.org.**
14 **This document appears to reflect the date**
15 **that that domain name was purchased as being the**
16 **26th of January 2007. Is that about what your**
17 **memory is as to the date that you first created the**
18 **or purchased the AsiaEcon.org domain name?**
19 A Domain, yes.
20 **Q Prior to January 26, 2007, did AEI have**
21 **any other website that it used for business?**
22 A No.
23 **Q It simply just didn't have a web presence?**
24 A Exactly.
25 **Q Prior to that date.**

46

1 **Okay. How many people currently work at**
2 **AEI?**
3 A There's nobody working at AEI.
4 **Q Okay. In the past, what was the largest**
5 **number of employees that you had at any one time?**
6 **And for the purposes of that question, let's define**
7 **"employees" as including W-2 employees, independent**
8 **contractors, interns, exchange students, anybody**
9 **that showed up to work at AEI on a more or less**
10 **regular basis.**
11 **What's the largest number of people that**
12 **you had working for AEI at any one time?**
13 **A Twenty-seven, 25.**
14 **Q And do you have records showing who those**
15 **people were?**
16 A I'm assuming, yes, we had some records,
17 yes.
18 **Q Would those people have worked for AEI**
19 **before or after it was formed as an LLC?**
20 A After.
21 **Q Prior to it being formed as an LLC, did it**
22 **have any employees, AEI?**
23 A No.
24 **Q Okay. During -- when did AEI actually**
25 **cease doing business? Obviously it began in**

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1 **February of 2007. And I think you just said it's**
2 **been out of business for at least a year. Your**
3 **testimony is what it is.**
4 **When, when did AEI last engage in anything**
5 **that you would consider doing business?**
6 MR. BLACKERT: Objection. Vague and
7 ambiguous.
8 THE WITNESS: Maybe June --
9 BY MR. GINGRAS:
10 **Q Of what year?**
11 A 2009.
12 **Q June of 2009?**
13 A Uh-huh.
14 **Q And from the time that AEI was formed in**
15 **February of 2007 until June of 2009, what do you**
16 **think is the total number of employees -- again, I'm**
17 **defining that term more broadly than just W-2**
18 **employees -- what do you think is the total number**
19 **of people who came through your doors as employees?**
20 A It's a very broad question. I don't
21 remember exactly.
22 **Q You said there were 27 people or so**
23 **working there at one time. Are we talking about 27**
24 **or maybe 30 employees in the lifetime of the**
25 **company, or was it more than that?**

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1 A I--
2 **Q My question is whether or not you had**
3 **somebody who came in, worked for a week and then**
4 **left.**
5 A For a weekend or a week?
6 **Q A week, a day, a month, whatever.**
7 A Many.
8 **Q You have many people?**
9 A Yeah.
10 **Q And do you have records referring to who**
11 **those people are?**
12 A Depends. If it's an outside contractor, a
13 lot of times we did not retain the information.
14 **Q Well, you would have some sort of -- you**
15 **would have paid them something, wouldn't you?**
16 A I assume, yes.
17 **Q Tell me, when people work at AEI, what do**
18 **they do?**
19 A Web development, structuring this web
20 itself, building up the site, content management,
21 developing the programs.
22 **Q And I assume that you had at least one W-2**
23 **employee. Do you know what I mean when I say W-2?**
24 A On the payroll?
25 **Q Right.**

49

1 A Yes.
2 **Q How many employees did you have that were**
3 **not W-2 employees? How many workers? Let's use**
4 **that word.**
5 A I don't remember exactly.
6 **Q Majority of them?**
7 A Because we were in a stage of development
8 of the site, predominantly the technicians or web
9 developers are independent contractors.
10 **Q Did you ever have people that worked for**
11 **you for free?**
12 A Yes.
13 **Q How many?**
14 A A few.
15 **Q How many is a few?**
16 A Five, 10, 20.
17 **Q Could it have been more than that?**
18 A Worked for free what purpose?
19 **Q I don't know, but I don't really care.**
20 **I'm just asking you if people worked there who**
21 **didn't get paid, because they were interns, because**
22 **they were students, whatever.**
23 A Because they were sent by universities?
24 **Q Sure.**
25 A Yes.

50

1 **Q Okay. Just to rewind slightly, you said**
2 **that AEI basically ceased doing business in June of**
3 **2009; is that right?**
4 A Yes.
5 **Q Is there some specific event that sticks**
6 **out in your mind as the day that you closed the**
7 **doors or turned off the lights? Is there something**
8 **that happened in June that made you make a decision**
9 **to stop doing business with AEI?**
10 A We were basically this reports, Ripoff
11 Report, was in our throat and we were suffocating.
12 I don't know what time the last breath came out,
13 You're asking me when was the last breath,
14 I don't know exact moments of it. But it did die,
15 yes.
16 **Q Mr. Mobrez, an important issue in this**
17 **case is whether or not the reports that you have in**
18 **front of you actually caused AEI to suffer any**
19 **losses. Okay?**
20 **And I think you just explained to me that**
21 **AEI never made any money ever; right?**
22 A We, we --
23 **Q It's a yes-or-no question.**
24 A Answer is no and also yes. You open an
25 ice cream shop, you sign a lease, and something

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1 horrible happens the day you open it, and nobody
2 comes back again to that shop.
3 Did it make money? No. Did it make an
4 effort to make the money? Yes, they did. Every
5 business is the same.
6 **Q What effort did you make to make money?**
7 **You said that you never actually held any seminars,**
8 **so how do you know how successful that seminar would**
9 **have been if you had had one?**
10 MR. BLACKERT: Objection. Overbroad.
11 Calls for speculation. Vague and ambiguous.
12 BY MR. GINGRAS:
13 **Q You can answer the question.**
14 A Seminar business, it's a model that has
15 been very successful throughout the United States
16 and the world. Challenging that particular how the
17 people will go there and why they would go there, I
18 can't speak of that.
19 All I can tell you, the same thing as
20 University of Phoenix. Opens it up the door,
21 classrooms comes in, students will come and pay for
22 the class. But you can't say if we would not have
23 built the building, how will you know somebody will
24 go to the building. I can't speak to the
25 speculation of that.

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1 **Q Two things. First of all, how much**
2 **seminar experience do you have?**
3 A I've been doing seminar, going myself to,
4 religiously to all kinds of seminars almost 25, 27
5 years.
6 **Q But in terms of putting on seminars,**
7 **managing seminars and charging people to attend**
8 **seminars, how much experience do you have doing any**
9 **of those things in your life?**
10 A This is not a business that you need to
11 have a personal experience as much as you need to
12 have a content, the subject matter and understanding
13 of the, the business.
14 **Q So the answer is that you've never had any**
15 **experience doing seminars but you think you would**
16 **have been good at it?**
17 MR. BLACKERT: Objection.
18 Mischaracterizes witness's testimony.
19 THE WITNESS: Not myself. I can -- you're
20 talking about who would manage day-to-day
21 operation of a seminar? Those are
22 seminar-operating people.
23 BY MR. GINGRAS:
24 **Q But you yourself never ran any seminar**
25 **businesses in the past?**

53

1 A No.

2 **Q Okay. And you made me lose my train of**

3 **thought. Give me just a second.**

4 MR. BLACKERT: You want to break for a

5 couple minutes? Or you want to keep --

6 MR. GINGRAS: No, no, let's keep going.

7 **Q Mr. Mobrez, you would agree with me, you**

8 **used the ice cream shop example; right? You would**

9 **agree with me that some people open ice cream shops**

10 **and they fail despite their best efforts? Isn't**

11 **that a fair statement?**

12 MR. BLACKERT: Objection. Vague and

13 ambiguous.

14 THE WITNESS: They would sell at least one

15 ice cream first day.

16 BY MR. GINGRAS:

17 **Q I would hope so. But sometimes businesses**

18 **fail just because that's the way businesses work?**

19 **Isn't that a fair statement?**

20 MR. BLACKERT: Objection. Call for

21 speculation.

22 THE WITNESS: It's a very peculiar, it's a

23 very peculiar way of looking at the businesses.

24 BY MR. GINGRAS:

25 **Q Are you saying that no business ever**

54

1 **fails?**

2 A Businesses fails in different manners and

3 shapes and forms.

4 **Q Well, and most people wouldn't reach the**

5 **conclusion that their business had failed until they**

6 **had at least tried selling one ice cream cone;**

7 **right?**

8 MR. BLACKERT: Objection. Vague and

9 ambiguous. Calls for speculation. Overbroad.

10 BY MR. GINGRAS:

11 **Q Don't answer, don't answer the question.**

12 **What I'm trying to get at is couldn't --**

13 **isn't it fair to say that you could try to put on a**

14 **seminar tomorrow; right? There's no reason you**

15 **couldn't try?**

16 A Sir, this is not an intelligent

17 conversation. I will say over and over, there's no

18 one will go to my seminar tomorrow when my name is

19 tarnished and name of the organization is tarnished.

20 **Q I understand Moses won't go to your**

21 **seminar. But how do you know that other people**

22 **won't unless you try?**

23 MR. BLACKERT: Objection. Calls for

24 speculation. Harassing.

25 ∞

55

1 BY MR. GINGRAS:

2 **Q All right. Do you want to move on or -- I**

3 **just want your testimony on this. You're going to**

4 **have to explain it to a jury if you don't explain it**

5 **to me, so I'd like to know.**

6 A I'll explain to you and the jury the same

7 way.

8 MR. BLACKERT: Objection. Harassing.

9 MS. BORODKIN: Can we go off the record

10 for a second?

11 MR. GINGRAS: No, we cannot.

12 MS. BORODKIN: It's not a jury trial.

13 MR. GINGRAS: Yes, it is. Read the

14 Court's order.

15 **Q Mr. Mobrez, I just want to understand your**

16 **position. I'm not trying to be harassing. I'm**

17 **trying to have you tell me what I'm not getting**

18 **clearly. Is there anything --**

19 A What is your question?

20 **Q My question is how do you know that your**

21 **business has failed if you've never tried putting on**

22 **any seminars?**

23 A Sir, I used to go out and hand my business

24 card. People would love to contact me again, talk

25 to me. Asia Economics. And they wanted to know

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1 more about Asia.

2 Today I hand a business card or I would

3 have handed a business card in six, nine months ago,

4 nobody will even contact me back again.

5 **Q Okay.**

6 A The pattern changed drastically.

7 **Q Let's move on a little bit. I think**

8 **everyone would agree it's time to do that.**

9 **Your complaint references a report on my**

10 **client's website that talks about a person who said**

11 **that they had a job interview with you and accepted**

12 **the job interview, I think, and then they were going**

13 **to report for work the next day but they Googled**

14 **your name, found these reports and decided to blow**

15 **you off. Does that ring a bell generally?**

16 A I have seen it on your report.

17 **Q See if you can find Exhibit 4.**

18 A So which one is -- I apologize. Okay,

19 thank you. Four, yes.

20 **Q And 4A specifically is kind of a screen**

21 **print of the Ripoff Report website. And then 4B is**

22 **the actual text of what's there, minus the**

23 **surrounding art and so forth.**

24 **Do you remember interviewing a person who**

25 **you offered a job to -- I'm just going to, I'm just**

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1 going to look at this specifically. The author of
 2 this report says that he met with you, was offered a
 3 job, and that you said come in to work tomorrow at
 4 11:00 A.M. and then this guy decided not to come in.
 5 Do you know who this is, who this author
 6 is?
 7 A No.
 8 Q Do you recall offering a job to somebody
 9 and telling them to start work at 11:00 A.M. the
 10 next day and then they never came in?
 11 A Many people probably.
 12 Q How many?
 13 A I don't know.
 14 Q So more than one person you made a job
 15 offer to and they didn't come in the next day?
 16 A Yeah.
 17 Q When, when do you recall that happening?
 18 Like what time frame?
 19 A After these postings.
 20 Q But never before?
 21 A Never before.
 22 Q And so you don't -- so numerous people
 23 actually did what this gentleman did or woman and
 24 just didn't come in at 11:00 A.M. the next day, but
 25 you can't remember which person that was?

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1 A Yes.
 2 Q Yes, you cannot remember?
 3 A Yes, I do not remember.
 4 Q Okay. How many people have you offered
 5 jobs to at AEI while it was in business?
 6 A We had ads in the paper.
 7 Q Which paper?
 8 A Job sites, job papers.
 9 Q Can you give me the name of one specific
 10 one?
 11 A Like Craig's List.
 12 Q Any printed newspapers, like the "Los
 13 Angeles Times"?
 14 A I don't recall at this time. We may have
 15 done that, yes.
 16 Q Any other websites like Monster.com,
 17 things like that?
 18 A I think we have done that also.
 19 MR. GINGRAS: Let's look at Exhibit 9.
 20 (Whereupon, Exhibit 9 was marked for
 21 identification and is bound under separate
 22 cover.)
 23 BY MR. GINGRAS:
 24 Q Mr. Mobrez, I'll show you what we've
 25 marked as Exhibit 9 to your deposition. And I'll

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1 ask you have you ever seen this before.
 2 A What is this?
 3 Q Well, why don't you look at it and tell me
 4 if you've seen it before.
 5 A This is Rotary Club of Los Angeles?
 6 Q Look at the next page. Specifically the
 7 right-hand side of the next page.
 8 A Yes.
 9 Q Do you know what's written there?
 10 A Yes.
 11 Q Have you ever seen this before?
 12 MR. BLACKERT: Give him a chance to read
 13 it first.
 14 BY MR. GINGRAS:
 15 Q Are you a member of the Rotary Club of Los
 16 Angeles?
 17 A Yes, I am.
 18 Q And did you become a member around April
 19 of 2008?
 20 A No.
 21 Q When did you become a member?
 22 A I believe December 2007 or January of
 23 2008.
 24 Q Oh, sure. So you could have, you would
 25 have been a member prior to this, but maybe they

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1 only do like a quarterly newsletter so it didn't
 2 come up until April of 2008; right?
 3 A Correct.
 4 Q Looking at the text that is written there,
 5 does that look familiar to you?
 6 A Yes, it is.
 7 Q Do you know who wrote that?
 8 A The person who sponsored me to the Rotary
 9 Club.
 10 Q And it looks like that person is Denise
 11 Anthony?
 12 A Correct.
 13 Q Who is Denise Anthony?
 14 A She's another member of Rotary Club.
 15 Q Do you know where Denise works?
 16 A Some type of human resource.
 17 Q Do you know where Denise got the
 18 information that is written in this, this little
 19 column here?
 20 MR. BLACKERT: Objection. Calls for
 21 speculation.
 22 BY MR. GINGRAS:
 23 Q Do you know?
 24 A I don't know. Most probably knowing me in
 25 person.

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1 **Q How long have you known Denise Anthony?**
 2 A About 30 years.
 3 **Q Thirty years? So you know her fairly**
 4 **well?**
 5 A I would say so.
 6 **Q You don't specifically recall helping her**
 7 **write this or giving her a draft or anything like**
 8 **that?**
 9 A No. Maybe she got it from my website or
 10 something.
 11 **Q Sure. Looking at the first paragraph**
 12 **where it begins with your name, talks about Raymond**
 13 **Mobrez -- I'm sorry, is it Mobrez or Mobrez?**
 14 A Mobrez.
 15 **Q Ph.D., holds an MBA in finance, so on and**
 16 **so forth. Near the bottom of that paragraph it**
 17 **talks about you being "the director of the Asia**
 18 **Economic Institute, which focuses on global**
 19 **economics and in particular Asia. The institute is**
 20 **a global publication that caters to think tanks,**
 21 **central banks, securities and exchanges as well as**
 22 **universities and the financial sector."**
 23 **Is that text accurate?**
 24 A Yes.
 25 **Q I don't see anything in there about**

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1 **seminars. Obviously the word "caters" is a little**
 2 **bit vague. Did you ever have any think tanks as**
 3 **customers?**
 4 A We have our basically publication was
 5 geared for, to be used by central banks, security
 6 and exchanges around Asian countries.
 7 **Q Okay. So these weren't -- my next**
 8 **question was going to be if you could list for me**
 9 **any customers that you actually had who were think**
 10 **tanks or banks or so forth.**
 11 **But it sounds like really you were**
 12 **intending to focus on those people but never got to**
 13 **do so because of the Ripoff Report website?**
 14 A No. We did have connected with all of
 15 these people. We were in -- had a, as you know,
 16 about almost four years before the time or three
 17 years, to develop this site. We had many security
 18 and exchanges or central banks to contact them to be
 19 aware of us and exchange informations or they can go
 20 to our website and collect some data.
 21 **Q Looking at the last paragraph in Exhibit 9**
 22 **where it begins "Raymond was born in England," do**
 23 **you see that?**
 24 A It's a mistake.
 25 **Q Yeah, and mistakes happen. It's not a big**

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1 **deal.**
 2 A I didn't see it. If I would have seen it,
 3 I would have said the same thing what I told you
 4 today.
 5 **Q And you said you were born in Iran?**
 6 A Yes.
 7 **Q Is everything else in that last paragraph**
 8 **accurate more or less?**
 9 A More or less, yes.
 10 **Q One thing that I specifically was**
 11 **interested in in the last paragraph there was the**
 12 **statement that you are a certified tax credit**
 13 **specialist. Is that statement accurate?**
 14 A No longer I am. I did not continue that.
 15 **Q Were you ever a certified tax credit**
 16 **specialist?**
 17 A Yes.
 18 **Q Certified by who?**
 19 A Certified tax credit specialist, do you
 20 know what it is?
 21 **Q No idea.**
 22 A Okay. It's a certified real estate tax
 23 credit, not a tax credit. A real estate tax credit.
 24 **Q That's helpful to know. But again who,**
 25 **who certified you as a real estate tax credit**

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1 **specialist?**
 2 A I went to a class that goes back maybe 20
 3 years ago. And the program that I was completed.
 4 **Q The program had something to do with real**
 5 **estate tax credits, and you got a certificate from**
 6 **that?**
 7 A I believe so, yes.
 8 **Q Okay. Mr. Mobrez, before Rip -- before**
 9 **AEI was formed in 2007 -- well, my question that I**
 10 **wrote were how were its profits and losses treated**
 11 **for tax purposes. But I assume it had no profits**
 12 **before 2007.**
 13 A Correct.
 14 **Q And it had no profits after 2007 until**
 15 **June of 2009 when it ceased doing business?**
 16 A Correct.
 17 **Q Did it have any losses?**
 18 A The biggest losses are time, my life
 19 savings and efforts we put into this, built this
 20 business and the institute.
 21 **Q Did AEI ever file any tax returns?**
 22 A Yes.
 23 **Q Do you know in what years?**
 24 A For the years we were in business.
 25 **Q 2007, 2008 and 2009?**

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1 A I believe so.
2 **Q Did AEI ever report any tax losses, any**
3 **losses that reduced anyone's taxable income?**
4 A I'm assuming it is.
5 **Q You're aware, Mr. Mobrez, that one of the**
6 **reports at issue in this case, I would say kind of**
7 **generally accuses you of actually I think the**
8 **statement is laundering money.**
9 **But when you read it, I think what the**
10 **author was referring to was using AEI to generate**
11 **losses that could be used to offset income from**
12 **another business that you or Ms. Llaneras owned.**
13 **Do you, are you familiar with that**
14 **statement? It's actually in Exhibit 1, if you'd**
15 **like to look at Exhibit 1.**
16 A I categorically deny that that was our
17 purpose.
18 **Q Whether or not that was your purpose, you**
19 **understand that truth is a defense to defamation?**
20 **Do you understand that?**
21 A Correct.
22 **Q So if you used AEI to generate losses,**
23 **intentionally or not, if you wrote losses off**
24 **through AEI and applied them to a different company,**
25 **then that statement would be true; right?**

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1 MR. BLACKERT: Objection. "Loss," vague
2 and ambiguous.
3 THE WITNESS: If you have -- I'm not a tax
4 specialist. All I can tell you, if you have a
5 business that loses money and you make money,
6 let's say, by something else, I'm assuming
7 all -- it's very common in corporations that
8 one lose money, one make money.
9 BY MR. GINGRAS:
10 **Q I totally and completely agree with you.**
11 **I don't think there's anything wrong at all with**
12 **doing that. Okay? I just want to be clear with**
13 **you.**
14 **But to the extent that the author claims**
15 **that that's what you were doing, I want to know if**
16 **that statement's true.**
17 A It's not true.
18 **Q So you never used any losses from AEI to**
19 **reduce taxable income for yourself, Ms. Llaneras or**
20 **any other business that you were involved in?**
21 A No, sir.
22 **Q And are you prepared to produce tax**
23 **returns that would show that?**
24 A Yes --
25 MS. BORODKIN: Objection. Privacy.

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1 BY MR. GINGRAS:
2 **Q Do you object to producing tax returns**
3 **that relate to the truth of whether or not AEI's**
4 **losses were ever used to produce taxable income for**
5 **yourself, Ms. Llaneras or --**
6 MR. BLACKERT: Objection. Privacy.
7 MS. SPETH: Who is defending this?
8 MR. GINGRAS: First of all, one lawyer per
9 objection. And secondly --
10 MS. SPETH: If you want me to ask
11 questions, I will.
12 BY MR. GINGRAS:
13 **Q Do you have any objection to producing tax**
14 **returns that would show whether or not any losses**
15 **from AEI were applied to anyone else, yourself,**
16 **Ms. Llaneras or any of your other businesses?**
17 A That's very common that one business --
18 you can buy two houses. One of them you lose money,
19 and the other one you have a capital gain.
20 **Q I completely agree with you. I completely**
21 **agree it's a harmless thing to do. It's a smart**
22 **thing to do.**
23 A Are you doing taxations here?
24 **Q Me?**
25 A I mean, if you buy two houses and you lose

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1 money in one of them and you make money on the other
2 one.
3 **Q Mr. Mobrez, you're not quite understanding**
4 **I'm on your side with respect to this. There's**
5 **nothing wrong with doing that. There's nothing**
6 **wrong at all. I agree with you.**
7 **I'm asking you whether or not the**
8 **statement is true. That's all I'm asking.**
9 A I'm saying it's not true. It's malicious.
10 It's ambiguous, and it's peculiar about a point that
11 if AEI makes -- loses money and if I made money from
12 selling any real estate, I don't know how that
13 taxation of that offsets. I'm not a CPA. I don't
14 know how the CPA is going to characterize that.
15 **Q Do you have a CPA?**
16 A I'm sure we do.
17 **Q Do you know who that person's name is?**
18 A Not at this time. We had CPAs in the
19 past, yes.
20 **Q Did you file a tax return -- we just**
21 **passed April. Did you file a tax return in April?**
22 A For this year I don't know.
23 **Q Who would know?**
24 A Our, we have a bookkeeper and we have
25 Iliana may know --

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1 **Q What is your bookkeeper's name?**
2 A Stefka (phonetic).
3 **Q Can you spell that for us, please?**
4 A Just say Stephanie.
5 **Q I need the full name, please.**
6 A I don't know the last name. I don't
7 remember exactly.
8 **Q Who is Stephanie a bookkeeper for?**
9 A She's a full-charge bookkeeper for, comes
10 and does all of our bookkeepings.
11 **Q And who is she employed by?**
12 A She's independent contractor like any
13 other bookkeepers they are.
14 **Q So one last time, and we'll get off this**
15 **question because I don't want to waste time. Is it**
16 **your testimony that AEI has -- that you have never**
17 **used any losses from AEI to offset taxes or gains**
18 **for yourself, Ms. Llaneras or any of your other**
19 **businesses?**
20 A I don't --
21 **Q Or you don't know?**
22 A I don't know.
23 MR. GINGRAS: You don't know. Okay. Can
24 I have Exhibit 10? You are good. Okay.
25 (Whereupon, Exhibit 10 was marked for

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1 identification and is bound under separate
2 cover.)
3 BY MR. GINGRAS:
4 **Q Mr. Mobrez, I've just handed you**
5 **Exhibit 10 to your deposition. This is the**
6 **complaint that you filed against Xcentric Ventures**
7 **and other defendants.**
8 **You've obviously seen this before;**
9 **correct?**
10 A Yes.
11 **Q Did you read this before it was filed?**
12 A I -- superficially, yes.
13 **Q Are all of the factual allegations in the**
14 **complaint true and correct, to the best of your**
15 **knowledge?**
16 A Yes.
17 **Q Are there any factual allegations in the**
18 **complaint that you might have thought were true at**
19 **the time but you have since learned were not**
20 **accurate?**
21 A No. It's true.
22 **Q I'm sorry, I didn't understand --**
23 A All is true.
24 **Q It's all true. Okay.**
25 **Did you personally perform any**

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1 investigation into the facts alleged in the
2 complaint before you filed this lawsuit? I'm asking
3 about you personally, Raymond.
4 A Investigation of what?
5 **Q The facts that you allege in the**
6 **complaint.**
7 A Yes.
8 **Q What did you do? What investigation did**
9 **you do?**
10 A What do you mean "investigations"? We
11 have gone through your website --
12 **Q Let's take this one point at a type. So**
13 **you went through the Ripoff Report website. That's**
14 **one thing you did?**
15 A Right.
16 **Q What other investigation did you do? Did**
17 **you talk to any other people?**
18 A In where? With Magedson or somebody else?
19 **Q I know you talked to Ed Magedson. I'm**
20 **aware of that. Other than him, did you talk to**
21 **anyone else about the claims in this case? Not**
22 **including your lawyers, have you talked to anybody**
23 **else about what kind of business Ripoff Report was,**
24 **anything that is in your complaint?**
25 MR. BLACKERT: Objection. Overbroad.

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1 THE WITNESS: I'm not quite sure. You're
2 asking a very generic question that I don't
3 know how I can answer that.
4 BY MR. GINGRAS:
5 **Q I'm just asking what you did.**
6 A I contacted, looked at some of the people
7 that in Ripoff Report, and I read on some other
8 websites what they said about Ripoff Report. I
9 searched whatever the public records are out there
10 about Ripoff Report.
11 **Q Okay. Let's, let's slow down. Just so**
12 **I'm clear, did you talk to any other people about**
13 **Ripoff Report? And what I mean by that is some**
14 **people might, like, hire a private investigator or**
15 **something. They might just pick up the phone and**
16 **call someone. Did you do anything like that?**
17 A No.
18 **Q So you didn't talk to any other people?**
19 A Not to the best of my knowledge, no.
20 **Q Did you talk to anyone else who had been**
21 **listed on the Ripoff Report website?**
22 A Not personally. But we had some people
23 that contacted.
24 **Q And who did that?**
25 A We had helpers.

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1 **Q Who were those helpers?**
 2 A A part-time helper specifically for to
 3 search for these information for us.
 4 **Q Okay. And what is that person's name?**
 5 A I'm going blank because -- I think I am
 6 going to say Serbh, S-e-r-b-h. I don't remember his
 7 last name.
 8 **Q What did Serbh do?**
 9 A Analyzed the website, contact -- searched
 10 the public records.
 11 **Q What public records are you talking about?**
 12 **Like lawsuits?**
 13 A Lawsuits.
 14 **Q Is Serbh the only person that did that?**
 15 A I believe we had maybe another one more
 16 person, yes.
 17 **Q And what was that other person's name?**
 18 A I think it's Bahshani, B-a-h-s-h-a-n-i.
 19 **Q Is that the person's entire name?**
 20 A I think it's a first name. I don't
 21 remember exactly the last name.
 22 **Q How can I determine who those people are?**
 23 **Did you pay them anything?**
 24 A I believe, yes.
 25 **Q So you would have records relating to**

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1 **people that you paid to do research on Ripoff**
 2 **Report?**
 3 A I would say so.
 4 **Q Where do those people -- where are those**
 5 **people located?**
 6 A Los Angeles.
 7 **Q They're local?**
 8 A Yes.
 9 **Q Did you ever meet them personally?**
 10 A Yes.
 11 **Q What information, if any, did they find**
 12 **for you regarding the Ripoff Report website? What**
 13 **did they tell you they found?**
 14 A Ripoff Reports are very harmful to every
 15 businesses. It's unverified information. And
 16 Ripoff Report goes on search engines before the
 17 names of the business goes.
 18 **Q And Bahshani at -- I'm sorry, Bahshani?**
 19 A Yes.
 20 **Q And Serbh?**
 21 A Yes.
 22 **Q They told you that?**
 23 A Yeah.
 24 **Q Are you planning on calling either of**
 25 **those people as witnesses at trial in this case?**

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1 MR. BLACKERT: Objection. Calls for a
 2 legal conclusion.
 3 THE WITNESS: That's up to our counsels.
 4 BY MR. GINGRAS:
 5 **Q Okay. Do you know when the investigation**
 6 **started that they did?**
 7 A Last year, last summer.
 8 **Q Can you be any more -- last summer?**
 9 A Uh-huh.
 10 **Q And, again, I assume that you have some**
 11 **sort of payment records? Did you ever correspond**
 12 **with any of these people, Bahshani or Serbh?**
 13 A No, but I have a payment. I can, we can
 14 get a copy of --
 15 **Q Do you recall how much that was?**
 16 A I don't -- I can't recall right now
 17 exactly.
 18 **Q Did you, other than those two people, did**
 19 **you ever talk to anyone else regarding Ripoff**
 20 **Report?**
 21 A We contacted many people to --
 22 **Q And I'm asking you to tell me to the best**
 23 **of your memory who, who those people are.**
 24 A I personally didn't call. But I know
 25 there were, calls were made.

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1 **Q By who?**
 2 A By these two and maybe I might have called
 3 myself to one of the -- or returned a call to one of
 4 the person whose name a -- or business appeared on
 5 Ripoff Report.
 6 **Q And who was that?**
 7 A I don't recall exactly now, but I can get
 8 that name for you.
 9 **Q Okay. Have you ever spoken to or do you**
 10 **know the name John Brewington? Does that name ring**
 11 **a bell to you at all?**
 12 A John what?
 13 **Q Brewington, B-r-e-w-i-n-g-t-o-n?**
 14 A That rings a bell. What does he do?
 15 **Q He's a private investigator or he claims**
 16 **to be. He also claims to be a police officer,**
 17 **federal agent, various things.**
 18 A He, I think we called him a couple of days
 19 ago.
 20 **Q Who called him?**
 21 MR. BLACKERT: Objection. Attorney-client
 22 privilege. Instruct the witness not to answer.
 23 BY MR. GINGRAS:
 24 **Q Mr. Mobrez, if you walk across the street**
 25 **and tell your lawyers about it, I still get to ask**

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1 you if you walked across the street. Okay? A
2 conversation between your lawyers and a third party
3 is not privileged. And I'm entitled to discover
4 that information. All right?
5 Your lawyers can instruct you not to
6 answer, but I want to caution you that if they do
7 that, I'm entitled to contact the court, ask for a
8 ruling on that objection and, if necessary, to reset
9 your deposition at a later time at your expense.
10 Okay?
11 So I want you to think very clearly about
12 whether or not you want to answer questions when
13 your lawyer has instructed you not to do so.
14 Okay?
15 A I would say I understand, and I'd like to
16 make one comment. There is nothing here that, about
17 the name you just, John you mentioned, that we have
18 been in communication every day that we know him.
19 I'm not sure how this name came across. But we were
20 going to contact him because I think he contacted
21 us.
22 Q Do you recall when that happened?
23 A I don't know exactly.
24 Q Did John Brewington, to your knowledge,
25 provide any useful information to you?

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1 A I--
2 Q Or any information, whether it was useful
3 or not?
4 A I don't think so.
5 Q Do you know if Mr. Brewington provided any
6 documents to you?
7 A I don't believe so.
8 Q Do you know if he provided any videotapes
9 to you?
10 A I have seen a video which is --
11 Q It's on YouTube, so it's not --
12 A That's exactly what I'm saying. Maybe
13 that's the one I've seen. Because you said John and
14 investigator and this and coming together that maybe
15 on YouTube. What else?
16 Q Did Mr. Brewington direct you to that
17 video, or were you aware of it?
18 A I became aware of it.
19 Q Through him?
20 A I don't think so. We have done --
21 Q As part of your other research?
22 A Yes.
23 Q Okay. Other than Mr. Brewington, first of
24 all, is there anything else you can tell me about
25 Mr. Brewington's involvement in your research or any

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1 other part of your case? Any other help that he's
2 given you, any other information that he's given to
3 you?
4 A No. We haven't talked to him. We don't
5 know who he is.
6 Q Do you intend to call John Brewington as a
7 witness in this case?
8 MR. BLACKERT: Objection. Calls for --
9 objection. Calls for attorney information.
10 BY MR. GINGRAS:
11 Q Do you know are you going to call John
12 Brewington as a witness --
13 A It's up to our counsel, not myself.
14 Q No decision has been made on that yet?
15 A I never -- I don't know what does he do.
16 You just told me. And the more you told me, I
17 remembered who he was, through YouTube.
18 Q Other than Mr. Brewington, do you recall
19 talking to any other private investigators about
20 Ripoff Report?
21 A If you can tell me the name like John
22 Brewington, then I can elaborate. But, you know --
23 Q Do you think there are other people? I
24 don't know any other names. I'll be honest with
25 you.

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1 A In that case, I don't know.
2 Q You don't know. Okay. I think you said
3 before that you first learned about reports on
4 Ripoff Report -- I don't want to misstate your
5 testimony, so just answer the question again.
6 When was the first time that you learned
7 that the reports were there, that any of them were
8 there? I think you said February of 2009 I think?
9 A Yes.
10 Q Okay. And I know it's in your declaration
11 anyway. You learned about that because you Googled
12 yourself?
13 A Yes.
14 Q And you found these reports?
15 A Yes. It goes before my name even.
16 Q Sure. Did you regularly Google yourself
17 prior to February of 2009?
18 A Time to time we used to do it for, not my
19 name as much as Asia Economic Institute.
20 Q Sure. And what did you do when you first
21 saw in February of 2009 -- I realize after that date
22 there were more reports posted, but when you saw the
23 ones that were there in that time frame, what did
24 you do?
25 A I couldn't believe it. I was state of

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1 shock.
2 **Q Did you make any effort to contact the**
3 **author or figure out who the author was?**
4 A I'm clueless.
5 **Q So did you make any effort to find out who**
6 **the author was?**
7 A I don't know that author. The name was
8 not familiar to me.
9 **Q But did you make any effort to try to**
10 **figure out who it was?**
11 A Only person who can tell me is your
12 client.
13 **Q I don't know if I agree with that but --**
14 **so is the answer to my question no, you did not try**
15 **to find the author's information from whatever**
16 **source?**
17 A What source?
18 **Q Us, your own records -- there are other**
19 **sources.**
20 A I contacted you.
21 **Q You did. And we're going to get to that a**
22 **little later. Do you know who posted any of the**
23 **reports about you on Ripoff Report?**
24 A Clueless.
25 **Q Did you post any of the reports? And**

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1 **don't, please don't be offended. We've been**
2 **involved in cases where people have done that.**
3 A No.
4 **Q Are you sure?**
5 A No, sir.
6 MS. BORODKIN: Objection. Asked and
7 answered.
8 MR. GINGRAS: Can I have Exhibit 11?
9 (Whereupon, Exhibit 11 was marked for
10 identification and is bound under separate
11 cover.)
12 BY MR. GINGRAS:
13 **Q Mr. Mobrez, did you ever republish links**
14 **to any of the Ripoff Reports on any other websites?**
15 A No, sir.
16 **Q Okay. Let me show you Exhibit 11. Do you**
17 **recognize Exhibit 11? Have you ever seen that**
18 **before?**
19 A No, sir.
20 **Q Look at the bottom of the page. Do you**
21 **see the URL is "AsiaEcon.org, slash, link X"? Do**
22 **you see that there? At the very bottom of the page,**
23 **very, very bottom.**
24 A You're talking about this or here?
25 **Q Very bottom of the piece of paper.**

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1 A I do see that. I don't know what does it
2 mean.
3 **Q Well, I'm going to ask you a little bit**
4 **more about that.**
5 AsiaEcon.org is your website, in fact,
6 isn't it?
7 A Yes.
8 **Q Okay. And were you aware that there's a**
9 **page on your website at the address shown in the**
10 **bottom of the piece of paper there that contains a**
11 **link to one of the reports on Ripoff Report? Were**
12 **you aware of that?**
13 A No, sir.
14 **Q If you look at the next page of**
15 **Exhibit 11, I will represent to you on the first**
16 **page of Exhibit 11 there's sort of a darkened box**
17 **there and at the bottom there's a button or a link**
18 **that says "New."**
19 **And when you click on that, as I did, you**
20 **are taken to a page that requires a log-in and a**
21 **password, and then there was a blank there where you**
22 **could put a link and then put "Submit."**
23 **Did you know that?**
24 A No.
25 **Q Do you know who would have log-in and**

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1 **password information from your website?**
2 A I don't know. This is somebody that you
3 know or your -- these posters had they hacked
4 through your system to --
5 **Q Let me ask you this: Do you have -- well,**
6 **do you know who would have a list of individuals**
7 **with log-ins and passwords for this site? If it's**
8 **not you, do you know who would?**
9 A I don't think -- I, I can't speak of that.
10 That's -- I don't know who would have that.
11 **Q Does it --**
12 A I don't know the date of this. When is
13 this date would be? I mean --
14 **Q I printed this on May -- I'm sorry,**
15 **May 4th I printed this page.**
16 A Correct.
17 **Q I do not know when it was posted there.**
18 **But I imagine that your own records would reflect**
19 **that. I don't think there's a date on any of it.**
20 **Anyway, it's not that significant.**
21 **But let me ask you this: Do you have any**
22 **evidence at all that Ed Magedson or anybody**
23 **associated with Xcentric Ventures, LLC, had log-in**
24 **and password information for your website to be able**
25 **to post a link there? Do you have any evidence that**

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1 my clients had that log-in and password?
2 A I can't speak of that. I can tell you if
3 this is somebody hacked into our website.
4 Q Do you believe that Ed Magedson or
5 somebody associated with Xcentric Ventures, LLC, did
6 that?
7 A I can't speak of that --
8 Q So you don't know either way?
9 A I don't know either way.
10 MR. GINGRAS: Does everybody want to take
11 five?
12 MR. BLACKERT: Yeah, let's --
13 MR. GINGRAS: Let's go off the record.
14 THE VIDEOGRAPHER: The time is 11:34, and
15 we're going off the record.
16 (Off the record.)
17 THE VIDEOGRAPHER: The time is 11:56, and
18 we're back on the record.
19 BY MR. GINGRAS:
20 Q Mr. Mobrez, it occurred to me that before
21 the break and actually at the start, I never asked
22 you if -- kind of a routine question -- if you're on
23 any medication or have any health reason that might
24 interfere with your ability to testify today?
25 A I do take medication, for high blood

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1 pressure and heart condition and cholesterol.
2 Q Do you feel that that medication affects
3 your ability to remember accurately today?
4 A No.
5 Q Okay. Is there any other health reason or
6 any other reason that you feel would prohibit you
7 from testifying truthfully and completely today?
8 A No.
9 Q Okay. Let's go back to Exhibit 10, which
10 is your complaint. And it should be in front of
11 you. I think we talked a bit before about general
12 things that you did to investigate the accuracy of
13 this. And I'd like to kind of focus on some
14 specific things, so if you could start by turning to
15 the second page. And I hope it has a page 2. Does
16 it? Yeah.
17 In paragraph 2 at the bottom of page 2,
18 the second sentence begins "When victims of their
19 salacious reports."
20 Do you see that?
21 A Yes.
22 Q And that's, I think "their" refers to Ed
23 Magedson and Xcentric Ventures; right?
24 A Yes.
25 Q The sentence continues on to say "When

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1 victims of their salacious reports request their
2 removal, defendants demand their enrollment in the
3 Ripoff Report's Corporate Advocacy" -- so on and so
4 forth.
5 What is your factual basis for making that
6 statement? I know that you claim that that happened
7 to you. But this statement doesn't appear to be
8 limited to you. It appears to be a general
9 statement. And I'm asking you what's your factual
10 basis for claiming that that's ever happened to
11 anyone other than you.
12 Did you interview any witnesses who told
13 you that they had been -- that they had received a
14 demand for enrollment in the Corporate Advocacy
15 Program?
16 A I don't recall exactly now. But
17 Mr. Magedson himself mentioned that there are people
18 in this advocacy program and mentioned that that is
19 in the website.
20 Q But did you ever talk to any other person
21 who told you that they received a demand for
22 enrollment when contacting Ripoff Report -- I'm
23 sorry -- demand for enrollment in the Corporate
24 Advocacy Program when they contacted Ripoff Report
25 to request the removal of salacious reports?

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1 A I don't recall exactly. But I know we had
2 another counsel before who worked on this case. He
3 did not -- she did not file a -- what do you call?
4 A complaint. She did preliminarily a lot of
5 research also.
6 Q Somebody other than Mr. Blackert and
7 Ms. -- is it Borodkin?
8 MS. BORODKIN: Yes.
9 THE WITNESS: Yes.
10 BY MR. GINGRAS:
11 Q Who is that person?
12 A Lynette Magadomian (phonetic).
13 Q Spell that, please?
14 A I think M-g-d-o-m-n (sic).
15 Q All that I heard you say was M-g-d-o-m-n?
16 A Yeah. I can look up her last name.
17 Q Is this person a California licensed
18 attorney?
19 A Yes.
20 Q And are you still in contact with Lynette?
21 A No.
22 Q But she did some kind of preliminary
23 research on this and then stopped?
24 A Yes.
25 Q Okay. Other than Lynette, are you aware

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1 of any person who had any factual basis for making
2 the claim in paragraph 2 that I've just quoted to
3 you about three times?
4 A I have done some research myself online.
5 Q Have you spoken to any living person who
6 told you that they received a demand for enrollment
7 in the Corporate Advocacy Program when they
8 contacted the Ripoff Report website?
9 A I don't recall that exactly. But I might
10 have.
11 Q Okay. Let us look at, let us look at
12 paragraph 20 on page 8, bottom of page 8. The
13 second sentence, again, in paragraph 20 beginning
14 "Defendants offer a program called CAP, whereby they
15 solicit significant amounts of money, in some cases
16 as much as \$250,000, from individuals and businesses
17 that have been defamed on defendants website."
18 What is your factual basis for making that
19 allegation in your complaint?
20 A I believe that's on YouTube and other
21 web -- other lawsuits were involved and interviews
22 were done by them and other plaintiffs.
23 Q Are you aware of any video on YouTube
24 either now or in the past that described anyone at
25 Ripoff Report asking for \$250,000 for someone to

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1 join the Corporate Advocacy Program?
2 A I believe so.
3 Q Do you know if that video still exists?
4 A I don't know.
5 Q But you recall seeing one?
6 A I think I've seen, yes.
7 Q Other than the video on YouTube, what
8 other source of information did you have for the
9 claim that Ripoff Report has asked for up to
10 \$250,000 for Corporate Advocacy Program membership?
11 A I think it was at least more than one or
12 two.
13 Q Let's take the first one, then. What
14 source did you have for that?
15 A I think it was in the YouTube and some
16 clips of media, interviews or statements were made
17 by the plaintiffs.
18 Q And these are things that you saw online?
19 A Yes.
20 Q Other than videos that you saw online, can
21 you tell me the name of any person who told you this
22 information?
23 A I don't recall exactly right now.
24 Q Is that because there was no such person
25 or you just don't remember?

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1 A I don't remember now.
2 Q Okay. Let's look at paragraph 22 at the
3 bottom of page 9 under the heading "Defendants
4 provide actual content for their websites."
5 Do you see paragraph 22, there's A through
6 H subparagraphs there? Do you see that?
7 A Yes.
8 Q Are those allegations all true?
9 A I believe so.
10 Q Look at subparagraph C. That appears to
11 say that "Defendants create the titles for Ripoff
12 Reports."
13 What is your factual basis for making that
14 statement? How do you know that?
15 A This is a meta tag. In other words, they
16 take your name and put on there. When you do that,
17 it will create on the search engines their name pops
18 up on the top.
19 Q Okay. I think subparagraph D refers to
20 meta tags, and looks to me like you're treating
21 "titles" and "meta tags" differently. Was that a
22 mistake?
23 A No. It's like a key word tag, and meta
24 tag is too small difference.
25 Q Let me stop you. I think we can make it

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1 easier. Why don't you turn back to Exhibit 1, which
2 is one of the reports about you on Ripoff Report.
3 In fact, Exhibit 1A is the screen shot of the first
4 kind of -- it's not the entire thing, but it's most
5 of it there. Do you see that?
6 A Yes.
7 Q What, when you say "Defendants create the
8 title," what are you referring to? What do you
9 think on this page is the title?
10 Why don't you take a pen and circle that
11 and then draw your initials next to it to show what
12 you think the title is.
13 A Asia Economic Institute --
14 Q Why don't you take that pen next to you
15 there --
16 A (Witness complies.)
17 Q Okay. And I think you just circled around
18 where it says "Asia Economic Institute, comma, AEI,
19 comma, World Econ."
20 Is it your position that Ed Magedson and
21 Xcentric Ventures created that text?
22 A That's -- yes.
23 Q What, what evidence do you have to support
24 that claim?
25 A There's nobody else can do that other than

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1 your website.
2 **Q Well, a person could log in to the website**
3 **and create a report, a third party could create a**
4 **report and in fact put that name into the title box**
5 **of the report. Have -- a third party could do that,**
6 **couldn't they?**
7 A No.
8 **Q They couldn't?**
9 A Well, unless you are letting others to go
10 to your website and do this also.
11 **Q I think we talked before about whether or**
12 **not you had ever posted any reports on Ripoff**
13 **Report, and I thought you were quite unsure of your**
14 **answer, which was no.**
15 **But have you ever -- whether you've**
16 **actually posted one or not, have you ever gone**
17 **through the process of how a report is posted?**
18 A I'm -- I personally I have not.
19 **Q So how do you know --**
20 A I have done -- others, they have done such
21 a research for me in the very beginning.
22 **Q Who is this?**
23 A The people that they -- in the very
24 beginning when we came to be aware of this Ripoff
25 Report.

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1 **Q Is that Serbh and Bahshani?**
2 A No. Long before that when it was like
3 February or March of 2009.
4 **Q So there was somebody other than Serbh and**
5 **Bahshani that did research into the factual**
6 **allegations of your complaint? Who was that person**
7 **or persons?**
8 A Different people. I don't recall exact
9 names.
10 **Q Mr. Mobrez, it seems to me that this case**
11 **is fairly important. You're making very serious**
12 **allegations and costing a lot of people a lot of**
13 **money. Why have you not personally investigated how**
14 **reports are posted? Don't you think that's an**
15 **important thing to do?**
16 MR. BLACKERT: Objection. Harassing.
17 Mischaracterizes the witness's testimony.
18 BY MR. GINGRAS:
19 **Q You can answer my question.**
20 A I would say I have gone through the steps
21 of your website. And I like to visit the issue of
22 your question of is -- that I told you a while ago
23 that I have -- don't have a knowledge of to knowing
24 something you just brought it up. You can have the
25 court reporter read it back. I don't know -- I

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1 wouldn't be able to go to your website and report
2 about myself.
3 **Q Why not?**
4 A So that would be -- what would I
5 accomplish with that?
6 **Q Maybe a better understanding of how the**
7 **website works than you have today?**
8 A No, I haven't done that.
9 **Q Okay. But understanding that you have**
10 **never gone through the process of completing a**
11 **report yourself, how do you know or why do you think**
12 **that Ed Magedson or Xcentric are the only people who**
13 **could create the title that you've marked on**
14 **Exhibit 1A?**
15 A No, answer is I have gone through your
16 website to know what the step takes to, to file a
17 report. I have not personally filed any report on
18 your website, nor I established an account on your
19 website for myself.
20 **Q And is it your testimony that a person**
21 **going through those steps of filing a report, using**
22 **the, the forms, if you will, on our website, is it**
23 **your testimony that it would be not possible for**
24 **them to insert text that would show up in the**
25 **location that you've marked as the title in**

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1 **Exhibit 1A?**
2 A I can't speak of that. I can tell you is
3 the Ripoff Report is the only people that would have
4 the data for the website's -- how will I say it?
5 Mechanism to be able to do this.
6 **Q So you're -- I'm sorry.**
7 A Go ahead.
8 **Q You're speculating, aren't you?**
9 A No.
10 **Q You're not speculating? Do you have**
11 **personal knowledge that Ed Magedson wrote the title**
12 **that you've marked in Exhibit 1A? Or any of the**
13 **other titles on any of the other reports about AEI?**
14 MR. BLACKERT: Objection. Vague and
15 ambiguous.
16 You can answer.
17 THE WITNESS: This title is the one going
18 to be -- only the person can make this title to
19 be in the top and put it there is the people
20 they own this website.
21 BY MR. GINGRAS:
22 **Q But, again, you're making a conclusion,**
23 **aren't you? Based on an assumption?**
24 A No. This is a technology issue.
25 **Q And you have personal knowledge of that**

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1 fact?
 2 A Basic information.
 3 **Q It's common knowledge, then?**
 4 A Yes.
 5 **Q Okay. Do you, do you know any witness who**
 6 **will testify that Mr. Magedson or anyone associated**
 7 **with Xcentric Ventures wrote the title that you've**
 8 **marked on Exhibit 1A or any of the other titles in**
 9 **any of the other exhibits about AEI?**
 10 A Well, if you have a -- you can design your
 11 website that the party can go and put a subject
 12 matter, and then you will post the other things.
 13 When you do that, then you have a -- you
 14 are creating a -- you are the one who are putting
 15 this up to the website. They are not the one they
 16 are putting on the website.
 17 **Q When you say "they," you mean the author?**
 18 A Author. Author is only can do is to fill
 19 in the forms and the blanks that you have -- you
 20 provided. They do not have access to your
 21 technology, how that --
 22 **Q The code?**
 23 A Exactly.
 24 **Q Right. But the actual information that**
 25 **appears on that line, don't you agree that that**

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1 originated with the author? Not Ed Magedson or
 2 Xcentric?
 3 A I don't know that.
 4 **Q You don't know either way?**
 5 A Yes.
 6 **Q Okay.**
 7 A All I can tell you, it's there.
 8 **Q It is there. I agree with you. Let's**
 9 **look at paragraph, subparagraph D of paragraph 22 on**
 10 **page 10 of your complaint, which is Exhibit 10.**
 11 A Okay. Paragraph D on page 10.
 12 **Q Again, you appear to be alleging there**
 13 **that defendants create meta tags for reports which**
 14 **make those reports rank higher on search engines and**
 15 **then there's, there's some additional claims there.**
 16 The last sentence looks like it says
 17 "Defendants author and use these so-called meta tags
 18 in violation of Google's terms of service."
 19 What is your factual basis for making that
 20 allegation?
 21 A Google, I contacted them.
 22 **Q Did you?**
 23 A Yes. And --
 24 **Q When did you do that?**
 25 A I believe in March of 2009.

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1 **Q Okay.**
 2 A They believe in that they are -- have
 3 nothing to do with what the content and the way it's
 4 coming from Ripoff Report to them. They asked me to
 5 contact back again with Ripoff to take this down.
 6 **Q Did anybody at Google tell you that Ripoff**
 7 **Report was violating Google's terms of service?**
 8 A I don't know -- I'm sure there is some
 9 letter or e-mail has been exchanged between me and
 10 Google.
 11 **Q Did you -- you corresponded with them via**
 12 **e-mail?**
 13 A I think it's a letter.
 14 **Q In a written letter?**
 15 A Letter.
 16 **Q And did you get a written response?**
 17 A I believe some response came in. But when
 18 I called, they are the one they were saying that,
 19 this is basically he was saying, if they are doing
 20 this, which they are doing this, violating our terms
 21 of services.
 22 **Q In what way does creating meta tags**
 23 **violate Google's terms of service? What terms of**
 24 **service are you referring to?**
 25 A Well, I'm not an expert, but I know just a

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1 common knowledge that by creating a -- you're taking
 2 somebody's good name or at least a name that is
 3 attractive to the web and using that to your website
 4 to go up, pulling you up there.
 5 For example, I, somebody will write
 6 "'Westlaw' is terrible." Westlaw is on top of
 7 search engine. And it's always, it's people that
 8 are in it and that demands highest as possible. And
 9 somebody like Ripoff is using this methodology or
 10 the name to pull their name up. It's basically meta
 11 tag or, in a way, linking to that particular name
 12 or, or the phrase or whatever it is.
 13 **Q I don't have a clue if that was responsive**
 14 **to what I asked you but --**
 15 A I apologize.
 16 **Q No, it's okay. Some of this is a little**
 17 **complicated. I get that. But what evidence do you**
 18 **have that Ed Magedson or Xcentric Ventures created**
 19 **any meta tags for the specific reports at issue in**
 20 **this case? Do you think that Ed Magedson sat down**
 21 **and typed the computer code that you're referring to**
 22 **as meta tags?**
 23 A It's not a computer code. It's very easy.
 24 In fact, when I called Google and Yahoo, they both
 25 said that there's no way we can take this out other

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1 than Ripoff Report.
2 **Q You're saying that Google and Yahoo**
3 **wouldn't agree to remove anything from their search**
4 **engine index and that, if you wanted it to disappear**
5 **from there, you had to ask Ripoff Report to take it**
6 **down and they would have to do that?**
7 A Yes, that's right.
8 **Q But that's not quite what I asked you. I**
9 **asked you what evidence do you have that Ed Magedson**
10 **personally created any meta tags at all for the**
11 **reports about your company or you in this case? How**
12 **do you know that he did that? I understand that you**
13 **think that he did, but I'm asking for evidence that**
14 **supports that.**
15 A There's nobody else -- you're creating in
16 a conspiracy theory here. We are talking about
17 specifics. He is the owner of this website. It
18 seem to me it's a one-man show, its own operation in
19 a way, gave and take. And he's -- there's nobody
20 else is doing these things. Unless you want to say
21 there is a conspiracy theory here.
22 **Q Well, but the author could be doing that,**
23 **couldn't they?**
24 A Author how they can do it?
25 **Q By inputting information --**

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1 A Author does not have access to your
2 database information, content management system.
3 You have the access to your content management
4 system.
5 **Q Let me just ask you this: Is it your**
6 **position that Mr. Magedson using a keyboard typed in**
7 **any of the information in anything that you would**
8 **call a meta tag relating to the reports at issue in**
9 **this case?**
10 A Yes.
11 **Q Do you have any evidence to support that?**
12 A It's --
13 **Q Other than your own speculation. I**
14 **understand that you're speculating. That's fine.**
15 MR. BLACKERT: Objection. Mischaracterize
16 the witness's testimony.
17 BY MR. GINGRAS:
18 **Q Do you have witnesses or documents that**
19 **support your theory?**
20 A There is no one can go to that website
21 other than Mr. Magedson. You're going universal on
22 something which is he's the only person who has
23 access to his content management.
24 **Q Let's look at subparagraph E of paragraph**
25 **22 in Exhibit 10. Okay? Do you see what it says**

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1 **there beginning --**
2 A Exhibit 10?
3 **Q Exhibit 10, paragraph 22, subparagraph E.**
4 **Beginning with the word "solicit." It's the**
5 **complaint which is there.**
6 A It's in the complaint?
7 **Q The complaint --**
8 A I apologize. You said in the exhibit.
9 Page 10?
10 **Q Page 10, paragraph 22, subparagraph E.**
11 A Page 10, D?
12 **Q "E" as in "Edward."**
13 A Go ahead.
14 **Q Beginning with the word "solicit," do you**
15 **see where it appears that you're alleging that**
16 **defendants solicit individuals to submit so-called**
17 **Ripoff Reports with the promise that so-called**
18 **individuals may receive compensation in exchange for**
19 **their posts.**
20 **Do you have any evidence that Ed Magedson**
21 **or anyone associated with Xcentric Ventures, LLC,**
22 **specifically asked somebody to post anything about**
23 **you, AEI or Ms. Llaneras?**
24 A Answer to that is Ripoff Report has -- we
25 have a copy of that page I believe. I can provide

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1 that to you, which it says is he --
2 **Q What do you mean by that page? Oh, you're**
3 **saying where it says submit a report and receive**
4 **compensation?**
5 A It says submit a report, you will be
6 interviewed by media and even you would be
7 compensated.
8 **Q First of all, I think there's a footnote**
9 **to your own complaint that says defendants have**
10 **removed this content from their website.**
11 **But it sounds to me like even if it was**
12 **still there, that's a general reference, is it not?**
13 **I mean, they're not saying submit a report about AEI**
14 **and --**
15 A They're saying about everybody.
16 **Q Generally, yes --**
17 A I'm everybody there.
18 **Q Is it your position that anything on the**
19 **Ripoff Report website ever said, if you submit a**
20 **report about AEI, Raymond Mobrez or Iliana Llaneras,**
21 **that money would be paid to the author? Do you have**
22 **any proof that that's true?**
23 A It is part of the Ripoff Report.
24 **Q Where?**
25 A We just, we just discussed that. It's in

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1 our website specifically says that --

2 **Q About AEI or in general?**

3 A No, anybody. "Come on and do it."

4 **Q But you would agree with me, sir, that**

5 **there was never -- has never been, is not now, has**

6 **never been in the past anything that specifically**

7 **asked people to post about AEI, you or your wife?**

8 A It says that. It's invitation --

9 **Q It says AEI?**

10 A No.

11 **Q It says generally, doesn't it?**

12 A Yeah. "Come on and do it."

13 **Q Okay.**

14 A It's invitation.

15 **Q Do you have any evidence that the authors**

16 **of any of the six reports at issue in this case**

17 **wrote what they wrote because they believed they**

18 **were going to be paid?**

19 A I can't speak of that.

20 **Q I know you can't.**

21 **Let's turn to page 12, please, of**

22 **Exhibit 10. Beginning with the heading "The**

23 **Shakedown." Do you see that?**

24 A Correct.

25 **Q Do you see where it says "The Shakedown"?**

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1 A Correct.

2 **Q Tell me what you understand the term**

3 **"shakedown" to mean.**

4 A In nutshell.

5 **Q Yeah.**

6 A Shakedown to me is a nutshell. All the

7 facts.

8 **Q I don't know what that means, but I'll**

9 **accept, I'll accept that.**

10 A Number one, you have to understand, maybe

11 this is a legal term. I'm not --

12 **Q Oh, you didn't write it?**

13 A Huh?

14 **Q You did not write that term?**

15 A I don't write legal paper.

16 **Q Do you believe, as you understand that**

17 **term to mean whatever you think it means, do you**

18 **believe that a shakedown occurred in this case?**

19 A I'm not quite sure what you're saying.

20 **Q I don't either. I don't know what the**

21 **word means.**

22 **Let's move on. The subsections of**

23 **paragraph 28, there are A through O, which appear to**

24 **be quotations from one or more of the reports which**

25 **are exhibits 1A through 6A and B of your deposition.**

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1 **Do you see the text quoted there, yeah, in those**

2 **subparagraphs? 28A through O?**

3 A Correct.

4 **Q Beginning with, quote, "Asia Economic**

5 **Institute lie, cheat, tax fraud," and then there's**

6 **other text there. Do you see that?**

7 A Yes.

8 **Q Do you believe that Ed Magedson or anybody**

9 **associated with Xcentric Ventures, LLC, created that**

10 **text as in specifically wrote it?**

11 A I can't speak of that. I don't know who

12 wrote it.

13 **Q Do you have any evidence that Ed Magedson**

14 **did so?**

15 A I can't speak of that. He may did.

16 **Q He may have, but he may not have; right?**

17 A I don't know. I don't know who did this.

18 **Q Okay. Turning to paragraph 30 on the next**

19 **page, 13, paragraph 30 talks about defendants -- I**

20 **assume you mean Mr. Magedson -- "informed you that**

21 **they would not remove the defamatory posts even if**

22 **they were false. Defendants further offered to**

23 **enroll plaintiffs in the CAP program for a fee of at**

24 **least \$5,000 plus a monthly monitoring fee."**

25 **When did that statement occur in paragraph**

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1 **30? When did that happen?**

2 A Well, it could be on April 2009.

3 **Q Okay. And we'll get to your declaration.**

4 **I think you're more specific, so don't worry if you**

5 **don't recall right now.**

6 **But definitely defendants Ed Magedson or**

7 **Xcentric, I guess, offered to enroll you in the CAP**

8 **program for \$5,000?**

9 A Yes.

10 **Q Okay. And then you referred to an e-mail.**

11 **I guess we'll get to that in just one second, dated**

12 **May 12th. Did the May 12th e-mail that you received**

13 **from Mr. Magedson cause you to feel any fear?**

14 A Absolutely.

15 **Q Why?**

16 A He's saying go and enroll to this, it's a

17 pressure. He's persistent about --

18 **Q Wait a minute. Hold on. Oh, that is 12.**

19 **That's okay. I don't want to go out of order.**

20 **We'll get to that e-mail in a minute. I think I**

21 **confused May 12th with Exhibit 12.**

22 **I'm sorry, I interrupted you. You were**

23 **talking about why that e-mail made you feel fear.**

24 A It says "You're driving me crazy, you've

25 got to go and do this."

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1 Q I think that was a different e-mail. I'm
2 talking about the May 12th. Forget about it. We'll
3 get to it when we get to it.
4 Specifically regarding, you understand
5 that you have alleged in your complaint that you
6 have been the victim of extortion in this case? Do
7 you understand that?
8 A Yes.
9 Q Tell me why you feel that you've been
10 extorted.
11 MR. BLACKERT: Objection. Calls for a
12 legal conclusion.
13 You can answer.
14 BY MR. GINGRAS:
15 Q What is the factual basis for that
16 allegation?
17 A The monthly fee, enrollment to this, what
18 is it?
19 Q Can you tell me, without telling me
20 anything that was said between you and your lawyers,
21 where did the idea come up to accuse Ripoff Report
22 of extortion?
23 A Everybody knows it's extortion.
24 Q Where did you come up with the idea?
25 A You go online, everybody knows Ripoff

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1 Report is extortion scam. That's what they say.
2 Q That's what they say, right. Do you
3 believe everything that you read online?
4 A I can't say -- I don't know who's writing
5 those. You have to take their depositions, so --
6 Q You have personal knowledge of what you
7 believe happened to you, but you don't have any
8 knowledge personally of extortion being committed as
9 to anyone other than yourself, do you?
10 A I believe there's some other court
11 records, public records shows that.
12 Q Do you believe Ripoff Report's ever been
13 found liable for or guilty of extortion?
14 A I don't recall that exactly now.
15 Q Did you ever, did you ever read a website
16 that talked about bringing extortion and
17 racketeering claims against Ripoff Report?
18 A I don't recall exactly which one is which
19 one.
20 Q I don't want to go out of order, so I'm
21 not going to mark this as an exhibit right now, but
22 let me just ask you to look at that and tell me if
23 you've ever seen that before. I'll mark it, I'll
24 mark it in a minute if we get there.
25 MR. BLACKERT: I just want to make a note

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1 on the record, this is not the full context.
2 In this report there is also comment, over 150
3 comments on the bottom of this.
4 MR. GINGRAS: There's more than 400
5 comments --
6 MR. BLACKERT: 400 comments, yeah.
7 BY MR. GINGRAS:
8 Q This is actually an article, and I don't
9 want to mark this right now because I've got it in a
10 specific sequence. But did you ever see that
11 article? The title is "Anatomy of a Ripoff Report
12 Lawsuit," by Sarah --
13 A I haven't seen the picture, but I have
14 seen this.
15 Q You have seen that?
16 A Yeah.
17 Q Did that article play any role in your
18 decision to accuse Ripoff Report of extortion or
19 racketeering?
20 A No, sir.
21 Q That's okay. I mean, I'm happy that it
22 didn't.
23 A This is exhibit --
24 Q Yeah, you can set it aside. We'll mark it
25 in a minute.

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1 What other online resources, if not this
2 one, what other online resources do you believe
3 supported your claim that you've been extorted or
4 that anyone has been extorted by Ripoff Report? Can
5 you name a specific website that you remember
6 reading?
7 A I don't recall, but there's a massive
8 informations about this particular item, extortion
9 and racketeering and all of these in the websites,
10 YouTube, everywhere.
11 Q And based on that, you believe that
12 there's good cause to feel that Ripoff Report is
13 engaging in extortion?
14 A No. I had a firsthand experience myself.
15 Q All right. So let me sort of paraphrase
16 here. And you stole my word "nutshell" because my
17 notes use that too.
18 If I understand your extortion claim, in a
19 nutshell, your position is that you contacted
20 Mr. Magedson, informed him that there were false
21 statements about you and AEI and Ms. Llaneras on the
22 Ripoff Report website. Mr. Magedson refused to do
23 anything to help you, and instead he demanded money,
24 which I think is \$5,000 and then some, in order to
25 help you remedy these reports.

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1 **Have I kind of accurately paraphrased why**
2 **you feel you've been extorted?**
3 MR. BLACKERT: Objection. Misstates the
4 witness's testimony.
5 You can answer if you know.
6 BY MR. GINGRAS:
7 **Q If I haven't accurately summarized it,**
8 **please tell me where I've gone wrong.**
9 A You've summarized a huge business and a
10 scam in a two-liner. And answer is yes, I am, I
11 feel there is extortion here.
12 **Q Do you feel that there's extortion here**
13 **for reasons other than what I summarized in my**
14 **previous paragraph?**
15 A Can you repeat that paragraph again.
16 **Q I understand that your extortion claim is**
17 **based on the idea that you contacted Mr. Magedson,**
18 **told him there were false reports about you, AEI and**
19 **Ms. Llaneras. He refused to help you and instead**
20 **asked for money, \$5,000 and a monthly fee, in order**
21 **to help remedy the reports.**
22 **Generally that's what I understand your**
23 **extortion claim to be. Have I missed something?**
24 A I would say yes.
25 **Q What?**

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1 A This is a huge scam --
2 **Q It's a huge scam as to somebody else. But**
3 **as to you, I'm asking what happened to you.**
4 A I called them. I plead to him. I begged
5 him. My conversation was very clear to him --
6 **Q This is on the phone?**
7 A Absolutely.
8 **Q And you begged him for what?**
9 A To -- "This is not true statement. I can
10 verify -- you can verify it with me. I'll be glad
11 to come forward and show you. If you have any
12 question, tell me what's your question. I don't do
13 tax evasions. I have no sales and marketing. I
14 don't do anything like that. How would I be able to
15 scamming people?" He was saying customer service.
16 I have no customer service.
17 **Q Are you referring to e-mails that you**
18 **sent, or are you referring to the phone call?**
19 A Both.
20 **Q Okay. But I don't understand how your**
21 **pleading to Mr. Magedson for help, whether he**
22 **responded, whether he said, "I'll try to help,"**
23 **whether he laughed in your face, I don't understand**
24 **how that amounts to extortion.**
25 MR. BLACKERT: Objection. Calls for legal

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1 conclusion.
2 You can answer.
3 BY MR. GINGRAS:
4 **Q Can you help me understand why you felt**
5 **extortion because of your conversations with him?**
6 MR. BLACKERT: Same objections.
7 THE WITNESS: He is asking me to pay for
8 the service or pay -- hold on, pay so he can
9 change the negative to positive. And he says
10 that in his own website. There is no such a
11 thing as he doesn't say that.
12 BY MR. GINGRAS:
13 **Q There is an e-mail, the May 12th I think**
14 **e-mail that talks about that. And we're going to**
15 **get to that in just a minute.**
16 **Other than that e-mail, did Mr. Magedson**
17 **ever tell you on the telephone that he would change**
18 **negatives into positives if you paid him money?**
19 A Yes.
20 **Q Okay. Mr. Mobrez, is one of the reasons**
21 **that you felt that you were being extorted because**
22 **you had no other choice -- I'm sorry, we were just**
23 **about running out of tape.**
24 **Do you want us to take -- we need to**
25 **change tapes. We'll stop there.**

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1 THE VIDEOGRAPHER: The time is 12:33, and
2 we're going off the record.
3 (Luncheon recess, 12:33 to 1:17 P.M.)
4 THE VIDEOGRAPHER: The time is 1:17, and
5 we're back on the record.
6 BY MR. GINGRAS:
7 **Q Mr. Mobrez, before the lunch break we were**
8 **talking about your extortion claim. Do you remember**
9 **that?**
10 A Yes.
11 **Q And the court reporter before we just went**
12 **back on the record reminded me that I had asked you**
13 **why you felt extorted and why you felt threatened.**
14 **Do you remember that?**
15 A Yes.
16 **Q Okay. And I think my next question was**
17 **intended to be but wasn't completed, did you feel**
18 **threatened because you felt there were no other**
19 **options for responding to reports other than paying**
20 **money to Mr. Magedson?**
21 A Mr. Magedson explains thoroughly that
22 "Don't waste your time to sue us. We have teams of
23 lawyers. We can crush your lawsuit." And that's
24 also almost similar on his website. He mentions
25 that.

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1 **Q Slow down, slow down. What you just said,**
2 **the threat about we have a team of lawyers and**
3 **crushing your lawsuit, when did that -- how did that**
4 **communication occur? Is that something you read on**
5 **the website, or is that a conversation you had with**
6 **Mr. Magedson?**
7 A Both. But more -- in person he says that.
8 **Q In person he says that when? Where? How?**
9 A Well, he starts with, basically explains
10 to you that don't waste your time to --
11 **Q I'm sorry. Are you referring to the**
12 **website, or are you referring to a telephone call?**
13 A Telephone call.
14 **Q Okay. I'm sorry.**
15 A He explains on this phone call that "Don't
16 waste your time. There has been others they wasted
17 their time." If I'm not mistaken, he said that
18 "Almost three and a half million dollars we've spend
19 legal fee, in our legal fee, to get rid of all of
20 these lawsuits. And if you plan to sue us, it would
21 be waste like others they have done."
22 **Q And that statement made you feel that you**
23 **had no other option other than paying him to deal**
24 **with these reports?**
25 A That's one of them, yes.

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1 **Q Okay. What other statements?**
2 A Well, this is basically end result is if
3 you don't go along with Mr. Magedson, your name is
4 tarnished and they will continue.
5 **Q And did he say that to you?**
6 A He doesn't say that way. He says, well,
7 you better see -- you better get involved with, with
8 our CAP program and you will benefit from that and
9 you will see the negative turns to be positive.
10 **Q And that's something that he said to you**
11 **personally?**
12 A Also.
13 **Q On the website or in writing or on the**
14 **phone?**
15 A In -- on the phone.
16 **Q Okay.**
17 A And I think he wrote something on that
18 respect that was one of those e-mails --
19 **Q Yeah. We're about to get to the e-mails**
20 **in just a minute. Is there anything else that**
21 **Mr. Magedson said or did to make you feel that you**
22 **had no other option other than paying him to deal**
23 **with reports?**
24 MR. BLACKERT: Objection.
25 Mischaracterize, mischaracterizes the witness's

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1 testimony.
2 BY MR. GINGRAS:
3 **Q I think, I think that was an open-ended**
4 **question where I asked you if there was anything**
5 **else that he said or did. You said that he**
6 **commented about lawyers, he commented about crushing**
7 **lawsuits against him I guess --**
8 A Class lawsuit actions. He talks about
9 that quite a bit. He's very excited about class
10 lawsuit actions.
11 **Q Are you referring to a phone call, an**
12 **e-mail or --**
13 A Phone call and also on his e-mail as well
14 as on his website.
15 **Q Is there anything else that he said or did**
16 **that made you feel that you had no other choice but**
17 **to pay him?**
18 A For time being I would say all of these.
19 And I don't know what else. I can look in some
20 documents or some records --
21 **Q Okay. I'll ask you a few more simple**
22 **questions.**
23 A Please.
24 **Q Did he ever threaten you with violence if**
25 **you did not pay him, like "I'll break your legs if**

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1 **you don't pay me"?**
2 A I don't think so.
3 **Q You don't think so?**
4 A I don't remember that, if he said that.
5 **Q Did he threaten you in any other way,**
6 **verbally or in writing, with harm of any kind if you**
7 **didn't pay him money?**
8 A He did not threaten me directly to say,
9 "I'm going to break your legs."
10 He said, "Others have been stupid." He
11 used the word quite a bit, very slang, that others
12 been stupid and they have gone through that route
13 and got nowhere.
14 **Q And, again, are you referring to a**
15 **telephone call, an e-mail or --**
16 A Telephone call.
17 **Q That was telephone call. Okay.**
18 **Anything else that he did to threaten you**
19 **or make you feel that you had no other choice but to**
20 **pay him?**
21 A I don't have, unless you show me some
22 documents and I can say yes --
23 **Q Okay. Nothing else comes to your mind**
24 **right now?**
25 A At this time, yes.

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1 **Q Okay. Isn't it true that Ripoff Report**
2 **allows people to file responses to complaints for no**
3 **charge at all?**
4 A Yes and no.
5 **Q Okay. Tell me what you mean by that.**
6 A Well, the website says different than what
7 it does.
8 **Q How so?**
9 A It said you can file a rebuttal, which I
10 did. I didn't do it, but somebody from our office
11 did it at that time.
12 **Q Do you know who that was?**
13 A I can look into it, and I can tell you who
14 would have been the person.
15 **Q You don't remember?**
16 A That I don't remember right now this
17 second.
18 **Q Okay.**
19 A But our, what you call, rebuttal never
20 even showed up.
21 **Q Never showed up?**
22 A Never showed up. And later it was kind of
23 like one time it did show up and sometimes we looked
24 and it was not there. And it also persisted also on
25 the bottom of the list. In other words, the report

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1 goes first, all the negative goes first, and
2 whatever it says it goes there. And then very
3 small, maybe in the very, very last portion it will
4 show a, what you call a rebuttal. So I would say
5 this rebuttal is not genuine and it's not fair and
6 it's not honest.
7 **Q Okay. But you did post a rebuttal, at**
8 **least if you look at Exhibit 1A -- 1B is actually**
9 **the text version I think.**
10 A Okay, let me look at it. 1B?
11 **Q 1B. It's going to be report No. 417493,**
12 **which has a submission date of Wednesday,**
13 **January 28th, 2009.**
14 A I'm sorry, did you say -- hold on. I
15 can't find it. I apologize.
16 **Q 1A is going to be a colored piece of**
17 **paper, and then 1B is --**
18 A 1B.
19 **Q 1B, yeah. Flip to I believe the fourth**
20 **page of that packet 1B.**
21 A Four package?
22 **Q Fourth page. I'm sorry they're not**
23 **numbered.**
24 A I apologize. Don't worry about it.
25 **Q In the middle of the page it appears to**

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1 be, some of it -- again, it was in color. Your
2 version actually is in color. Mine's not.
3 **Number six says "Owner of company," and**
4 **then there's kind of what I would characterize as a**
5 **title which says "Asia Economic Institute is**
6 **Saddened by the False Allegations Posted on This**
7 **Ripoff Internet Gossip Site."**
8 **Do you see that?**
9 A Yes.
10 **Q And that is the rebuttal that you or your**
11 **company, somebody with AEI, posted, looks like on or**
12 **around Friday, April 3rd, 2009; is that right?**
13 A I assume, yes.
14 **Q And you didn't pay anything to Ripoff**
15 **Report to post that, did you?**
16 A This is -- I didn't do it. But I don't
17 know who did it. I'm sure it was somebody who was
18 saddened by losing their workplace or something and
19 they filed this. And basically I don't -- I can't
20 speak if somebody paid or didn't pay, but I don't
21 think I paid.
22 **Q Okay. You didn't pay.**
23 **At the end there it says "Please e-mail us**
24 **at Legal@AsiaEcon.org," and then there's a phone**
25 **number, which I believe is your main telephone**

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1 **number, (310)806-3000.**
2 **Do you see that?**
3 A Yes.
4 **Q Who uses the e-mail address**
5 **Legal@AsiaEcon.org?**
6 A I don't. And I don't know when that was
7 established. Maybe somebody at that time.
8 **Q Do you know if anyone ever e-mailed you at**
9 **that address, Legal@AsiaEcon.org, to inquire about**
10 **these postings?**
11 A Not to me. But I'm sure if they would
12 have been any e-mails to those legal -- I don't have
13 that information now. I can't give an intelligent
14 response.
15 **Q Okay. But at least we agree, you and I**
16 **agree that responding to a report as you or your**
17 **company did here is an option for responding to a**
18 **complaint or report on Ripoff Report; correct?**
19 A No, it's not.
20 **Q It's not an option?**
21 A No.
22 **Q It's not an effective option in your mind;**
23 **right?**
24 A No, it's not my mind. It's -- it's a
25 phony, a bogus offer that doesn't exist even if

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1 reality because it says you can put it there but it
2 doesn't show up. This showed up now. Many times we
3 have gone there, it was not there.
4 **Q But it's there now, isn't it?**
5 A I don't know. This is you're showing me.
6 I'm going to take your word for it.
7 **Q Well, I printed this page. Unfortunately**
8 **this one doesn't have a date, but I printed this**
9 **within the last date.**
10 A Okay. So you put it back.
11 **Q I didn't. But it's there now.**
12 A I would say -- yeah.
13 **Q Did anyone ever -- I may have asked this**
14 **before. But did anyone ever e-mail you or write to**
15 **you in correspondence where they mentioned the**
16 **existence of these reports? Did you ever get a**
17 **contact e-mail or a letter --**
18 A Yes.
19 **Q When and from who?**
20 A I don't recall exactly the date and time.
21 But we had, at least I would say numerous times we
22 had -- and I have a copy of it if you like. It's
23 the companies that they're saying we're -- "We see
24 your name is in Ripoff Report and, and it harms your
25 name, tarnishes and all of that." It's very true

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1 fact. It's not saying anything fictional. It's
2 telling the facts.
3 **Q I think I know what you're talking about.**
4 **We have seen in the past -- and I'm not trying to**
5 **testify. I'm just sort of sharing a thought with**
6 **you.**
7 **We've seen in the past where people, third**
8 **parties, somehow either scroll through the website,**
9 **find new complaints and then send e-mails to the**
10 **people named in those complaints offering some kind**
11 **of SEO, or search engine optimization service. Is**
12 **that kind of what you're talking about?**
13 A Maybe, yes. And those people, I don't
14 know the identity of them because we haven't gone to
15 discovery yet. They may actually be part of the
16 people -- I don't know they work for you or not.
17 **Q Other than the people who wrote to you**
18 **offering SEO services or any other service that they**
19 **promise to help you mitigate or remove the reports,**
20 **did anybody else ever write to you about these**
21 **reports and tell you that they had seen them?**
22 A I believe, I don't remember now exactly,
23 but it was rumors early on that a lot of people
24 around Asian countries, they were very, very I guess
25 upset or saying why this is happening.

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1 But it was, it was a massive torture
2 towards to this institute and the principals. We
3 were not prepared for this. I mean, I didn't know.
4 These are very normal questions that, you know, we
5 can always avoid it, but it's the reality of it, you
6 can't change it.
7 **Q Let's go back to Exhibit 10, which is your**
8 **complaint. It's the thickest document in front of**
9 **you.**
10 A Okay.
11 **Q I think the --**
12 A I got it.
13 **Q If you could turn to page 14.**
14 A Yes, sir.
15 **Q Paragraph 33 at the top there. Do you see**
16 **that? And I think you're referring back -- I don't**
17 **actually know what you're referring to there, but**
18 **you say in the second sentence of paragraph 33,**
19 **"Mobrez," do you see that?**
20 A Yes.
21 **Q "Mobrez refused and informed defendants**
22 **again the posts were false and offered to prove**
23 **their fallacy."**
24 **I guess that is supposed to mean falseness**
25 **or something.**

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1 A Falseness, correct.
2 **Q Did you offer to Ed Magedson or anyone**
3 **else at Xcentric to prove these reports were false?**
4 A We covered this earlier today, and I
5 repeat myself. I plead to him, I begged him to "Let
6 me give you whatever you need. I can prove to you
7 these are all false. I don't have -- I don't sell
8 anything so I can do taxations or tax fraud. I
9 don't do marketing that I would scam people. I
10 don't have none of those. How would I be able to do
11 something which you're accusing me of?"
12 I said, "I would be glad to give you
13 anything you need."
14 He is not interested in truth. Your
15 client is not interested in truth.
16 **Q But you are interested in proving that**
17 **these reports are false, and your complaint says**
18 **that you offered to do that to Mr. Magedson. And my**
19 **question to you is what proof did you offer.**
20 A He was not even listening what I say.
21 **Q Do you believe that you have proof that**
22 **shows these reports are false?**
23 A I, I told him, "You should ask me. I can
24 tell you. We don't have any taxation issues. We
25 don't do any tax fraud. We don't have -- we never

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1 had even one time in a tax IRS, even alert or even
2 say a question about one of the -- any of our
3 stuff."
4 **Q Okay. But your position is you offered**
5 **evidence to Mr. Magedson to prove these reports were**
6 **false, and he refused to consider it; is that right?**
7 A Yes, sir.
8 **Q Why didn't you just post that proof as**
9 **part of your rebuttal if it was such effective**
10 **proof?**
11 A It was not any longer.
12 **Q I'm sorry?**
13 A After that post we had the rebuttal, we
14 just -- we just covered that issue. That rebuttal
15 never showed up.
16 **Q But it's there now.**
17 A You want to show now after the facts? A
18 year and a half has passed.
19 **Q But the rebuttal that is there, which**
20 **again, Mr. Mobrez, the rebuttal actually says the**
21 **date that it was posted. It appears to have been**
22 **within about a month and a half or so, two months,**
23 **of when the original report went up.**
24 **I don't see anything in here that -- there**
25 **are general statements that you're a good company**

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1 **and people like you. But I don't see any proof in**
2 **here. And I'm just asking you if you --**
3 A I didn't post that. I told you that
4 before.
5 **Q Why don't you post it now?**
6 A At this time?
7 **Q You're saying it's too late? The harm has**
8 **already occurred? Is that what you're saying?**
9 A Yes.
10 **Q So in your mind, because the harm has**
11 **already occurred, removing these reports wouldn't**
12 **help you in any way, would it?**
13 MS. BORODKIN: Objection.
14 MR. BLACKERT: Objection. Vague and
15 ambiguous.
16 THE WITNESS: I, I can't speak to that.
17 MR. GINGRAS: Lisa, I'm going to have to
18 ask that you not object. Dan is the one
19 defending this deposition. If you do it again,
20 I'm going to have a problem with it.
21 Okay?
22 MS. BORODKIN: I don't know of any
23 authority that says not more than one attorney
24 can speak at a deposition.
25 MR. GINGRAS: It's my authority. Okay?

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1 No, I'm taking this deposition, and I'm
2 going to take it in the manner I choose to take
3 it. If you have any problem with that, you're
4 welcome to call the court.
5 If you interfere with my deposition again,
6 I'm going to have building security escort you
7 out of here.
8 Do you understand me? Do you understand
9 me?
10 MS. BORODKIN: I object.
11 MR. GINGRAS: Thank you.
12 Can you read back the last question before
13 that interruption.
14 (The previous question was read.)
15 MR. GINGRAS: Was there an answer?
16 THE DEPOSITION OFFICER: No.
17 BY MR. GINGRAS:
18 **Q Did you hear her question that she read**
19 **back?**
20 A Can you repeat it again? I apologize.
21 (The previous question was read.)
22 THE WITNESS: It would help us at this
23 time to rebuild our structure --
24 BY MR. GINGRAS:
25 **Q But you've already testified that you've**

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1 **essentially given up on doing that; is that right?**
2 A Well --
3 MR. BLACKERT: Objection.
4 Mischaracterizes the witness's testimony.
5 THE WITNESS: Well, my personal
6 information, you're not getting to the --
7 you've been focused on Asia Economics, AEI,
8 World Econ. There's an injured party here,
9 Raymond Mobrez and Iliana Llaneras.
10 Raymond Mobrez, who worked for 30 years in
11 the same city, and I had no slightest conflict
12 with anybody, any, any legal or financial
13 issues that would have been -- I had immaculate
14 record, personal record.
15 I wonder when you say somebody shot,
16 somebody died, what does -- physically or just
17 the name died? I'm wondering if you look at
18 that and see how that labels my issue.
19 BY MR. GINGRAS:
20 **Q I don't think you answered my question.**
21 **But I actually think you made a valid point. And**
22 **let me see if we can clear up that point. I think**
23 **what you just said was that you and your wife, your**
24 **reputations have been damaged, tarnished, if you**
25 **will, by these reports; is that fair?**

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1 A Yes. And more.
2 **Q And that damage to your reputation has**
3 **caused you harm?**
4 A Paralyzed me.
5 **Q And separate from, separate from the**
6 **damage to your reputation, you believe you've**
7 **incurred economic losses of some kind?**
8 MR. BLACKERT: Objection. Vague and
9 ambiguous.
10 BY MR. GINGRAS:
11 **Q Is that, is that what you're claiming**
12 **here?**
13 A Yes.
14 **Q And those, those economic losses are**
15 **related to AEI; correct?**
16 A And my other businesses that I have.
17 **Q Well, your other businesses are not**
18 **parties to this lawsuit, are they?**
19 A It is. Because it's Raymond Mobrez and
20 it's all personal interest in any of the companies
21 or corporations or DBAs.
22 **Q But you understand that corporations are**
23 **entities that exist separate from yourself? Do you**
24 **understand that?**
25 MR. BLACKERT: Objection. Calls for legal
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1 conclusions.
2 BY MR. GINGRAS:
3 **Q Are you aware of that? You're an educated**
4 **man, Dr. Mobrez.**
5 A I don't know. I could be very educated,
6 but I'm not a rocket scientist, so I don't know the
7 legal parts of it.
8 **Q Okay. Looking at, I think you still have**
9 **Exhibit 10 in front of you on page 14?**
10 A Yes.
11 **Q Paragraph 34 says "The implication was**
12 **clear that for a fee, defendants would clear the**
13 **content of the defamatory posts."**
14 **What does that allegation mean?**
15 A Changing negative to positive.
16 **Q And what is your basis for making that**
17 **claim? What evidence supports that allegation?**
18 A Mr. Magedson himself. It says --
19 **Q When?**
20 A On these phone calls.
21 **Q On the phone calls. Only in the phone**
22 **calls or in writing as well?**
23 A I, I have to go back and read his
24 writings. I believe some areas he insinuates and
25 describes his programs. But here specifically on
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1 the phone he says these negatives could turn to be
2 positive.
3 **Q If you paid him \$5,000 and a monthly fee?**
4 A If you paid him the \$5,000 and a monthly
5 fee and enrolled to his programs.
6 **Q Which you've refused to do?**
7 A I can't stipulate to something that I'm
8 not.
9 **Q I understand.**
10 A He says, "You have to stipulate to the
11 report so you can go and do this."
12 How would I be able to go -- and then I
13 would be lying to myself that I am -- I didn't do
14 tax evasions. How do I do that? Scamming people.
15 How do I do that?
16 **Q Rewinding back, we were talking about the**
17 **options that you had in terms of responding to these**
18 **reports. And you said you didn't really feel that**
19 **you had any. I said that you responded in terms of**
20 **a rebuttal. You did that. And you said you didn't**
21 **really think that was a legitimate response that we**
22 **offered; right?**
23 MR. BLACKERT: Objection.
24 Mischaracterizes the witness's testimony.
25 MR. GINGRAS: I'm summarizing.
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1 MR. BLACKERT: Vague and ambiguous.
2 BY MR. GINGRAS:
3 **Q I'm not putting words in your mouth. I'm**
4 **just summarizing so that we can --**
5 A Respond to that is very simple. If
6 somebody would search engine my name, it's not my --
7 my rebuttal is not going to come up. First thing
8 shows up, Ripoff Report, and a bunch of other things
9 goes with it.
10 Then if somebody will sit down and read 40
11 pages and 50 pages, go all the way down maybe, they
12 will see along the way that you have, it was not
13 there. And rebuttal was not there now, and you're
14 showing something it's there. Okay.
15 **Q Okay. So in terms of what options were**
16 **available to you other than paying money to Ripoff**
17 **Report to deal with these complaints, we talked**
18 **about the rebuttal option. I understand how you**
19 **feel about that.**
20 **You would also agree with me that you had**
21 **legal options; right?**
22 A He says to me, "You can't sue me."
23 **Q But you can sue the author; right?**
24 A Who is the author? You have the
25 information. I don't have it.
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1 **Q Did you ever ask for that information?**
2 A I asked him. I said, "You have to tell
3 me. I don't know these names." We've gone through
4 this before with him. I said, "These names are not
5 familiar to me."
6 And in fact my writings says to him, and
7 it says specifically, "You need to tell me who they
8 are so I can at least explain to you."
9 And on the other hand, this rebuttal
10 issue, it's a phony offer. It's a part of the whole
11 scam that goes to show there is some type of a
12 relief.
13 And I really don't know what's
14 Mr. Magedson, what kind of a regulatory agency is
15 he. Is he appointed with the president of United
16 States? United Nations? County of Los Angeles?
17 State of Arizona? Mexico? Anybody in the world has
18 appointed him to be authoritative to put something
19 that what he likes to say, what he doesn't want to
20 say?
21 He told me personally that "Don't try to
22 go even a lawsuit way." And he says that in his
23 website. We have -- and you said in your, even last
24 time you were at the court, you spent over a million
25 dollars on a legal fee defending the cases.

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1 **Q Mr. Mobrez, it sounds like you're very**
2 **familiar with material on the Ripoff Report website**
3 **that talks about the law. Have you read -- there's**
4 **a link at the bottom of every page that says "Do you**
5 **want to sue Ripoff Report?" Are you familiar with**
6 **that link?**
7 A I am.
8 **Q Okay. Do you know that there's also a**
9 **link at the bottom of every, single page of Ripoff**
10 **Report that explains the exact process that needs to**
11 **be followed in order to obtain an author's**
12 **information?**
13 A It says there that also "We have
14 immunity" --
15 **Q Let me stop you.**
16 A He says, first thing he says to me on the
17 phone, "I have immunity to do all this of this."
18 Where do I go with that?
19 **Q That's not the question I asked. The**
20 **question I asked you was isn't it true that on the**
21 **bottom of every, single page on the Ripoff Report**
22 **website there is a link that explains how you can**
23 **obtain an author's information if you want that?**
24 **Isn't that true?**
25 A I asked him.

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1 **Q Did you follow the protocols set forth in**
2 **the link?**
3 A I asked him. It's directly the horse's
4 mouth. I asked, and he said, "We don't release
5 anybody's information."
6 **Q Did you ever read the link that explains**
7 **how to get that information? Did you read it, sir?**
8 A We have gone through this with him in a
9 very beginning. As I said, I plead to him, I begged
10 him, "Please tell me who" -- he says, "No, we never
11 released information of anybody."
12 **Q I'm going to ask you for a third time.**
13 **Did you read the information on the link that**
14 **explains how to get author's information? Not did**
15 **you talk to Mr. Magedson about it. Did you read it?**
16 MR. BLACKERT: Objection. Relevance.
17 THE WITNESS: I should say I have to go
18 and look at it again and I can respond to that
19 question.
20 BY MR. GINGRAS:
21 **Q So you don't know if you read it or not?**
22 A I read it, but I didn't read it
23 thoroughly.
24 **Q And I understand that you're not a lawyer.**
25 A I'm not a lawyer.

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1 **Q I understand that. And I understand some**
2 **of what is there is slightly technical. I**
3 **understand that. I don't care if it made sense to**
4 **you. I'm just asking if you looked at it. That's**
5 **all.**
6 MR. BLACKERT: Objection. Asked and
7 answered.
8 THE WITNESS: I don't know what your
9 question is.
10 BY MR. GINGRAS:
11 **Q All right. Looking at paragraph 35 on**
12 **page 14 of Exhibit 10, beginning with "In summary."**
13 A Correct.
14 **Q Is it your testimony that Ed Magedson**
15 **specifically told you that he would provide a**
16 **correction to reports that it, I guess he, knew or**
17 **should have known was false? Did he do that? Offer**
18 **to provide a correction?**
19 A He said, "We, we will put on" -- he
20 describes that also in his website as well as a
21 little more elaborate in this conversation.
22 **Q Okay.**
23 A Have you ever had a chance to see him when
24 he gets on the phone and explains about his programs
25 to others?

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1 **Q I don't think it's appropriate for you to**
2 **ask me questions. I'm not trying to be cute with**
3 **you.**
4 A Oh, yeah.
5 **Q But I think --**
6 A Okay. I withdraw that question.
7 **Q It's fair enough. But I'm asking with**
8 **your regard to your experience, did Ed Magedson say**
9 **to you that he would correct reports that he knew or**
10 **should have known were false for money?**
11 A It is implied, if you would pay the money,
12 there is going to be a positive going to show up.
13 You're going to see positive results. They're going
14 to change this meta tag process. Definitely. I
15 don't know what he does.
16 **Q I think I know the answer to this**
17 **question, but I'll ask it anyway. Have you ever**
18 **listened in on the phone when anyone else was**
19 **speaking with Mr. Magedson?**
20 A Anyone else than myself?
21 **Q I'm not talking about your phone calls**
22 **with Mr. Magedson. I'm talking about when**
23 **Mr. Magedson was speaking with anybody other than**
24 **you. Have you ever listened in on the phone to one**
25 **of those conversations?**

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1 A No.
2 **Q So how do you know what he says to other**
3 **people?**
4 A It's, it's on the websites. It's
5 everywhere that's on the -- it's on the internet.
6 It's in the YouTube, everywhere. People, they are
7 coming forward and saying at these websites that
8 this is what he's saying.
9 And the reason I'm able to connect with
10 it, because I heard firsthand from his mouth also.
11 **Q So all the people that are attacking**
12 **Mr. Magedson on the internet -- and I've read some**
13 **of what you're talking about, and I know there's a**
14 **lot of it -- those people, you believe they're**
15 **telling the truth because you had the same**
16 **experience with him?**
17 A My experience is my experience. Their
18 experience is their experience.
19 **Q Right.**
20 A But they're experiencing their experience
21 on a forum or whatever. And when I see it, yeah,
22 that's what it is.
23 **Q Okay. Turn to page 15 of Exhibit 10.**
24 **Looking at page 15, paragraph 37, do you see that**
25 **there beginning with "Defendants know that the**

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1 **information published on its websites"? Do you see**
2 **that?**
3 A Yes.
4 **Q You never knew Mr. Magedson before the**
5 **first time you talked to him on the phone or**
6 **exchanged e-mails with him in early 2009; isn't that**
7 **correct? You didn't know him before?**
8 A No, sir.
9 **Q Do you believe that he knew who you were?**
10 A I can't speak of that. That's -- you have
11 to provide that information to us.
12 **Q Okay. All right. Fair enough.**
13 **Moving down four lines into paragraph 37,**
14 **beginning with "Businesses and individuals have**
15 **refused to do business with plaintiffs," do you see**
16 **that line there?**
17 A Correct.
18 **Q Who are you referring to in that**
19 **allegation?**
20 A It's --
21 **Q What business refused to do business with**
22 **you because of these posts?**
23 A I have even lease, that I am trying to
24 sublease my space and lease somewhere else. I can't
25 find anybody wants to talk to me, any landlord. As

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1 soon as I give my name, that's the end of the game.
2 **Q So you've been unable to lease, sublease**
3 **real estate that you own, and you attribute that to**
4 **the Ripoff Report?**
5 A Absolutely. It's a part of my trying
6 to -- this is a -- trying to lease another space.
7 **Q And do you, as you sit here now, are you**
8 **aware of any witnesses who will testify that they**
9 **refused to sublease real estate from you because of**
10 **Ripoff Report?**
11 MR. BLACKERT: Objection. Calls for a
12 legal conclusion.
13 THE WITNESS: I have to look at my records
14 and talk to them and go from there.
15 BY MR. GINGRAS:
16 **Q But you can't think of any specific names**
17 **right now?**
18 A I have to look for it, yes.
19 **Q Turn to page 17, paragraph 46. It's only**
20 **two short sentences, so I'll read them:**
21 **"Defendants knew or should have known the**
22 **defamatory posts would cause serious harm to**
23 **plaintiffs. Defendants intended that the**
24 **defamatory posts impact the way that the public**
25 **views plaintiffs as well as their business."**

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1 Are you claiming that Mr. Magedson
2 intended to cause harm to you?
3 A I can say Mr. Magedson, after he knew I'm
4 bleeding and this has destroyed my ten years of my
5 work and my life savings, devastated my whole
6 personal life and business, it's no -- he knows at
7 that moment that I am absolutely am pleading to him
8 to verify this, I'm pleading to him, and he ignores
9 it, and he says, "People, they post things
10 anonymous. I can't tell you anything."
11 Q So I guess what you just said is, after
12 the posts were there -- you don't believe that
13 Mr. Magedson knew about you and somehow directed
14 these posts at you before, before you spoke to him?
15 A I have no idea unless you will provide me
16 on your -- these are information you have.
17 Q Well, that's why you're going to --
18 A I don't have discovery of you. When you
19 show that to us, then I will be able to make
20 intelligent conversation.
21 Q And that would be Mr. Magedson's
22 deposition is next week and whatever other
23 discovery --
24 A Or the documents.
25 Q Sure. But as we sit here today, you,

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1 Mr. Mobrez, do you have knowledge that Mr. Magedson
2 intended to harm you or intended to have these posts
3 go up on Ripoff Report for the purpose of harming
4 you?
5 MR. BLACKERT: Objection. Calls for
6 speculation.
7 MR. GINGRAS: That's exactly our point.
8 THE WITNESS: I can't say anything -- you
9 are getting to the guessing game constantly. I
10 don't want to be guessing game. I don't know
11 what's in his mind, what was in his head.
12 All I know, when I came to him and I
13 explained to him, he refused to do anything.
14 He writes on his note that "Even the Pope can
15 be even reputation tarnished on my website."
16 BY MR. GINGRAS:
17 Q I think the Pope has his own issues.
18 Mr. Mobrez, let's turn to page 18 of
19 Exhibit 10. I'm sorry, page 18.
20 A I'm moved by "the Pope has issues."
21 Q Do you see paragraph 53 A and B there?
22 A Fifty-three A and B, correct.
23 Q Bottom of the page?
24 A Uh-huh.
25 Q 53A says that defendants, again, Xcentric

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1 and Mr. Magedson, "have repeatedly attempted to
2 obtain AEI's property through wrongful use of actual
3 or threatened fear by requiring payment to remedy
4 the publication of false and defamatory statements
5 that defendants created and/or solicited."
6 Do you see that allegation?
7 A Correct.
8 Q What evidence do you have that
9 Mr. Magedson or Xcentric created or solicited the
10 posts about AEI on the Ripoff Report website?
11 MR. BLACKERT: Objection. Calls for a
12 legal conclusion.
13 THE WITNESS: Creation of -- he owns this
14 website. He modifies his website frequently.
15 And you can have many people will look at the
16 same website a few days or months later, they
17 will see there's a lot of things been moved, a
18 lot of things been shifted differently.
19 It's -- he modifies his website
20 frequently. Very, very elaborately, you can
21 tell. And we have pictures of some of the
22 pages were in and they were not in and they
23 came back again and they modified.
24 BY MR. GINGRAS:
25 Q Okay. That's not the question I asked. I

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1 think it's interesting but --
2 A I respond to you this way. Solicitation
3 is also, is direct. He's asking for people to pay
4 him so he can turn the negative to positive. What
5 is that? That's a solicitation.
6 Q As to you?
7 A To me, yes, direct.
8 Q No. I'm sorry. I know -- I asked this
9 about ten times before, and I'm still not happy with
10 what you said because I don't understand it.
11 A Because you may not want to hear what I
12 say --
13 Q I really do.
14 A I appreciate that.
15 Q I want to understand it. Is it your
16 position that Mr. Magedson specifically asked people
17 to post material about you, about Mr. Mobrez, your
18 wife or your company?
19 A He has a website that has an invitation
20 to -- and also says, if you post here, media, you're
21 well known in media, you may even be interviewed in
22 media, you may even get paid for it. And it goes on
23 and on. It's in your website.
24 Q And you'd agree with me that those are
25 general reasons for a person to post a comment;

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1 correct?
2 A It's invitation.
3 **Q But it never mentioned you, Mr. Mobrez,**
4 **your wife or your company, did it?**
5 A He has done that to 550,000 people
6 according to his website. According to his website,
7 he has done this to 550,000 people and the
8 businesses.
9 **Q Okay. Are you aware of any witness who**
10 **will testify that Mr. Magedson specifically**
11 **solicited, asked people to post false statements**
12 **about you, your wife or your company?**
13 MR. BLACKERT: Objection. Calls for legal
14 conclusion. Irrelevant.
15 THE WITNESS: I can't -- I'm not
16 Mr. Magedson to know what he said to anybody.
17 But I can say it's in all of these websites and
18 YouTube and many other places. They talk about
19 this, that he is promoting a deception and he's
20 promoting the people to come forward and do
21 something.
22 BY MR. GINGRAS:
23 **Q And because that's --**
24 A And he says also it could be even false
25 allegation.

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1 **Q And because that's on YouTube, that makes**
2 **it true?**
3 A YouTube is unfortunately is, today is --
4 it's one of the tools that's out there, people, they
5 obtain their information.
6 **Q But you haven't independently verified**
7 **whether or not anything on YouTube is true, have**
8 **you?**
9 A I can't speak of that. All I can say, I,
10 I searched for some information out there.
11 **Q With regard to paragraph 52 B in**
12 **Exhibit 10, the allegation is that "Defendants have**
13 **repeatedly and intentionally used their websites as**
14 **a scheme to obtain money from AEI and other**
15 **companies by means of a false" -- I'm sorry --**
16 **"false and defamatory complaints created or**
17 **solicited by defendants."**
18 I know, because we just talked about it, I
19 know you feel there is a general solicitation. You
20 might think it's specific, but I still haven't heard
21 any witness that you intend to call that will say
22 AEI -- that Mr. Magedson asked people to post
23 negative comments about AEI or you or your wife.
24 A We have to discover that.
25 **Q But you're not aware of it right now;**

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1 right?
2 A I can't say anything at this moment until
3 I look at the documents, I look at the -- I do my
4 research, I do my search.
5 **Q Fair enough. Mr. Mobrez, your extortion**
6 **claim is based, again, on conversations you had with**
7 **Mr. Magedson on the phone; right?**
8 A Yes.
9 **Q And I guess e-mails that you had with him?**
10 A Yes.
11 **Q And maybe some general stuff that's on the**
12 **website, talking about you should post a complaint**
13 **because you might get paid or something?**
14 MR. BLACKERT: Objection.
15 Mischaracterizes the witness's testimony.
16 THE WITNESS: It's, it's more than that
17 but, yes.
18 BY MR. GINGRAS:
19 **Q Okay. But isn't it true that if**
20 **Mr. Magedson had never asked you for any money, in**
21 **fact, if you had never spoken to him at all, the**
22 **reports on Ripoff Report would still be causing you**
23 **harm; isn't that true?**
24 MR. BLACKERT: Objection. Vague and
25 ambiguous. Compound.

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1 THE WITNESS: I can't speak of
2 hypothetically what it is. I can speak of what
3 I see. You have to give me information on the
4 discovery. I don't know these postings, we
5 don't know the name, we don't know their
6 identities. And it's known only to you and
7 Mr. Magedson. It's not to me. I have no idea
8 what's the behind the scenes is involved, the
9 scam.
10 BY MR. GINGRAS:
11 **Q But knowing the identity of the author has**
12 **nothing to do with whether or not these reports are**
13 **causing you harm that is separate from harm that you**
14 **might have suffered because Mr. Magedson threatened**
15 **you --**
16 MR. BLACKERT: Objection.
17 BY MR. GINGRAS:
18 **Q -- wouldn't you agree with me?**
19 MR. BLACKERT: Calls for a legal
20 conclusion.
21 THE WITNESS: What do you mean exactly?
22 Mr. Magedson is threatening me or harming this
23 particular postings?
24 BY MR. GINGRAS:
25 **Q I'm saying if Mr. Magedson was run over by**

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1 an ice cream truck the day after these posts were
2 made and therefore he never called you or you called
3 him and never threatened you in any way, you'd still
4 be in exactly the same position, wouldn't you agree?
5 MR. BLACKERT: Objection. Irrelevant.
6 Calls for hypothetical.
7 THE WITNESS: No. Maybe Mr. Magedson
8 would have not been there. The website is no
9 longer there. I don't know. I can't speak of
10 that.
11 And I don't want anybody to go under the
12 ice cream truck, which is not fair to them.
13 MR. GINGRAS: Me either.
14 THE WITNESS: That's a lot of ice cream to
15 be under it.
16 BY MR. GINGRAS:
17 **Q Mr. Mobrez, let's move on a little bit.**
18 **In your complaint, you have a claim for**
19 **unfair business practices under California law, and**
20 **you specifically say that these unfair practices**
21 **include extortion and wire fraud. Are you familiar**
22 **with those claims?**
23 A Those are -- you have to ask our counsels.
24 These are legal conclusions. I am not a lawyer, so
25 I can't respond to the legal --

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1 **Q So you're saying that only your attorney**
2 **would know the answer to that question?**
3 A I would say so because I'm not a lawyer.
4 **Q Are you offering to waive attorney-client**
5 **privilege so that I can take your lawyer's**
6 **deposition and ask him to answer that question?**
7 MR. BLACKERT: You didn't even pose a
8 question yet. You didn't even pose a question
9 yet. Ask the question.
10 MR. GINGRAS: Can you read back my last
11 question.
12 (The previous question was read.)
13 BY MR. GINGRAS:
14 **Q Are you familiar with those claims?**
15 A I'm familiar. I'm not expert of it.
16 **Q Right, right. I think we talked about**
17 **extortion and that's part of your unfair practices**
18 **claim, but it's not the only part. You also talk**
19 **about wire fraud, and I want to focus your attention**
20 **on that for just a minute. Okay?**
21 A Okay.
22 **Q Okay. Do you believe that Mr. Magedson**
23 **made any false statements of fact to you at any**
24 **time?**
25 A In what respect?

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1 **Q Well, you have a claim for wire fraud.**
2 **Wire fraud usually involves a false statement made**
3 **to the victim. And I'm asking you did Mr. Magedson**
4 **make any false statements to you? I understand**
5 **there's this issue about the California residency**
6 **thing. You can include that or leave it out if you**
7 **want to.**
8 **Other than that, did Mr. Magedson ever**
9 **make any statements of fact to you that you believe**
10 **were false?**
11 MR. BLACKERT: Objection. Overbroad.
12 THE WITNESS: It's, it's a very vague --
13 you have to be more specific. What do you mean
14 about --
15 BY MR. GINGRAS:
16 **Q Do you believe that Mr. Magedson lied to**
17 **you about anything?**
18 MR. BLACKERT: Objection. Overbroad.
19 THE WITNESS: Maybe, yes.
20 BY MR. GINGRAS:
21 **Q What --**
22 A He did.
23 **Q What?**
24 A Few of them. I don't know. One of them
25 is about -- now you are saying he's lying. I didn't

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1 know he was lying. He was saying, "I'm in L.A., I
2 live in L.A."
3 **Q Right. Other than that statement, are**
4 **there any other lies that Mr. Magedson told to you**
5 **that you're claiming?**
6 A Well, basically he is saying, one of the
7 areas that he kept, was emphasizing on is "Let's not
8 roll on, let's not roll on the who posted. Let's
9 move on from that. Let's move on and get into the
10 CAP program so that we can help you."
11 **Q I'm sorry, what are you referring to?**
12 **Again a phone call?**
13 A Yeah.
14 **Q And what did he say in the phone call that**
15 **was a lie?**
16 A He was saying basically, "Let's move on.
17 Forget about these, whoever posted. Don't, don't
18 harp on the who was the posted. Move on and let's
19 get on the CAP program, and you will see negative
20 turn to positive."
21 **Q So, again, to summarize what you just**
22 **said, you had a phone call with Mr. Magedson and you**
23 **asked him to tell you who the author was?**
24 A Of course I did.
25 **Q And he then told you to move on and not**

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1 focus on that, and you believe that was a lie
2 somehow?
3 A You are putting in a word in my mouth.
4 I'm not sure what you are trying to accomplish with
5 this. If you tell me what you're looking for --
6 **Q This is your day to explain your case that**
7 **you have filed. I'm not trying to put words in your**
8 **mouth. I'm trying to understand you. So I**
9 **encourage you, please correct me. I'm often wrong.**
10 **I'm the first person to tell you that. But I'd like**
11 **to know what lies or false statements you're**
12 **accusing Mr. Magedson of making.**
13 **These are very serious allegations,**
14 **Mr. Mobrez. I'm asking you to explain what they are**
15 **because I don't understand them.**
16 A For example, he was saying I was -- now I
17 know, at that time he was saying there is -- "You
18 can't sue us. We have the immunity."
19 **Q Do you believe that's a lie? You did sue**
20 **him; right? So you didn't rely on that one.**
21 A Well, he said many people they were
22 stupid, used the word of "stupid," that "They went
23 and sued us and they lost their case and we even got
24 legal fee from them, class lawsuit action."
25 He's, he's absolutely impressed with the

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1 word of "class lawsuit action." And he elaborates
2 on that quite a bit. Actually in his writings.
3 **Q But are you talking about a phone call or**
4 **writings?**
5 A Both.
6 **Q In a phone call he talked about class**
7 **actions and people being stupid by suing?**
8 A Suing him. They should move on, just go
9 along with this thing and see the positive side of
10 it.
11 **Q And that was a phone call or a writing?**
12 A I think it's a phone call.
13 **Q Okay. As part of your wire fraud claim,**
14 **I'm still not really understanding if there are any**
15 **lies that you claim that Mr. Magedson made to you**
16 **that you relied on and that caused you harm in any**
17 **way. Can you help correct me? Because I didn't**
18 **hear any lies that you're claiming have damaged you.**
19 **He might have lied to you about living in**
20 **California, but you didn't rely on that. You sued**
21 **him anyway. I don't know how that would have harmed**
22 **you.**
23 **You said that he lied to you about not**
24 **looking for the author's information, but you**
25 **haven't asked for that from us in this lawsuit.**

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1 **You're entitled to I guess.**
2 **I'm just not hearing the false statements**
3 **that you claim that he made to you that then caused**
4 **you harm.**
5 MR. BLACKERT: Objection. Vague and
6 ambiguous. Compound. Calls for legal
7 conclusions. Overbroad.
8 MR. GINGRAS: I'm actually not done with
9 my question. You can save your objection until
10 I'm done.
11 **Q Are there any false statements that you**
12 **want to include as part of this case that you're**
13 **looking for damages for?**
14 MR. BLACKERT: Same objections.
15 THE WITNESS: This whole thing is a lie.
16 Until he has to show me who did this. He
17 doesn't want to show who posted these.
18 BY MR. GINGRAS:
19 **Q If Mr. Magedson shows you the information**
20 **that he has about the authors of the six reports,**
21 **will that change your position in this lawsuit in**
22 **some way?**
23 A That's something, legal question. I am
24 not a lawyer to know --
25 **Q Yeah, but this is your, this is your case.**

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1 **You're the one that filed this case.**
2 A Well, he put me out of business. He had
3 every opportunity. You are not paying attention
4 what I said beginning. I said I plead to him, I
5 begged him --
6 **Q On the phone?**
7 A Yes. And even on my writing it's obvious
8 that I'm telling him, "Look, this is going to --
9 this is destroying my whole life. I'm not a
10 15-years-old guy."
11 **Q But wouldn't you agree with me that if you**
12 **find the authors, if we reveal to you who they are**
13 **and assuming that you go find them, that you add**
14 **them as parties to this lawsuit, you can recover**
15 **damages from them, you understand that; right?**
16 MR. BLACKERT: Objection. Calls for a
17 legal conclusion.
18 THE WITNESS: I don't know that. I'm not
19 a lawyer. I'm not a judge. All I know is they
20 may become part of this lawsuit, yes.
21 BY MR. GINGRAS:
22 **Q But you certainly believe that the people**
23 **that wrote these posts, they're -- they've damaged**
24 **you, haven't they?**
25 A Including Mr. Magedson. You just

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1 mentioned about a truck run over you and ice cream.
 2 This is worse than an ice cream truck -- truck run
 3 over me. And we went back to make sure every bones
 4 are there to make sure it's absolutely dead.
 5 **Q But who's driving that truck?**
 6 A Ed Magedson.
 7 **Q Is he?**
 8 A Who owns this Ripoff Report?
 9 **Q I think in your example, Mr. Magedson**
 10 **would be more like the truck manufacturer and the**
 11 **author would be a little more like the driver.**
 12 **Don't you think that is a fair characterization?**
 13 A No. The driver is Mr. Magedson, owns the
 14 truck and drives over it. He has every rights, he
 15 has -- he has to be precaution himself and say "Why
 16 am I driving over this person?"
 17 I offered him everything in the beginning
 18 to rectify all of this. He's not interested on
 19 that.
 20 **Q But the people that are reading the report**
 21 **would be, wouldn't they?**
 22 A How they would be interested in we -- we
 23 finished that discussion long ago, about two hours
 24 ago, that when you post this rebuttal, as you are
 25 referring to, it is all the way down and it is

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1 sometimes it's there, sometimes it's not there.
 2 Even if it's there, let's say the perfect
 3 scenario, people will not go to do business with you
 4 when they will find out you are a child molester.
 5 And you are not a child molester. How would you
 6 feel about it?
 7 **Q I'd be very angry at the person that wrote**
 8 **that.**
 9 A And then you would contact Google, and
 10 they will tell you go and tell them to take it off.
 11 **Q Well, we're getting a little far afield.**
 12 **Let's, let's get back. Unless, I mean, you're**
 13 **welcome to stay here until midnight with me. I**
 14 **don't want to keep you that long. So let's, we'll**
 15 **both try to focus ourselves.**
 16 **Getting back to your unfair business**
 17 **practices claim, I will tell you as a legal**
 18 **principle, I'm not asking you for your feelings**
 19 **about it, but California law generally limits your**
 20 **recovery to what's called restitution. Okay? That**
 21 **would be money that the defendant improperly took as**
 22 **a result of whatever these acts are.**
 23 **What money do you believe Xcentric should**
 24 **have to pay back as restitution under your unfair**
 25 **business practices claim?**

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1 MR. BLACKERT: Objection. Calls for a
 2 legal conclusion.
 3 THE WITNESS: This is a legal question. I
 4 can't respond to a legal -- I'm not a legal
 5 expert. I'm just a normal person.
 6 BY MR. GINGRAS:
 7 **Q Okay. Is there money that you paid to**
 8 **Xcentric that you're looking to recover?**
 9 A I don't have to pay him. He was asking
 10 for it. I couldn't afford to pay him.
 11 **Q So you actually paid nothing to Xcentric?**
 12 A I didn't.
 13 **Q Okay. Do you have any evidence that**
 14 **Xcentric received any money from anyone else as a**
 15 **result of these postings on the -- the specific six**
 16 **postings about you on the Ripoff Report website?**
 17 A I can't speak of that because I don't know
 18 what between them happened until you provide me your
 19 information. Your information is going to show if
 20 Mr. Magedson get paid or didn't get paid.
 21 **Q Let's look at page 21 of Exhibit 10, the**
 22 **complaint in front of you.**
 23 A Twenty-one?
 24 **Q I'm not sure why I just said that. I was**
 25 **actually looking for paragraph 93, which is not on**

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1 **21. It is on 27. Are you there now?**
 2 A Page 27?
 3 **Q Page 27, paragraph 93. Do you see that**
 4 **paragraph?**
 5 A Yes.
 6 **Q Talks about contractual relationships with**
 7 **current and former employees of AEI who but for**
 8 **defendant's publications would have entered into**
 9 **valid contractual relationships.**
 10 **What employees are you referring to in**
 11 **paragraph 93? What are their names?**
 12 A I don't have the names front of me. They
 13 were people at that time they were working and
 14 depending on this institute.
 15 **Q And is it your position that people that**
 16 **worked for you quit because of Ripoff Report?**
 17 A Absolutely.
 18 **Q Who?**
 19 A Everybody.
 20 **Q They told you that they quit because of**
 21 **Ripoff Report? Or you simply assumed that they did?**
 22 A Well, it was e-mail exchange with some of
 23 them. I found out that later, that also they were
 24 saying, "Did you see this report about AEI?"
 25 Would you work for AEI if you would have

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1 had such a report as these are scam artists and they
2 took people -- you think somebody will hire you if
3 they will know you are a child molester?
4 **Q Was that answering the question?**
5 A I apologize.
6 **Q First of all, you mentioned e-mails. What**
7 **e-mails are you referring to?**
8 A Between two people that were working at
9 the institute.
10 **Q These are e-mails that you saw?**
11 A I've seen them.
12 **Q And you still have them?**
13 A I have to look for it.
14 **Q And you can't tell me the names of any of**
15 **these people who were talking about the Ripoff**
16 **Report posting who then quit?**
17 A It's year and a half has passed. It's
18 more than 15 months has passed. I don't have the --
19 it's been very devastating for me mentally and
20 emotionally that this will happen to me. You're
21 treating this very lightly.
22 **Q I'm sorry. I'm treating it lightly?**
23 A This is -- you're treating very lightly.
24 **Q I'm actually treating it very seriously.**
25 A Thank you.

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1 **Q I'm treating it very seriously, and I**
2 **really do want to understand your case because, if I**
3 **understand your case, you don't know me, you don't**
4 **know the kind of person that I am, but if I**
5 **understand your case and I'm convinced that your**
6 **case is legitimate and valid, I would take that**
7 **extremely seriously.**
8 **My reputation is on the line as far as I'm**
9 **defending someone that is accused of doing very bad**
10 **things. If that person is guilty of those things, I**
11 **don't want to be associated with that person. Do**
12 **you understand --**
13 A I hope you do.
14 **Q So I want you to help me understand**
15 **whether or not I'm working for a bad guy.**
16 A I'm sure by now you know who he is.
17 **Q I think that's fair, I do. But I'm trying**
18 **to understand your case and your claims and why you**
19 **think he's so bad.**
20 **Let me ask you this, Mr. Mobrez.**
21 **Something I'm troubled with is this: The reports,**
22 **the six of them there, there are a lot of factual**
23 **statements in there, but if you want to generalize,**
24 **a couple of them kind of talk about don't work at**
25 **AEI because you're not a nice man and it's not a**

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1 **good place to work.**
2 **Do you think it's kind of a fair way of**
3 **characterizing just generally a couple of those**
4 **reports?**
5 A I can't speak of what somebody else says.
6 But I can tell you many, many people, they work
7 there, and one of them went even from out of his way
8 and wrote from bottom of his heart the rebuttal that
9 you are characterizing as a rebuttal. This says
10 this is a good place to be in.
11 **Q But these reports generally say that**
12 **working there is not a good thing; right?**
13 A I can't speak of somebody -- I don't know
14 who they are. I mean, I have no idea if they even
15 worked there.
16 MS. SPETH: We should take a break maybe.
17 MR. GINGRAS: No, we shouldn't. I need to
18 keep going here. Just hang on.
19 **Q Do you recall reading one of the reports**
20 **that said something about you shouldn't work there**
21 **because you'd have more self-respect cleaning**
22 **toilets or working in a fast food place or something**
23 **like that? Does that ring a bell to you?**
24 A I saw something about cleaning toilets.
25 And obviously that tells you that the writer's

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1 demeanor -- I don't know if that's a true statement.
2 **Q Here's the part that troubles me. Okay?**
3 **If AEI is a good place to work and if the statements**
4 **that say you don't pay your employees overtime or**
5 **you don't pay them fairly, if those statements are**
6 **false, the people that work there would know that,**
7 **wouldn't they?**
8 MR. BLACKERT: Objection. Statements
9 speak for themselves. Calls for a
10 conclusion --
11 BY MR. GINGRAS:
12 **Q I mean, if you tell me that I shouldn't go**
13 **outside because it's raining too hard and I look out**
14 **the window and see that it's sunny, I don't**
15 **understand how your statement about it raining is**
16 **going to impact me in any way.**
17 **Can you help me understand that?**
18 MR. BLACKERT: Objection. Hypothetical.
19 Irrelevant. Vague and ambiguous.
20 THE WITNESS: This is a very, very
21 hypothetical question. Because it doesn't help
22 if somebody -- I have no idea -- you have to
23 provide us first who they are. Then I can make
24 intelligent assessment.
25 And you keep saying hypothetically there's

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1 somebody in a cloud said something. And you
2 are saying only one person. I don't know, a
3 lot of people came and worked at AEI. A lot of
4 people came and left. And a lot of people came
5 for part-time work, seasonal work, whatever you
6 want to call it. And it's not something --
7 this is not a, as you brought up, an ice cream
8 shop.
9 BY MR. GINGRAS:
10 **Q Okay. Again, paragraph 94 on page 27 of**
11 **Exhibit 10, you claim that defendants knew,**
12 **defendants being Xcentric and Ed Magedson, knew when**
13 **making these defamatory statements that you had**
14 **these valuable contracts with your employees.**
15 **What is your basis for claiming that**
16 **Mr. Magedson or Xcentric knew that anything about**
17 **your employees at or before the time these things**
18 **were posted?**
19 A When I called him, I called him exactly
20 what I just told you, that "Mr. Magedson, this is
21 all false. It's not true. I'll be glad if you tell
22 me who they are, I can pull a file. I can show you.
23 There are people in the United States, they lie
24 about their resumes all day long. I can tell you
25 exactly who they are. But I don't know who they

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1 are. You know who they are. And according to you
2 who they are. So please let me" -- he was not
3 interested in the truth.
4 **Q And then, again, you're talking about**
5 **something in writing or something on the phone? I**
6 **don't -- I can't tell from what you're saying which,**
7 **what you're referring to.**
8 A I think it has been in both.
9 **Q Okay. Let's turn to page 28 of Exhibit 10**
10 **and look at paragraph 97.**
11 MR. BLACKERT: If you're going to say
12 anything, you have to say it on the record.
13 MS. SPETH: No, I don't. Excuse me?
14 MR. BLACKERT: You can't whisper things to
15 counsel.
16 MS. SPETH: I can whisper anything I want
17 to counsel.
18 MR. BLACKERT: You're instructing him what
19 to ask. That's improper.
20 MR. GINGRAS: No, she's not.
21 MR. BLACKERT: I'm going to state on the
22 record that attorney is whispering in David's
23 ear.
24 MS. SPETH: I whispered in his ear. Yes,
25 thank you. Good observation.

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1 MR. BLACKERT: Thank you.
2 MR. GINGRAS: Does anybody want a break?
3 Would that be helpful --
4 MR. BLACKERT: Let's take a break.
5 THE WITNESS: Why do you want to take a
6 break? Look, you don't have that much time.
7 You said it, he said it, and we are over.
8 Let's move on.
9 BY MR. GINGRAS:
10 **Q Do you want to continue?**
11 A Yes, please.
12 **Q Let's carry on, shall we?**
13 **Looking at page 28, specifically paragraph**
14 **97, do you see that?**
15 A Yes, sir.
16 **Q In the middle of the paragraph, there is**
17 **an allegation that plaintiffs have been damaged in**
18 **their good name and reputation and have lost current**
19 **as well as prospective employees.**
20 **Again, do you have any name of any person**
21 **who is a current employee who left because of the**
22 **Ripoff Report postings?**
23 A I can't hire anybody currently because
24 nobody will work for organization that has such a
25 reputation.

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1 **Q I don't want to know who left. I don't, I**
2 **don't want to know that you can't hire people now.**
3 **I want to know who worked there before and then left**
4 **because of the postings.**
5 A I have to look up on the record and I can
6 tell you something.
7 **Q What record are you going to look up?**
8 A At that time. It was 14, 16 months ago.
9 You are talking about 16 --
10 **Q Where are your records located?**
11 A Either in the storage or in my office.
12 **Q You understand that I've asked your**
13 **lawyers and you to produce documents like this, and**
14 **the responses are due in about three weeks or so, a**
15 **little less than that? Are you aware of that?**
16 A I don't.
17 **Q Have you made any effort, as of today's**
18 **date, have you made any effort to go back through**
19 **your records and locate information such as what I**
20 **just asked you for the names of people that quit**
21 **because of the Ripoff Report postings? Have you**
22 **done that yet?**
23 A I haven't.
24 **Q When do you intend to did that?**
25 A Next week, next two weeks. You said three

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1 weeks from now.

2 **Q That's right.**

3 A Okay. So we have three weeks to go.

4 **Q Mr. Mobrez, your complaint includes a**

5 **couple of allegations of conspiracy. Do you believe**

6 **that Mr. Magedson and/or Xcentric have conspired**

7 **with somebody else to harm you?**

8 A I can't speak of that.

9 MR. BLACKERT: Objection. Calls for a

10 legal conclusion.

11 BY MR. GINGRAS:

12 **Q Are you aware of any evidence that shows**

13 **Mr. Magedson or Xcentric or anyone associated with**

14 **Xcentric conspiring to harm you?**

15 MR. BLACKERT: Objection. Calls --

16 BY MR. GINGRAS:

17 **Q I'm asking about evidence that you know**

18 **of.**

19 MR. BLACKERT: Objection. Calls for a

20 legal conclusion.

21 THE WITNESS: I have to see evidence. You

22 have the evidence. I have to see your evidence

23 so I can see who you were involved.

24 BY MR. GINGRAS:

25 **Q Well, I know what our evidence is on that**

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1 **point, which is zero, and I'm not here to testify,**

2 **so that's meaningless to you.**

3 **But I want to know what evidence you have.**

4 **Because in theory you shouldn't bring a lawsuit with**

5 **serious claims like that without evidence. Wouldn't**

6 **you agree with me?**

7 **Move to strike that. That was**

8 **argumentative.**

9 A Let me clarify the statement you just

10 made. When I say "to you," it means Ed Magedson or

11 Ripoff Report. I don't mean to you personally.

12 **Q Right.**

13 A So I appreciate you understand that.

14 **Q But I'm talking about your conspiracy**

15 **claim specifically. Conspiracy in my mind, you**

16 **can't enter into a conspiracy with yourself. You're**

17 **referring to a conspiracy with somebody else. And**

18 **I'm asking you who is that somebody else.**

19 MR. BLACKERT: Objection. Calls for a

20 legal conclusion.

21 THE WITNESS: I -- can you be clear about

22 your statement, or can you rephrase it and ask

23 me any other shape and form so I can be able to

24 respond to it adequately?

25 ∞

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1 BY MR. GINGRAS:

2 **Q Sure. Let's just use your own words,**

3 **okay? Okay. On page 23, beginning with paragraph**

4 **72 of Exhibit 10.**

5 A Yes.

6 **Q Ignore paragraph 72. Look at paragraph**

7 **73:**

8 **"Defendants and persons unknown to the**

9 **plaintiffs at this time have had a common**

10 **design by means of concerted action to solicit,**

11 **develop, create and publish on defendant's**

12 **websites false and defamatory statements about**

13 **the plaintiffs."**

14 **My question to you is I understand at the**

15 **time you wrote this you said the defendants and**

16 **people who you did not know have done these bad**

17 **things. As we sit here now, have you gained any**

18 **further insight into who those unknown people are?**

19 A You have to give me your information so I

20 can find out who they are.

21 **Q And imagine our response is "I don't know.**

22 **No such person. We didn't conspire with anyone."**

23 **Assuming that's our response, which it**

24 **will be, what evidence do you have to show anything**

25 **contrary to that? Anything?**

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1 MR. BLACKERT: Objection. Argumentative.

2 THE WITNESS: I don't know. This is a

3 legal question.

4 BY MR. GINGRAS:

5 **Q Oh, it's purely factual, Mr. Mobrez. What**

6 **I'm asking you is, let's say John Brewington called**

7 **you up and said, "I've been conspiring with Ed**

8 **Magedson. He asked me to post these things about**

9 **AEI, and I did that because he gave me an ice cream**

10 **cone," since we've been talking about ice cream.**

11 **That would be a factual issue that I'd**

12 **like to know about if you have any evidence like**

13 **that. If you don't have any evidence like that, I'm**

14 **also interested in that. Okay?**

15 MR. BLACKERT: Objection. Vague and

16 ambiguous.

17 BY MR. GINGRAS:

18 **Q As you sit here today, I understand when**

19 **you filed this complaint you did not know who these**

20 **unknown people were. As you sit here today, do you**

21 **know who they are?**

22 A You are going back again to guessing game.

23 We -- I can't guess anything until you provide me

24 all your evidence, all your information.

25 **Q So as we sit here today, the name of this**

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1 **unknown person you don't know?**
2 A No.
3 **Q Okay.**
4 A I can guess a million things. It's not a
5 guessing game.
6 **Q What is the total amount of damages that**
7 **you're seeking in this case?**
8 MR. BLACKERT: Objection. Calls for a
9 legal conclusion.
10 THE WITNESS: We have not compiled all of
11 our numbers yet. But we have a huge loss here.
12 BY MR. GINGRAS:
13 **Q In a ballpark figure, what do you believe**
14 **that loss to be?**
15 MR. BLACKERT: Objection. Calls for a
16 legal conclusion. Asked and answered.
17 BY MR. GINGRAS:
18 **Q Are we talking about a million dollars or**
19 **one dollar or something in between?**
20 MR. BLACKERT: Objection --
21 THE WITNESS: Something above a million
22 dollars.
23 BY MR. GINGRAS:
24 **Q A million dollars?**
25 A And more.

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1 **Q How much money did you spend investing in**
2 **the building of AEI, if you will?**
3 A That's we're going to collect that through
4 our tax returns and other accounting informations.
5 That you will have that in the next three weeks as
6 you said --
7 **Q You said "collect that." You're not going**
8 **to recover that money, you said you're going to**
9 **gather that information?**
10 A Information.
11 **Q Right.**
12 A And you asked for information.
13 **Q Right.**
14 A You didn't ask for the money.
15 **Q Do you have any idea as you is sit here**
16 **now how much money you spent building AEI?**
17 A I would say --
18 MR. BLACKERT: Objection. Asked and
19 answered.
20 You can answer.
21 THE WITNESS: I would say over a million
22 dollars.
23 BY MR. GINGRAS:
24 **Q And that would be, like, what would you**
25 **have spent that money on?**

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1 A It's whatever it is. We have a track
2 record of it obviously.
3 **Q Okay. But AEI didn't sell any products,**
4 **so it's not like you built prototype widgets and**
5 **that cost 100,000 and then you spent money on that.**
6 **Because of the nature of what the business**
7 **was, giving seminars, I guess my question is what**
8 **did you spend money on specifically to do that?**
9 MR. BLACKERT: Objection. Asked and
10 answered.
11 BY MR. GINGRAS:
12 **Q I don't know what money a person needs to**
13 **spend in order to build the type of business as**
14 **you've described AEI trying to be. I don't know**
15 **what you would spend it on. Lawyers -- I don't know**
16 **what you would spend it on, so I'm asking you to**
17 **help me.**
18 A You just mentioned something very
19 important. You said you will spend the time and to
20 build a gadget or midget or whatever you call it.
21 **Q Widget, widget, thank you. And after you**
22 **build that, I would just break it. What would you**
23 **do with it after that? Why did you waste your time**
24 **to build that?**
25 A Answer is all inside of that same widget.

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1 **Q But in the widget example, you might be**
2 **able to point to a receipt for a machine that you**
3 **had to buy or a --**
4 A That's what you're going to get.
5 **Q A receipt for machines?**
6 A Yeah.
7 **Q And don't you still have those things?**
8 A We still have all the, whatever we spend
9 on AEI.
10 **Q But you're unable to use that in any**
11 **meaningful way because of the reports?**
12 A It's finished. It's burned the house.
13 You're saying, after we built the house, somebody
14 burned it and let's see how we can see if we can use
15 the house again.
16 I can use the picture, but I can't use the
17 house back again. It's been burned to the ground.
18 **Q Okay. Mr. Mobrez, I think we covered this**
19 **before, that, that you told me that your reputation**
20 **and your wife's reputation and your business's**
21 **reputation, they've all been harmed as a result of**
22 **these postings; right?**
23 A Yes.
24 **Q And can you quantify that loss as we sit**
25 **here today?**

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1 MR. BLACKERT: Objection. Asked and
2 answered.
3 THE WITNESS: I, I think I answered to
4 that as my whole life been devastated, my
5 health been very, very severely affected with
6 this. I can't sleep in the night. And I don't
7 want to sound like a fragile. I want to be a
8 normal human being.
9 I've been accused of something I'm not.
10 And I have gone to the party and I said, "Look,
11 this is all the things which you need I can
12 give you. Here, look."
13 And he says, "I don't want to look at
14 that. I have other agendas."
15 BY MR. GINGRAS:
16 **Q Okay. So you can't put a dollar amount on**
17 **the reputational harm that you suffered? You don't**
18 **know what that is specifically? But you agree it's**
19 **something; right?**
20 A I'm sure it is substantial, yes.
21 **Q Okay. And separate, take away that**
22 **number, whatever it is, a million dollars, take that**
23 **number away. What other damages did Mr. Magedson**
24 **cause you because of the attempt at extortion?**
25 MR. BLACKERT: Objection. Calls for a

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1 legal conclusion.
2 THE WITNESS: The hard cost.
3 BY MR. GINGRAS:
4 **Q Hard cost?**
5 A Hard cost that we spend.
6 **Q What hard costs?**
7 A You lease a space, you build a website,
8 you pay the people -- you just built the widgets a
9 few seconds ago. So going back to that, you spend
10 time to did that.
11 **Q So you're saying that those losses are not**
12 **part of the reputational harm?**
13 A Absolutely not.
14 **Q They're not part? They're different?**
15 A Yes.
16 **Q And how did Mr. Magedson's threat to you**
17 **cause your hard costs to suddenly be valueless?**
18 MR. BLACKERT: Objection. Calls for a
19 legal conclusion.
20 THE WITNESS: Because the value I created,
21 it was my website, my publication, the entity,
22 institute.
23 BY MR. GINGRAS:
24 **Q But, Mr. Mobrez, if I'm not mistaken, if**
25 **Mr. Magedson, again, let's say he got hit by an ice**

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1 **cream truck, again, the day after these reports were**
2 **posted, and let's say -- actually, let's go back.**
3 **Let's just erase the reports. They're**
4 **gone. They never went up at all. You still would**
5 **have spent that money building the business; right?**
6 A Then I would have cashed it out by now.
7 **Q How would you cash it out?**
8 A Not only I would have benefit, United
9 States would have benefit from this. This is a
10 business and a national security of a nation.
11 There's income coming from other countries, other
12 people they want to attend to the conferences,
13 seminars.
14 They want to -- it's a U.S. entity. And
15 its incomes are reflects here. If I make \$200,000
16 or ten cents in Japan, it's income tax in United
17 States.
18 **Q Okay. But that, before we talked about**
19 **opening an ice cream shop and, if I open an ice**
20 **cream shop, I have to spend money doing that. I**
21 **have to buy equipment. I have to develop artwork or**
22 **a menu or a logo. I've got to pay a lawyer to do my**
23 **trademark. And I've got to spend some money out of**
24 **pocket to build that business.**
25 **Before day one, before it opens, there are**

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1 **hard costs to do that.**
2 A It takes time.
3 **Q Right. It takes time and effort and**
4 **heartbreak, and you put all this effort into it and**
5 **day one, before day one, you've got that money out**
6 **of pocket; right?**
7 A Correct.
8 **Q And that money's spent, whether somebody**
9 **burns the business down the next day or not, your**
10 **money's still spent, isn't it? You haven't lost**
11 **that money because somebody burned it down. You**
12 **lost the profits maybe --**
13 A No, sir --
14 MR. BLACKERT: Objection. Vague and
15 ambiguous. Calls for a legal conclusion.
16 THE WITNESS: No, sir. It's like you're
17 saying right things but you keep missing the
18 very -- something is missing is intellectual
19 part of it.
20 BY MR. GINGRAS:
21 **Q It's not the first time I've heard that.**
22 A I apologize. You are saying the house
23 been burned, and if the person been injured there,
24 the house would have been burned and forget about
25 the injury of the party.

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1 You can't say sever these. These are
2 combination of both. If you are going to burn that
3 ice cream shop that you have built it twice so far
4 and the equipments are gone, the equipments had a
5 value, they paid for it. So you pay for the
6 equipments and the shop is leased and the owner's
7 injury. These are just very basic stuff. I
8 apologize. I don't mean to be -- I like to listen
9 to you more.
10 **Q Pardon?**
11 A I like to listen to you.
12 **Q You want to listen to me?**
13 A Yes, sir.
14 **Q That will be \$350 an hour, please.**
15 **Mr. Mobrez, let's move on because I think**
16 **everyone in this room is kind of ready to do so.**
17 **Can I have Exhibit 12, please.**
18 A Exhibit 12?
19 MS. SPETH: I think that's already been --
20 no, it hasn't.
21 BY MR. GINGRAS:
22 **Q While we're waiting for that, are you**
23 **aware of any negative statements about you on any**
24 **websites other than RipoffReport.com?**
25 A I believe in RipoffReport.com they had

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1 built up another side that, to be linking to more,
2 if you are talking about that. I don't know if
3 that's the case.
4 **Q I don't have any idea what you were just**
5 **saying. Are you saying, are you saying there was**
6 **another -- there is another website where -- is it**
7 **complaints board or is it -- complaints board.**
8 **Other websites sometimes will copy things**
9 **that are on Ripoff Report and take those things and**
10 **republish them on their own website. We don't do**
11 **that. That's not something we approve of. Is that**
12 **something you're talking about, another website --**
13 A Maybe, yeah.
14 **Q Other than that example, are you aware of**
15 **any other websites where negative statements were**
16 **made about you online?**
17 A I don't.
18 **Q I think we talked about before about the**
19 **list of websites that you own. Is**
20 **AsiaBusinessInstitute.com one of those websites?**
21 A If it is, yes, maybe.
22 (Whereupon, Exhibit 12 was marked for
23 identification and is bound under separate
24 cover.)
25 ∞

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1 BY MR. GINGRAS:
2 **Q I'll show you what we've marked as**
3 **Exhibit 12. Does that look familiar to you?**
4 A I really don't know exactly. What is it?
5 **Q You don't know? Do you know if**
6 **AsiaBusinessInstitute.com is one of your websites?**
7 A I have no look into it. I could say, if
8 you'll let me look at it, I could see --
9 (Whereupon, Exhibit 12A was marked for
10 identification and is bound under separate
11 cover.)
12 BY MR. GINGRAS:
13 **Q Let me show you Exhibit 12A, Mr. Mobrez.**
14 **Here you go.**
15 A Okay.
16 **Q Exhibit 12A is again a "Who Is" search for**
17 **AsiaBusinessInstitute.com.**
18 A Right.
19 **Q The name of the registrant is simply**
20 **"Admin Admin." I don't know who that is. But the**
21 **address, 11766 Wilshire Boulevard, suite 260, that's**
22 **your business address, is it not?**
23 A Yes, it is.
24 **Q Does that help refresh your recollection**
25 **as to whether AsiaBusinessInstitute.com is one of**

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1 **your websites?**
2 MR. BLACKERT: Objection. The documents
3 speak for itself.
4 THE WITNESS: Yeah.
5 BY MR. GINGRAS:
6 **Q Is that one of your websites, sir?**
7 A Yes.
8 **Q Turn to the second page of Exhibit 12. Do**
9 **you see at the bottom -- first of all, the first**
10 **page appears to be an article. It says "Written by**
11 **Raymond Mobrez, Ph.D., Director."**
12 **Do you see that on the first page, on the**
13 **first page of Exhibit 12?**
14 A Correct.
15 **Q Do you recall writing an article about**
16 **Toyota? I didn't really read it.**
17 A Maybe.
18 **Q Okay. And if you look at the second page**
19 **of Exhibit 12 at the bottom, under Comments, do you**
20 **see that?**
21 A Yeah.
22 **Q Do you see the comments? It's signed**
23 **Anonymous, and it says "No shit asshole. A non**
24 **Ph.D. could have figured it out. You are a fake, a**
25 **ripoff artist, immoral, and did I say asshole?"**

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1 **Do you see that statement?**
 2 A I haven't seen this before.
 3 **Q But AsiaBusinessInstitute.com is one of**
 4 **your websites, is it not?**
 5 A I'm sure if somebody found out it's ours,
 6 yes. When was this comment was written?
 7 **Q It appears to have been written on**
 8 **October 9th.**
 9 MR. BLACKERT: October 9, '09.
 10 MR. GINGRAS: 2009.
 11 **Q And what's interesting is there's a**
 12 **partial IP address there. The last digits are**
 13 **redacted.**
 14 **So you would agree with me that a comment**
 15 **that insults your intelligence, calls you an**
 16 **asshole, calls you a fake, a ripoff artist and**
 17 **immoral, those statements are damaging to your**
 18 **reputation, are they not?**
 19 A This is in October. This is not in
 20 February of 2009.
 21 **Q It's about seven months later, I agree**
 22 **with you. But those statements are still damaging**
 23 **to your reputation, are they not?**
 24 A Well, you are saying that after a one car
 25 if run over somebody and then the second car had the

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1 right to run over them again because of that person
 2 was on the ground already and they were running over
 3 them.
 4 **Q I think the example that you're trying to**
 5 **give is that if Mr. Magedson ran over your left foot**
 6 **and someone else ran over your right foot -- my, my**
 7 **argument to you or question to you is, isn't it fair**
 8 **to say that Mr. Magedson's not responsible for harm**
 9 **caused by the other driver who ran over your other**
 10 **foot; isn't that fair?**
 11 A Mr. Magedson has created the atmosphere
 12 that people will start hating and bringing in hate
 13 to the globe. It's -- you're saying that if this
 14 car -- you run out over you in a car, and seven,
 15 eight, nine months later, actually eight, nine
 16 months later, you have somebody else's could have
 17 run that.
 18 I, I, this is my first time I see it. And
 19 this is obviously some people -- also some people
 20 could go and write anything they want anywhere they
 21 want. But this is, this is -- I didn't know this.
 22 I apologize.
 23 **Q Mr. Mobrez, do you have any evidence that**
 24 **Mr. Magedson or anyone associated with Xcentric**
 25 **Ventures wrote the anonymous comment calling you**

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1 **names and so forth in Exhibit 12?**
 2 A I can't speak of that. But you seem to me
 3 you have done research that it shows it's a website
 4 we own or domain we own. And I don't know.
 5 **Q Yeah. I Googled your name and I found**
 6 **that. So I was just wondering why you haven't found**
 7 **it.**
 8 A I didn't see it.
 9 MR. GINGRAS: All right. Let's move on
 10 from there. Exhibit 13, sir.
 11 (Whereupon, Exhibit 13 was marked for
 12 identification and is bound under separate
 13 cover.)
 14 BY MR. GINGRAS:
 15 **Q Have you seen Exhibit 13 before?**
 16 **A Yes.**
 17 **Q And this appears to be an e-mail that you**
 18 **sent on or about the 15th of February 2009 to**
 19 **Info@RipoffReport.com from Raymond@AsiaEcon.org. Is**
 20 **that your text that you wrote there?**
 21 **A Yes.**
 22 **Q In the middle of the page there's a**
 23 **statement that says "Your false publishing has**
 24 **caused me and others that you have named hardship**
 25 **and enormous loss."**

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1 **Was that statement true in February of**
 2 **2009?**
 3 A Yes, it is.
 4 **Q And you would agree with me, would you**
 5 **not, February of 2009 is before you ever spoke to**
 6 **Mr. Magedson on the phone or by e-mail? I**
 7 **understand this is the first one. You had not**
 8 **spoken to Mr. Magedson prior to this, have you?**
 9 **A No.**
 10 **Q And Mr. Magedson had not threatened you in**
 11 **any way prior to this, had he?**
 12 A No.
 13 **Q But you would agree with me that as of**
 14 **February 15th, you had suffered enormous loss?**
 15 A Yes, I did.
 16 **Q In the last line of the e-mail -- I'm**
 17 **sorry. In the last line of Exhibit 13, you say that**
 18 **you need a contact person name and contact**
 19 **information besides your attorney at your**
 20 **publication to discuss this urgent matter.**
 21 **What did you mean by that? Were you**
 22 **asking for the name of the attorney for Mr.**
 23 **Magedson? Is that what you were asking for?**
 24 A I apologize. Read it back to me again.
 25 **Q Just look at the last line of Exhibit 13**

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1 right above "With kind regards."
2 A Okay. Yeah, I didn't want to say that "I
3 am looking for to fight with you guys." I'm looking
4 for somebody who's in charge of this publication.
5 **Q And did you ever get a response to that**
6 **e-mail?**
7 **A No.**
8 (Whereupon, Exhibit 14 was marked for
9 identification and is bound under separate
10 cover.)
11 BY MR. GINGRAS:
12 **Q Okay. Let's move on to Exhibit 14.**
13 **Mr. Mobrez, Exhibit 14, have you seen this before?**
14 A Yes.
15 **Q It appears to be an e-mail dated 28th of**
16 **April 2009, from you to Editor@RipoffReport.com and**
17 **now Info, again, at RipoffReport.com.**
18 **Do you recall sending this e-mail?**
19 A Yes.
20 **Q You say in here "Dear Editor, I spoke with**
21 **someone at your office yesterday who asked me to**
22 **send an e-mail who I was and why I was calling."**
23 **As I understand it, you in your**
24 **declaration, which we'll get to in just a minute,**
25 **you described talking to Mr. Magedson the day before**

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1 **this e-mail was sent. So the 27th of April; right?**
2 **And I understand there was a typo and I saw the**
3 **notice of errata. I appreciate that.**
4 **But the day before, on the 27th of April,**
5 **you talked to Mr. Magedson on the phone; right?**
6 A (No audible response.)
7 **Q And as I recall from your declaration, you**
8 **described three phone calls with him on that day; is**
9 **that right?**
10 A Right.
11 **Q But your e-mail doesn't say anything about**
12 **three phone calls, does it?**
13 A No. Do you want to know why?
14 **Q Yeah.**
15 A Okay. He said, "I'm not getting your
16 e-mails." And I e-mailed him while he was on the
17 phone I believe or just the same timing. And I
18 said, "Let me send this to you. Take a look at it."
19 And I e-mailed it at the e-mail address he
20 gave me, Editor@RipoffReport.com. And I put another
21 one, Info at -- I didn't know Editor until he gave
22 me Editor@Ripoff Report.com as his e-mail address.
23 **Q Right. And that was during your phone**
24 **call or phone calls -- on the 27th --**
25 A This was made previously. I resend it to

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1 him, and I said, "I'll send it to you, and I'll c.c.
2 it to Iliana so if you don't get it, she will get it
3 and you will see why you're not getting my e-mail."
4 **Q I think, again, I hate to testify for you,**
5 **I think you're a little confused.**
6 **Can I have Exhibit 15.**
7 **Again, looking back at 14, your e-mail on**
8 **the 28th of April, obviously you talked to**
9 **Mr. Magedson on the 27th. Did you ever speak to him**
10 **prior to the 27th of April 2009?**
11 A I'm not sure if I spoke to him or the
12 prompt that I made a call. And I wrote this e-mail
13 and I send it out, and then when he was saying he
14 was not getting my e-mail, I resend this at two
15 different dates. And in fact it might have other
16 date in top of it. I would forward them with the
17 previous date and time.
18 **Q And we're going to get to that, we're**
19 **going to get to that immediately. But prior to the**
20 **27th of April phone call that you had, did you ever**
21 **talk to Mr. Magedson personally by phone? Or is**
22 **that the first time on the 27th of April? Or you**
23 **don't remember?**
24 A I don't recall right now exactly.
25 (Whereupon, Exhibit 15 was marked for

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1 identification and is bound under separate
2 cover.)
3 BY MR. GINGRAS:
4 **Q All right. Exhibit 15 is, I think you**
5 **said, we were talking about 14, and you said you**
6 **created this and re-sent it. Actually you were**
7 **referring to the 15 e-mail; right?**
8 A May, May 5th. May 5th.
9 **Q Right. On May 5th, I understand from your**
10 **declaration that you talked to Mr. Magedson that day**
11 **and that he may have asked you to resend an e-mail**
12 **or that you told him that you would resend an**
13 **e-mail, and this is actually that e-mail. It looks**
14 **like it's just a copy of the same one just --**
15 A Absolutely. I had this, I had in front of
16 me, and I said, "Why don't I just send one to take a
17 look at it."
18 **Q But my point actually is a very small one.**
19 **On May 5th, 2009, the text of your e-mail says, "I**
20 **spoke with someone at your office yesterday." That**
21 **actually was just -- that was incorrect. That was**
22 **what you meant on the 28th of April e-mail?**
23 A Well, just testing -- I had two choice.
24 Either to get a fresh e-mail --
25 **Q Right. And you just re-sent the one from**

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1 before?
2 A Then I said, "I'll send this to you and
3 see," and I c.c.'ed her just to --
4 Q Right. My point of asking is on May 5th
5 you sent an e-mail saying you talked to someone at
6 your office yesterday --
7 A No. It's incorrect.
8 Q Right. Not because you meant it to be.
9 You were just resending it, what you said before?
10 A Indeed.
11 Q So you didn't talk to Mr. Magedson or
12 anyone else at Xcentric on May 4th.
13 A Right.
14 Q And you said before, you e-mailed
15 Mr. Magedson on the 15th of, 15th of February 2009,
16 didn't get a response?
17 A Correct.
18 Q And then you e-mailed him on the 28th of
19 April saying that you had talked to him the day
20 before?
21 A Right.
22 Q And you never got a response to the 28th
23 of April e-mail, did you?
24 A If it is, we have produced it to you.
25 (Whereupon, Exhibit 16 was marked for

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1 identification and is bound under separate
2 cover.)
3 BY MR. GINGRAS:
4 Q Well, let's look at, let's look at 16.
5 Sixteen is, it looks to me like an e-mail from
6 Editor@RipoffReport.com to Raymond@AsiaEcon.org,
7 dated May 5th.
8 So it looks like this is probably the
9 first response e-mail that Mr. Magedson sent to you
10 after you kind of re-sent the same e-mail twice;
11 right?
12 A Yes.
13 Q And is this the first time that he had
14 e-mailed you back?
15 A You know, all I can tell you, whatever
16 records I have speaks for itself. I can verify all
17 the records that we have. I don't have --
18 Q I haven't -- I've looked at what you've
19 given us, and I have not seen an e-mail from
20 Mr. Magedson to you before May 5th. And I'm asking
21 you do you know that there was one or do you think
22 there wasn't?
23 A I, I don't recall exactly I'd like to say.
24 Q Mr. Mobrez, is any part of your extortion
25 claim based on this e-mail?

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1 MR. BLACKERT: Objection. Calls for a
2 legal conclusion.
3 THE WITNESS: Which one?
4 BY MR. GINGRAS:
5 Q The Exhibit 16, the May 5th e-mail from
6 Mr. Magedson to you. Do you feel that you were
7 threatened in this e-mail?
8 A You want me so sit down and read this word
9 by word or just --
10 Q I don't know. I mean, I'm just asking if,
11 if you feel there's something in here that was
12 threatening to you.
13 A Well, he's saying go back to "We did not
14 make up the rules," and then he talks about his
15 lawsuits.
16 Q Well, the e-mail speaks for itself as far
17 as what text is there. I understand what text is
18 there. That's not what I'm asking you. I'm asking
19 you what you, how you interpreted that. Is there
20 something in this e-mail that you interpreted as
21 being a threat towards you of any kind?
22 A Well, here says --
23 MR. BLACKERT: He's asking you do you feel
24 threatened.
25 I'm just trying to speed it up --

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1 THE WITNESS: Well, it's the threaten, the
2 pressure that you have nowhere to go.
3 BY MR. GINGRAS:
4 Q Where is that?
5 A Okay. It says here if the true who would
6 not want to do the business with a company that --
7 he goes on and on explains here, I think it's
8 self-explanatory document.
9 Q On the second to last page there's a,
10 second to last page, there's a, kind of at the
11 bottom there's a bullet point list there. Do you
12 see that? This is specifically referring to the
13 Corporate Advocacy Program. Do you see that?
14 A Indeed.
15 Q And the first bullet point says "The
16 program changes negative listings on search engines
17 into a positive along with all the reports on the
18 report," and then there's a parenthetical after that
19 which says "Reports are never deleted."
20 Did Mr. Magedson ever tell you that he
21 would delete reports if you paid him money?
22 A No.
23 Q And in fact it's true, is it not, that
24 this e-mail says, and I think the website which just
25 this was copied from, it says the same thing; right?

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1 **That reports don't get deleted just because you**
2 **joined the program?**
3 A It says that if you join the program, the
4 search engine into negative listing on search engine
5 into positive reports.
6 **Q But did you ever talk to Mr. Magedson**
7 **about what he meant by that?**
8 A I'm sure he has a mechanism to do it.
9 **Q But did you ever speak to him about what**
10 **he thought that meant? I know what he thought that**
11 **meant because I've talked to him about it.**
12 I'm asking you, did you have a
13 conversation with him where he explained to you what
14 does that mean, what does it mean to say that
15 negative gets changed into a positive?
16 MR. BLACKERT: Objection. The document
17 speaks for itself.
18 BY MR. GINGRAS:
19 **Q The document speaks for itself. But**
20 **conversations that you had later might have provided**
21 **additional insight for you.**
22 MR. BLACKERT: Same objection.
23 THE WITNESS: He is basically explaining,
24 explains to you as you get on the phone with
25 him that the way it's going to work on Ripoff

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1 Report, the negative, it will be pushed down or
2 it would somehow modify that you can't see it
3 but it is on the Ripoff Report site.
4 But the things are positive it shows up in
5 the top and you are benefitting from this -- it
6 says here that "this program changes negative
7 listings on a search engine into the positive."
8 I'm reading from the --
9 BY MR. GINGRAS:
10 **Q I thought -- I was trying to follow you,**
11 **and I thought you just said something about what**
12 **your conversation on the phone was and then you**
13 **flipped back to the e-mail. Let's try, let's try**
14 **and separate those two things, okay?**
15 **Did Mr. Magedson say on the phone anything**
16 **about what he meant when he said negative gets**
17 **changed into a positive? Was that a discussion that**
18 **you had on the phone?**
19 A Yes.
20 **Q And what did he say specifically?**
21 A I don't recall exactly right this second,
22 but I can tell you he was explaining that you could
23 be seen on search engines in the top even though
24 it's some positive impacts of it to your -- rather
25 than negative listings will be seen on your

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1 website --
2 **Q And that's not a conclusion you're drawing**
3 **from the e-mail, that's based on --**
4 A He's explaining, yes.
5 **Q On the phone?**
6 A Yes.
7 (Whereupon, Exhibit 17 was marked for
8 identification and is bound under separate
9 cover.)
10 BY MR. GINGRAS:
11 **Q Okay. Exhibit 17, Mr. Mobrez, is, this is**
12 **kind of, it looks like halfway down the page is a**
13 **copy of that longer e-mail. The top of the page is**
14 **what I would like to direct your attention to.**
15 **On May 12th it looks like, it looks like,**
16 **it looks like Mr. Magedson e-mailed you on May 12th**
17 **at 18:04 and then said:**
18 **"Dear Raymond, you drove me crazy because**
19 **you never filled out the form as you said you**
20 **did. You never filled out anything. I ran my**
21 **tech staff looking for something you never**
22 **did."**
23 **This is after -- you had a phone call with**
24 **Mr. Magedson on May the 12th; right?**
25 A Correct.

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1 **Q And did Mr. Magedson ever tell you during**
2 **that call or any of the other calls that he would**
3 **not speak to you by phone about the Corporate**
4 **Advocacy Program unless you had filled out an**
5 **application?**
6 A He -- actually here I remember this, he
7 was kind of upset when he says "You drove me crazy"
8 is, you know, "You better do it. I told you to do
9 it. You said you're going to do it. Why didn't you
10 do it?" It's not like "You drove me crazy today why
11 you didn't, you know, fill that form." That's what
12 he's saying.
13 **Q I don't think that was the question that I**
14 **asked. I think the question that I asked was did**
15 **Mr. Magedson ever tell you on the phone that he**
16 **couldn't talk to you until you had filled out a form**
17 **of some kind?**
18 A He says that and he also talks to you. He
19 does both.
20 **Q He says he can't talk to you but then he**
21 **talks to you anyway?**
22 A Yes.
23 **Q About the Corporate Advocacy Program?**
24 A Correct.
25 **Q Including the cost of it and so forth?**

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1 A Yes.
2 **Q And during your phone call with**
3 **Mr. Magedson on May 12th, which was, by the way,**
4 **before this e-mail at 18:04, did you tell him that**
5 **you had sent information to him, whatever**
6 **information he told he needed before he had spoken**
7 **to you, did you tell him you had already sent that?**
8 A What information? What information?
9 **Q Well, the e-mail in Exhibit 17 where he**
10 **says "You drove me crazy. You never filled out the**
11 **form as you said you did," did Mr. Magedson tell**
12 **you -- I'm sorry, did you tell him that you had**
13 **filled out the form as you said you did?**
14 MR. BLACKERT: Objection. Vague and
15 ambiguous.
16 THE WITNESS: I never told him. I said to
17 him as you read it in my next e-mail the same
18 thing. I said, "Look, I cannot stipulate to
19 something that I haven't done. So I can't fill
20 the form because I can't stipulate to that."
21 BY MR. GINGRAS:
22 **Q All right. Let me, let me see if I can**
23 **just make any point as to what I'm referring to and**
24 **we'll get, we'll get on.**
25 **Mr. Magedson says that you called him and**

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1 **told him that you had sent an e-mail to him and he**
2 **had told you he couldn't talk to you until you did**
3 **and you said that you had sent it and that he was**
4 **going to look for it and then he did look for it,**
5 **couldn't find it, and that's what he was referring**
6 **to in this 12th of May e-mail at 18:04.**
7 **Do you think that's accurate, or is that**
8 **wrong?**
9 A What he's saying here is "you told me." I
10 didn't tell him that I filled the form. I said I
11 went and looked at the form again but I can't
12 stipulate to that. But he's assuming, he's getting
13 angry here, "You drove me crazy, why don't you go
14 ahead and enroll to the program so we can move on?"
15 And we, we discussed this earlier today.
16 One of his whole thing is "let's move on to the next
17 level."
18 **Q And that was on a phone call that you had**
19 **he said something about moving on?**
20 A Yes.
21 **Q And was that the May 12th phone call?**
22 A One of these, yeah.
23 (Whereupon, Exhibit 18 was marked for
24 identification and is bound under separate
25 cover.)

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1 BY MR. GINGRAS:
2 **Q Okay. Mr. Mobrez, Exhibit 18 is an e-mail**
3 **from you to Editor@RipoffReport dated July 24th,**
4 **2009, which I guess is a couple of months later.**
5 **The subject line reads "Asia Economic Institute,**
6 **AEI, World Econ Application About CAP."**
7 A Yes. CAP program.
8 **Q Were you applying for the CAP program in**
9 **this e-mail? Why did you put "Application About**
10 **CAP" in the subject line?**
11 A He's talking about application for the CAP
12 program.
13 **Q Right. But this is an e-mail from you to**
14 **him. I'm asking why would you put that in the**
15 **subject line.**
16 A Well, you see, this conversation on the
17 12th, now it comes back to me specifically, it was
18 very noisy like he was working in his kitchen or
19 something. Dog was barking. Somebody came to his
20 door twice. And, and he was -- kept interrupted.
21 And this was basically he was kind of, he wanted to
22 get to the bottom of this to go ahead and enroll in
23 our CAP program.
24 Here I am just refreshing his memory
25 because he kept saying CAP program, CAP application,

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1 and I put it up there, this is the discussions about
2 a CAP application that he wants me to do it.
3 **Q And because this is two and a half months**
4 **after your May 12th phone call, you were just trying**
5 **to refresh his recollection about Asia Economic**
6 **Institute and World Econ, and then you mentioned the**
7 **CAP application because that was kind of the last**
8 **discussions you had?**
9 A About a month and a half later, yes.
10 **Q You pretty clearly -- you didn't talk to**
11 **Mr. Magedson on the phone in July, did you?**
12 A I don't think so.
13 **Q I don't think your declaration covers**
14 **that. You pretty clearly in the kind of**
15 **second-to-last full paragraph where you say "Having**
16 **just returned from being out of the country," you**
17 **pretty clearly say that you're not interested in the**
18 **CAP program because you can't fill in the blanks for**
19 **the application, you can't agree to something you**
20 **didn't do, and you said the form he sent appears to**
21 **be a "one size fits all," which doesn't apply to**
22 **you.**
23 A Yes.
24 **Q So you're pretty clearly saying no to the**
25 **program; right?**

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1 A He's saying customer service, that kind of
2 thing. I don't have a customer -- it's like, you
3 know, I'm not selling merchandise so I can stipulate
4 to customer services.
5 **Q Mr. Mobrez, you testified earlier that AEI**
6 **was out of business by June 2009, and I asked you if**
7 **there was a specific event that you could point to**
8 **that was the reason for, for being out of business.**
9 **This is a month after that. And you don't**
10 **say anything in here about being out of business.**
11 **In fact, you say "This has clearly harmed our good**
12 **name, and we would like to rectify this situation as**
13 **soon as possible."**
14 **Why would you say that when AEI was no**
15 **longer in business at the end of July 2009?**
16 A AEI, as I said, was turned off almost in
17 February, March, April. As time progressed, AEI, it
18 was -- I mean, AEI didn't have employees. And AEI
19 didn't maintain the website. But AEI existed.
20 It's like, you know, you have a car
21 accident and wrecked but it's in your driveway. You
22 can't say I don't have that car. But you really
23 don't have the car because you're not driving it.
24 It's just a wreck that's sitting there.
25 MR. BLACKERT: Wait -- go ahead, finish.

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1 Sorry.
2 THE WITNESS: AEI been, it was wrecked and
3 it was parked until, I mean, today. It's just,
4 it's a wrecked organization. It's, it's
5 practically gave its life away.
6 MR. BLACKERT: On that note, are you
7 finished answering?
8 THE WITNESS: Yes, I am.
9 MR. BLACKERT: Can we break for ten
10 minutes because --
11 MR. GINGRAS: I think the witness is in
12 charge of breaks. And I'll ask you.
13 MR. BLACKERT: I can ask for a break at
14 any time.
15 MR. GINGRAS: Yeah, you can of course.
16 MS. BORODKIN: I'm just going to place an
17 objection on the record under Federal Rule of
18 Civil Procedure 30(c)(2). And I'm just going
19 to state it simply and non argumentatively.
20 I don't think there's anything wrong with
21 asking for your authority about the fact that
22 you are telling us you get to choose which of
23 client's counsel can speak at the deposition.
24 And I'm going to request that you provide that
25 authority to us or we can meet and confer on

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1 that, as we've already agreed to do, next
2 Tuesday, May 11th, at 3:00 P.M.
3 MR. GINGRAS: So noted. Break?
4 THE WITNESS: It's up to you.
5 MR. GINGRAS: Let's take, let's take five.
6 That's good. That's good.
7 THE VIDEOGRAPHER: The time is 3:01, and
8 we're going off the record.
9 (Off the record.)
10 THE VIDEOGRAPHER: The time is 3:25, and
11 we're back on the record.
12 BY MR. GINGRAS:
13 **Q Okay. Mr. Mobrez, before the break I**
14 **think we were talking about Exhibit 18, which is an**
15 **e-mail that you sent on July 24th, 2009, to**
16 **Mr. Magedson, probably following up I guess to your**
17 **conversation back in May. And I was asking you the**
18 **last, near the second-to-last sentence of your**
19 **e-mail talks about the situation harming your good**
20 **name and you wanting to rectify the situation as**
21 **soon as possible.**
22 **And I wanted to know, you told me that AEI**
23 **was out of business in June of '09. And yet it**
24 **appears as though you were trying to revive it as**
25 **late as July 24th, 2009. Is that what you were**

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1 **trying to do?**
2 A As I said, our business start dying as of,
3 as soon as this posting came up. As time
4 progressed, we were just as becoming more paralyzed
5 and we were in first and just keep going very
6 quickly. I don't know what time and which hour and
7 which day we went out of business. It's not like an
8 ice cream shop that I can say we closed our door
9 that day.
10 **Q Let me ask you one more question about**
11 **Exhibit 18, and then I'm going to circle back to**
12 **something way in the past, and then we're going to**
13 **move forward.**
14 **The last kind of full paragraph in**
15 **Exhibit 18, beginning with "We may have to deal with**
16 **this the other way around, Ed," what did you mean by**
17 **that sentence there? Do you see that sentence**
18 **there?**
19 A Correct.
20 **Q "We may have to deal with this the other**
21 **way around, Ed." What does that mean?**
22 A The one I was telling -- he was saying --
23 I was asking him can we do a one-lump-sum money.
24 **Q Is that what that says?**
25 A Yes.

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1 Q You were referring to money there?
2 A Yeah.
3 Q But you just in the paragraph immediately
4 before that said you can't fill out the form, you
5 can't stipulate to things you haven't done and you
6 can't agree to a "one size fits all" approach.
7 Is it, is it your testimony that as of
8 July 24th, 2009, you still thought you were being
9 pressured to join the Corporate Advocacy Program?
10 A Or maybe paying, joining the advocacy
11 program.
12 Q Mr. Mobrez, circling back to something
13 way, way back, I know you said that AEI never earned
14 any profit; right?
15 A Correct.
16 Q I don't know if you told me whether AEI
17 ever had any sales of any kind. Did it?
18 A AEI was not in the sales business.
19 Q Well, sales, I meant revenue.
20 A Yes.
21 Q Did AEI ever have any revenue?
22 A No.
23 (Whereupon, Exhibit 19 was marked for
24 identification and is bound under separate
25 cover.)

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1 BY MR. GINGRAS:
2 Q Okay. Let's get to the good stuff. Here
3 we go. All right. Mr. Mobrez, Exhibit 19 is your
4 declaration, the one that you filed I believe Monday
5 of this week. Today is Friday. And I know, again,
6 the date at the last page reads April 2nd, 2010.
7 A Error.
8 Q And I understand that was an error. And I
9 appreciate you and your counsel correcting that.
10 Was it May, was it May 3rd?
11 A May, May 3rd.
12 MR. BLACKERT: It was May --
13 THE WITNESS: May 3rd.
14 MR. GINGRAS: May 3rd was Monday. And so
15 this was the date that you signed this was
16 May 3rd?
17 MR. BLACKERT: Right, exactly.
18 MR. GINGRAS: And there was one other typo
19 in here which was on page 3, paragraph 6,
20 there's a reference to April 29th, 2009. And I
21 know that your notice of errata said that was
22 incorrect. It was the 27th. Which the end of
23 the paragraph says, so --
24 MR. BLACKERT: Right.
25 THE WITNESS: Where is that? I apologize.

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1 BY MR. GINGRAS:
2 Q Line 6, page 3, I'm sorry, line 6, page 3,
3 paragraph 6. The reference to April 29th. We're
4 just going to agree that that date is wrong and that
5 it was really April 27th. Okay?
6 A Well, maybe I can -- I mean, counsel can
7 maybe say something about this. Maybe April 29 was
8 a Friday?
9 Q You want to know what day it was?
10 A Yes.
11 Q Is that important? I think you built this
12 off of your phone bills, and I think the phone bills
13 do not show any calls on April 29th but they do show
14 calls on April 27th.
15 A Okay.
16 Q April 27th, 2009, was a Monday according
17 to my calendar.
18 MS. SPETH: No, you're looking at 2007 --
19 you're looking at May.
20 MR. GINGRAS: No, no. April 29th --
21 April 27th, 2009, was a Monday. And April 29th
22 was a Wednesday:
23 Q Anyway, let's carry on.
24 So you recently signed this declaration,
25 did you not?

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1 A Yes, I did.
2 Q Is everything in the declaration true and
3 correct, to the best of your knowledge?
4 A Yes.
5 Q I asked you this before with regard to
6 your complaint, and I know it's only been a week
7 since you signed the declaration or less than a
8 week, but is there anything in your declaration that
9 you thought was right at the time that you signed it
10 on May 3rd but that you have since learned was not
11 right? Anything you wish to change? Other than the
12 date that we just talked about -- I'm sorry, the two
13 dates that we just talked about?
14 A Do you want me to read this and tell you
15 now or --
16 Q If you need to.
17 A I mean --
18 Q I'm going to walk through here with you.
19 If there's anything specific that jumps out at you
20 and you suddenly realize, "Oops, I thought that was
21 right but it's not," I just would like you to let me
22 know. Okay?
23 A Okay.
24 Q All right. Okay. Let's start with
25 paragraph 6 on page 3. Again, this is talking about

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1 the April 27th, 2009, first call I guess to, to the
2 Ripoff Report office. And you begin here by saying
3 that you contacted the Ripoff Report office using a
4 telephone number listed on its website. And then
5 you were taken through a series of voice prompts,
6 which eventually led you to somebody who identified
7 himself as the editor.
8 Do you remember making that call?
9 A Yes, I do.
10 Q Do you remember the voice prompts? Do you
11 remember what they asked?
12 A "State your name."
13 Q But it was like, like a recording comes on
14 and says "If you are calling about something, push
15 one, and if you're calling about" -- is that what it
16 was like?
17 A I would say so. Because I don't remember
18 exactly now.
19 Q Yeah. And you, did you have to -- you had
20 to push a couple of buttons to be --
21 A It's a software. I believe you go through
22 in --
23 Q When you first call, you don't get a live
24 person; right?
25 A Correct.

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1 Q You get a recording. And then it asks you
2 to select a choice for whatever reason you're
3 calling?
4 A Yes.
5 Q And eventually it asks you to give your
6 name?
7 A Yes.
8 Q And then --
9 A "State your name."
10 Q "State your name." And then eventually it
11 then connects you through to, if you push the right
12 buttons, it will go through to the editor; right?
13 A Yes.
14 Q Okay. Do you remember, do you remember
15 how long that took to go through that, that phone --
16 I would call it sort of a phone tree, I guess -- a
17 phone menu. How about that? Do you know how long
18 it took you to go through that phone menu before you
19 reached a live person?
20 A Maybe about 10 seconds, 12 seconds.
21 Q Ten or 12 seconds?
22 A It's prompts, quick prompts.
23 Q If we were to call that number on the
24 record right now, do you think your memory about
25 what the menu was like is sufficient that you could

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1 listen to it again and hear whether or not the menu
2 is the same now as it was then?
3 A I, I could.
4 Q Let's, let's go ahead and try that. Hang
5 on a second.
6 MR. BLACKERT: Are you putting it on
7 speaker?
8 MR. GINGRAS: Yeah.
9 THE DEPOSITION OFFICER: Do you want this
10 transcribed?
11 MR. GINGRAS: Yeah.
12 MR. BLACKERT: Want to just read the
13 number you're dialing?
14 BY MR. GINGRAS:
15 Q I'm going to six -- is the number that you
16 dialed anywhere in here? It's on your phone bills.
17 Okay. (602)359-4357. Is that, is that
18 the number that you called that day?
19 A I believe so.
20 Q I'm showing you my phone.
21 A I can look at the -- I have to see --
22 MR. BLACKERT: Yeah, I believe --
23 BY MR. GINGRAS:
24 Q All right. So let me just try to call
25 this. And, Mr. Mobrez, all I'm asking you is to

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1 listen to the menus that we hear and tell me if
2 that's roughly what you heard in -- on April 27th,
3 2009. Okay?
4 And I'm calling now. And I'm not getting
5 anything. I think I might be on airplane mode.
6 Hang on.
7 MR. BLACKERT: I've got a cell phone if
8 you want me to dial.
9 MR. GINGRAS: You want to do it from
10 yours?
11 MR. BLACKERT: Yeah, the speakerphone is
12 pretty, pretty decent --
13 MR. GINGRAS: Let me try it one more time
14 on mine. I think I was on airplane mode, which
15 apparently mutes the speakerphone.
16 Don't ever buy a Google phone. She likes
17 it.
18 Okay. Let's try that one more time.
19 MS. SPETH: I can hear it, but it's not on
20 speaker.
21 SPEAKER: -- "please press one. If you're
22 from another company or individual, please
23 press two. For advertising, please press
24 three. For customer service, press four. For
25 customers calling for Corporate Advocacy,

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1 Ripoff Repair, or how to fix internal customer
2 service issues, please press five.
3 "If you're calling as an attorney
4 regarding a class-action lawsuit or advertising
5 your attorney service on our site, please
6 press" --
7 BY MR. GINGRAS:
8 **Q I understand that was very hard to hear.**
9 **It's the fault of my phone.**
10 **Was that at all similar to what you heard?**
11 A Similar. I don't -- I can't say this is
12 identical because I think that same voice but it was
13 speaking a little faster.
14 **Q Okay.**
15 A Much faster.
16 MS. SPETH: I was timing it. You stopped
17 it. Okay.
18 THE WITNESS: It was much faster in the
19 past than today. It seemed to me now it's much
20 slower pace.
21 BY MR. GINGRAS:
22 **Q Okay. All right. So let's get back to**
23 **Exhibit 19, your declaration. And you indicate that**
24 **you were taken through a series of voice prompts**
25 **which eventually led you to the editor.**

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1 **And then you say "The speaker immediately**
2 **inquired into the size and profitability of my**
3 **business." And then the next sentence says "Based**
4 **on my recollection, the speaker asked among other**
5 **things whether my company was internationally based,**
6 **the size of the company and how we were making**
7 **money."**
8 **The fact that you put "Based on my**
9 **recollection" in front of the second sentence but**
10 **not the first makes me question whether you were not**
11 **sure about the second sentence, not sure about the**
12 **first sentence or both. Tell me how clear your**
13 **recollection is of this phone call.**
14 A Where are you now?
15 **Q Exhibit 19, paragraph 6.**
16 A Okay. I got it.
17 **Q Second and third sentence, and fourth.**
18 **Did we clarify which notes are --**
19 MS. LLANERAS: Yes. He has them.
20 THE WITNESS: So what's the question at
21 this time.
22 BY MR. GINGRAS:
23 **Q The question is how clear your memory is**
24 **of that phone call.**
25 A Very good.

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1 **Q It's very good? So you're sure that "The**
2 **speaker immediately inquired into the size and**
3 **profitability of my business"? That's the first**
4 **sentence. You're sure about that?**
5 A Yes. Questioned I may -- he may ask "Are
6 you a U.S. corporation or are you overseas company?"
7 And the next was like, you know, "How big is your
8 company or your organization?" and "How many people
9 work there?" or whatever.
10 Right after that is "What do you guys, you
11 know, what do you make?" I mean, "How do you make
12 your money?" there also.
13 **Q Well, the first sentence says that the**
14 **speaker -- and, again, you've identified that person**
15 **as the editor. "The speaker immediately inquired**
16 **into the size and profitability of my business."**
17 **And I'm asking you what did the editor**
18 **that you spoke to say about the profitability of**
19 **your business? What kind of questions were you**
20 **presented with?**
21 A I don't -- I remember now, but I may not
22 remember word for word, but I know the question was
23 like "Are you international company?" I said "No,
24 we are U.S. corporation."
25 "How big is your company?"

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1 I said, "Well, we're small size, mid
2 size."
3 "How big is this institute, and how do you
4 guys make money? What is your business? How do you
5 make money?"
6 **Q And how did you answer that question?**
7 A I felt I don't want to tell him that. I
8 said, well, you know, I answered most of the
9 questions he asked. First question, "Are you a U.S.
10 corporation?" I said -- I mean "Are you
11 international?"
12 I said, "No, we're U.S. corporation."
13 And --
14 **Q And you refused to answer the question**
15 **about making money?**
16 A Yeah.
17 **Q Well, it looks like there were two**
18 **questions, size and profitability of your business**
19 **and then how you were making money. Did you refuse**
20 **to answer both of those questions? Were there two**
21 **questions?**
22 A It wasn't -- I think it's two questions
23 combination in one. But I, I don't think I answered
24 it.
25 **Q So you then, you responded that AEI is an**

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1 American company that has been shut down by the
 2 accusations posted on his, the editor's website.
 3 Did you tell Mr. Magedson that you had been shut
 4 down?
 5 A Well --
 6 MR. BLACKERT: Objection. Document speaks
 7 for itself.
 8 BY MR. GINGRAS:
 9 Q I'm asking -- the document says that. I'm
 10 asking did you actually say that.
 11 A Yeah, I did. I may not said exactly "shut
 12 down." I may said, you know, "we're totally down"
 13 or "we're out of business," you know. It's 14
 14 month, 16 months away from --
 15 Q Well, but you took notes, didn't you, of
 16 that conversation?
 17 A Absolutely.
 18 Q Let's get, go ahead -- would looking at
 19 your notes help you remember what you said?
 20 A That's why I did compose this.
 21 Q Okay. Let's go ahead and -- where are the
 22 notes?
 23 MS. SPETH: Now, what do we have here?
 24 Because it's two different -- are these the --
 25 oh, I see. There's two sets of three pages?

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1 THE WITNESS: Yeah, that's the one.
 2 MR. GINGRAS: Mr. Mobrez, I'll hand you
 3 something that is not marked, and I'll make
 4 it --
 5 MS. SPETH: What are you going to make it?
 6 MR. GINGRAS: Twenty.
 7 MS. SPETH: Are you sure 20?
 8 MR. GINGRAS: Yeah.
 9 (Whereupon, Exhibit 20 was marked for
 10 identification and is bound under separate
 11 cover.)
 12 BY MR. GINGRAS:
 13 Q Let's try to keep these three pages
 14 together.
 15 A Sure.
 16 Q Are these documents the notes that you
 17 took --
 18 MS. SPETH: You gave them to me, so I
 19 don't have them.
 20 MR. BLACKERT: I'm sorry, my mistake.
 21 Q Are these documents the notes that you
 22 took on different days that you talked to
 23 Mr. Magedson?
 24 A It's, it's the same day I think.
 25 Q Well, the first page of Exhibit 20, I can

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1 barely read it in the upper left-hand corner but it
 2 looks like it says 4-27-09; is that right?
 3 A Yes.
 4 Q That's the date that you talked. And then
 5 in fact you wrote the number down here,
 6 (602)359-4357. And then there's even a time that
 7 you wrote down. I think it says 3:20?
 8 A 3:20 P.M., correct.
 9 Q Okay. Why don't you look at the originals
 10 too. Are those any clearer?
 11 A Same as this. Because it's --
 12 Q Okay. It looks like there's two lines in
 13 the middle of the page that have been drawn across.
 14 The first line, what's written above that, I can't,
 15 I can't tell what's going on on this page.
 16 What, what are you -- looking at these
 17 notes, does that help you remember whether or not
 18 you actually had the conversation that you document
 19 in paragraph 6 here?
 20 A Yes.
 21 Q What on this page helps you remember?
 22 A Well, Ripoff Report, "ROR" is the Ripoff
 23 Report. And the question was "Is it international
 24 company?" I put "USA." The --
 25 Q Where does it say "USA" on this page? Oh,

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1 I see, I see.
 2 A Just directly below the phone number.
 3 Q Phone number, right.
 4 A The size of the organization.
 5 Q Where does that say?
 6 A Next to "USA."
 7 Q Okay. It's written in the middle of a
 8 line?
 9 A Yes. Okay. And after that it says
 10 "money," in other words, how much is the income.
 11 Q Okay.
 12 A What's the income.
 13 Q So does that help refresh your
 14 recollection whether on April 27th, 2009,
 15 Mr. Magedson asked you about how much money you were
 16 making, the company?
 17 A Well, the basic questions he had, "Who are
 18 you? Are you international company?" Or whatever.
 19 And I said, "I'm a USA corporation." And have
 20 you -- he said, "Have you gone to our other, to our
 21 website?" So --
 22 Q Well, hold on. One thing at a time here.
 23 On lines 12 and 13 on page 3 of Exhibit 19, you
 24 write that you told Mr. Magedson that AEI was an
 25 American company that's been shut down by the

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1 **accusations posted on his website. Do your notes --**
 2 A Hold on. You said line -- page 3?
 3 **Q Page 3, paragraph 6.**
 4 A Okay, six.
 5 **Q There's little numbers down the left-hand**
 6 **side.**
 7 A Okay. I got it.
 8 **Q Is it still your testimony that you told**
 9 **Mr. Magedson that you had been shut down by the**
 10 **accusations posted on the website?**
 11 A I could say shut down or about to die.
 12 **Q Okay. And then later in the conversation**
 13 **he boasted that Ripoff Report was at the top of all**
 14 **of the search engines. Did Mr. Magedson tell you**
 15 **that?**
 16 A Yes, he says that.
 17 **Q Well, he said that to you on the phone?**
 18 A Yeah.
 19 **Q And then you say "The call was**
 20 **disconnected immediately thereafter."**
 21 **Did you hang up the phone, or do you think**
 22 **Mr. Magedson hung up the phone?**
 23 A No, I think he, he was -- again, that day
 24 was a little bit of static on his phone. But I
 25 think he was talking on a cordless phone. And then

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1 way -- just the call dropped.
 2 **Q So did Mr. -- during this first phone call**
 3 **that you described in paragraph 6, did Mr. Magedson**
 4 **ever ask you for money?**
 5 A No.
 6 **Q Did you get the impression that he was**
 7 **interested in money from the conversation that you**
 8 **had?**
 9 A Well, conclusion of all of this phone
 10 calls that I think -- let me see. Is it three calls
 11 or four calls or -- let me see.
 12 Okay. It's three calls total that day.
 13 And, yeah, it, it dropped. I think it was like
 14 cordless phone. It's not like I hang up on him or
 15 something out of the ordinary. Just naturally it
 16 happened. And I called him back. And then here is
 17 three phone calls we have made. And there's three
 18 conversation has been taken place.
 19 **Q I think the record should reflect that you**
 20 **were just referring to your phone bills, which you**
 21 **have copies there. I have copies as well, and I'd**
 22 **like to just make those an exhibit so that we**
 23 **have -- I don't, I don't know what version of your**
 24 **own bill you had.**
 25 A Yours is the best version.

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1 **Q Oh, my version's terrible.**
 2 MS. SPETH: Wait, wait. That one's
 3 highlighted, though. You don't want to give
 4 him the highlighted.
 5 MR. GINGRAS: Actually, I do. That's 21,
 6 though. Remember we added, 20's the notes.
 7 MR. BLACKERT: Twenty's the notes.
 8 MS. SPETH: Oh, right.
 9 (Whereupon, Exhibit 21 was marked for
 10 identification and is bound under separate
 11 cover.)
 12 BY MR. GINGRAS:
 13 **Q Okay. I'll show you what we've marked as**
 14 **Exhibit 21 to your deposition. And these are just**
 15 **three pages of phone bill notes that your attorney**
 16 **gave to us on Monday I guess.**
 17 A Yes.
 18 **Q As part of your declaration. While we're**
 19 **talking about this, can I see your original notes**
 20 **just to -- can I see -- and these three pages are**
 21 **your own, your own notes? Not your wife?**
 22 A No.
 23 **Q Okay. All right. Now, you were referring**
 24 **to your phone bills before and in fact what we've**
 25 **marked as Exhibit 21 now. And the first page of**

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1 **Exhibit 21, the copy that I have is not very good.**
 2 A I can give you better copy than that.
 3 **Q Well, we'll do that, we'll do that a**
 4 **little later. Let's just stick with what we have**
 5 **right now. Exhibit 21 is your phone bill. I**
 6 **understand you redacted some other calls. That's**
 7 **fine.**
 8 **But if you see at the top of the page**
 9 **there, on the first page, I've sort of numbered**
 10 **them. You see I put "Call No. 1," "Call No. 2,"**
 11 **"Call No. 3"?**
 12 A Correct.
 13 **Q Do you see that?**
 14 A Yes.
 15 **Q And it looks to me like the first call,**
 16 **April -- again, my copy is very poor. But**
 17 **April 27th, 2009, the time is 3:21. The number**
 18 **called is there, (602)359-4357. And it says the**
 19 **length of the call was about 3.5 minutes. I can**
 20 **barely see that period there, but I think it is**
 21 **there.**
 22 **Is all that correct?**
 23 A Yes.
 24 **Q So you talked to Mr. Magedson for about**
 25 **three and a half minutes including the time that it**

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1 took you to get through the, the menu, the phone
 2 menu; right?
 3 A Correct. It could be 3.5, 2.9, correct.
 4 Q Okay. So the first call, paragraph 6 of
 5 your declaration is the first call, is it not?
 6 A Correct.
 7 Q So, okay. I've just labeled that call
 8 No. 1. Then paragraph No. 7 of your declaration,
 9 you say you immediately redialed the number, this is
 10 after it was disconnected, and you described a brief
 11 conversation:
 12 "The editor asked if we had read about his
 13 Corporate Advocacy Program. Having not been
 14 aware, I asked what the program entailed, and
 15 then the phone call was again disconnected."
 16 Is that an accurate recitation of what
 17 happened during the second phone call?
 18 A The first one is the first call --
 19 Q Well, I'd like you to refer to your
 20 declaration for the new one.
 21 A Yes.
 22 Q Unless, unless you tell me that you don't
 23 remember. You only signed this five days ago.
 24 A Right.
 25 Q But unless you tell me that you don't

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1 remember whether or not you said something, I'm
 2 asking you to work from your memory.
 3 A Correct.
 4 Q Okay? You can refresh your recollection
 5 from your notes. But if you do that, I want to know
 6 that you're doing that. For right now, I'd like you
 7 to use your memory. Okay?
 8 A Okay.
 9 Q So paragraph 7 talks about redialing the
 10 call, having a brief conversation, and the Corporate
 11 Advocacy Program is mentioned.
 12 Do you see that?
 13 A Yes.
 14 Q Is that an accurate summary --
 15 A Just said, "You got to go and look at our
 16 CAP program."
 17 Q He said that to you during call No. 2?
 18 A Yes.
 19 Q And, again, I sort of, I sort of made my
 20 own notes. Paragraph 7 I've labeled as call No. 2,
 21 and then I put call No. 2 on the phone bill. And it
 22 looks like the phone bill says 4-27, 3:27 P.M.
 23 (602)359-4357 is the number that was called. And
 24 that call appears to have only been one minute, or
 25 at least that's what it was billed for on your phone

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1 bill.
 2 Does that sound correct to you?
 3 A Yes.
 4 Q One minute including the time it took you
 5 to get through the phone message menu?
 6 A Yes.
 7 Q So it must have been a very short
 8 conversation.
 9 A He said, "You have to go to look at our
 10 CAP program."
 11 Q And he brought that up, not you?
 12 A Yeah.
 13 Q Okay. Looking at paragraph 8, you appear
 14 to say you called back again a third time on the
 15 27th of April:
 16 "And during this conversation the editor
 17 told me to read the information online
 18 regarding his CAP. He instructed me to fill
 19 out an online form. I was then asked to send
 20 an e-mail to Editor@RipoffReport, identifying
 21 myself and describing the reason."
 22 And that's all that you say about the
 23 third call. Is that everything that happened on the
 24 third call?
 25 A Yes.

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1 Q And according to your phone bill, that
 2 call was April 27th at 3:28 P.M. to (602)359-4357.
 3 And the phone call was 2.9 minutes.
 4 Is that all correct with your memory?
 5 A Yes.
 6 Q Consistent with your memory?
 7 Are you sure that you spoke to
 8 Mr. Magedson during each one of these calls, or is
 9 it possible that you confused one call as being more
 10 than one call?
 11 A My understanding is it's the same voice
 12 you just dialed it, it's the same person answers to
 13 all of these phone calls.
 14 Q The voice that we just heard on the voice
 15 menu is the person that you spoke to?
 16 A I think that's his, the prompts are all of
 17 these are -- it's the same person.
 18 Q Well, my question was whether you had
 19 gotten -- did you have three separate telephone
 20 conversations on the 27th of April with
 21 Mr. Magedson?
 22 A Yes.
 23 Q Three separate calls?
 24 A Yes.
 25 Q And you got through to him each time?

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1 A I think so.
2 **Q How sure are you?**
3 A It's, it's the same prompt that goes to
4 the same person.
5 **Q But the prompts don't, the prompts don't**
6 **tell me whether or not you actually spoke to that**
7 **person. I'm asking you whether you remember having**
8 **three different phone calls that were live**
9 **communications with a, with a real person, not just**
10 **the prompts.**
11 A No, live person.
12 **Q You got a live person three times?**
13 A Right.
14 **Q Okay.**
15 MS. SPETH: Hang on.
16 BY MR. GINGRAS:
17 **Q Okay. You're saying that the person, the**
18 **live person that you eventually talked to, the voice**
19 **that you heard is the exact same voice as the**
20 **message that we just heard when I called from my**
21 **cell phone right now?**
22 A It appears to be, yeah.
23 **Q How sure are you of that?**
24 A I'm not sure of that.
25 **Q All right. Let's look at page 4 of your**

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1 **declaration. Paragraph 9 talks about an e-mail that**
2 **you sent the following day. And I think that we've**
3 **already established that that was, that was**
4 **Exhibit 14, your e-mail of April 28th; right?**
5 **And then paragraph 10, you say on May 5th,**
6 **2009, you again contacted the Ripoff Report office**
7 **by phone. Do you remember calling the Ripoff Report**
8 **on May 5th of 2009?**
9 A Yes.
10 **Q And you say here that the person who**
11 **answered the phone identified themselves at Ed**
12 **Magedson?**
13 A Finally, yes.
14 **Q "And he responded that I" -- meaning you**
15 **-- "would need to enroll in the CAP program."**
16 **Did he tell you that?**
17 A Yes.
18 **Q And you write here that you asked for more**
19 **information regarding the program including the cost**
20 **of participation.**
21 **Did you ask him that?**
22 A Yes. What would be the cost of the --
23 getting involved.
24 **Q Did he answer you at that time?**
25 A You're talking about May 5th, 11:00 A.M.?

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1 **Q I think the May, I think the May 5th call,**
2 **which in my notes I have it labeled as call No. 4,**
3 **and on your phone bill which is the second page of**
4 **Exhibit 21, I've got that one numbered as, as call**
5 **No. 4 being May 5th, 11:28 A.M. to (602)359-4357 for**
6 **2.6 minutes.**
7 **Is all that consistent with your memory of**
8 **call No. 4 as described in paragraph 10 of your**
9 **declaration?**
10 A Yes.
11 **Q So, okay. During that call No. 4, you**
12 **say:**
13 **"Mr. Magedson proceeded to describe his**
14 **website and how it could benefit us."**
15 **What did he say to you specifically with**
16 **regard to that?**
17 A He explained the same thing what he says
18 on his website, negative turns positive and it's --
19 it benefits you if you are involved, enrolled with
20 this.
21 **Q And he said that to you in the phone call?**
22 A Yes.
23 **Q The next sentence says:**
24 **"He then emphasized that his website has**
25 **immunity under the law and therefore could not**

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1 **be sued."**
2 **Did Mr. Magedson say that to you?**
3 A Mr. Magedson brags about this issue quite
4 a bit.
5 **Q Whether he brags about it or not, did he**
6 **say those words to you or something like that during**
7 **phone call No. 4 on May 5th, that his website has**
8 **immunity and could not be sued?**
9 A Yes.
10 **Q He said that to you on the phone?**
11 A Yes.
12 **Q The next sentence, you write:**
13 **"He claimed to have a team of lawyers that**
14 **would fight us if we chose to sue him."**
15 **Did Mr. Magedson say that to you during**
16 **phone call No. 4?**
17 A Yes.
18 **Q What specifically did he say about that?**
19 A He says, "We have a legal team that
20 will -- you don't have to waste your time to sue us.
21 Whoever sued us in the past, they have lost, and
22 they have even paid to our attorneys. And just if
23 you want to do this, move on."
24 **Q "Move on"?**
25 A (No audible response.)

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1 Q And this was --
2 A "Move on towards to filling your CAP
3 program."
4 Q Okay. And the last sentence,
5 Mr. Magedson -- you say that Mr. Magedson warned you
6 that others had tried and failed I guess with regard
7 to lawsuits and therefore it was best to just,
8 quote, "go with the program." You put "go with the
9 program" in quotes.
10 Is that a direct quote of something
11 Mr. Magedson said to you?
12 A Yes. He was saying, "Just you're better
13 off to go with the program."
14 Q And the notes that you took of that call
15 that was marked as Exhibit 21 -- no, 20 -- did you
16 write those at the same time while you were on the
17 phone, or did you, did you write them later?
18 A No, that same moment.
19 Q The same moment? Do your notes have
20 anything in them about these quotes, "going with the
21 program"?
22 A May the fifth, CAP program, the first call
23 talks about lawyers, and actually they use the word
24 of "stupid." I just abbreviated it quick. And
25 Mr. Magedson is a fast talker, he speaks very, with

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1 a quick speed. And I, whatever you see here, that's
2 what I wrote.
3 Q Well, and, again, looking at your phone
4 bill, Exhibit 21, the call that we've just been
5 talking about which I have made a note of as being
6 call No. 4, and I've put a little note to that
7 effect on your phone bill, call No. 4, 11:28 A.M.,
8 was only 2.6 minutes; is that right?
9 A Correct.
10 Q So he must have spoke, spoken very quickly
11 to you?
12 A Two minutes is a lot of time.
13 Q But he covered all of these topics in
14 that, in that two and a half --
15 A Two minutes is a lot of time.
16 Q Okay. But your testimony is that
17 paragraph 10 where you described the contents of
18 call No. 4 is, all that's accurate?
19 A Yes.
20 Q Okay. And this is, this is interesting.
21 You say in paragraph 10 that your wife witnessed the
22 conversation from her office phone; is that true?
23 A Yes.
24 Q Was she listening in to the entire phone
25 call?

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1 A Yes.
2 Q Why, why did she do that?
3 A Well, it was --
4 Q Did you ask her to do that?
5 A Yes. Because after this April phone call,
6 the first call we had, I felt he may be referring to
7 some type of financial question, and I did tell her
8 that I think that maybe some expectations are here.
9 And then I asked her to be on the phone with me,
10 which was about five, six days later.
11 Q So that she could witness any shakedown
12 that's happening?
13 A No. Just, just, just listen at least. If
14 I'm, if I'm misunderstanding him, somebody else tell
15 me "You misunderstood" or "You hear him right."
16 Q And I understand that Ms. Llaneras has put
17 in the declaration that essentially says your
18 version of what happened is correct; is that right?
19 A Yes, uh-huh.
20 Q And have you spoken to her about her
21 memory of that day?
22 A I haven't talked to her. I mean, what do
23 you mean I've spoken --
24 Q Well, after the call, did you discuss it
25 with her? On May 5th, 2009?

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1 A I asked her what she thinks and --
2 Q What did she say?
3 A She said, "I think this requires you to
4 put some money out."
5 Q Okay. All right. Paragraph 11 you talk
6 about the April 28th e-mail that you re-sent. And,
7 again, I think, I think we already covered that.
8 Paragraph 12, you talk about the e-mail,
9 May 5th, Mr. Magedson responding to you. I think we
10 covered that.
11 And then paragraph 13, you say "Later that
12 day," which I guess you're saying on May 5th again?
13 A Yes.
14 Q Yeah, on May 5th again, later that day,
15 May 5th, you responded to Mr. Magedson's e-mail by
16 phone, which I guess your phone bill, Exhibit 21,
17 call number -- I'm marking this as call No. 5.
18 Excuse me.
19 Call No. 5, according to your phone
20 records, occurred at 1:05 P.M. on May 5th, calling
21 (602)359-4357 for a length of 2.2 minutes.
22 Is that all correct in your memory?
23 A Yes.
24 Q The record speaks for itself. But if you
25 remember it differently --

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1 A Yeah.

2 Q All right. So paragraph 13, then, is what

3 I've labeled as call No. 5. And you called, you

4 called Mr. Magedson again.

5 Did Mr. Magedson ever call you? So far

6 we've talked about four prior calls, all of which

7 you initiated. Did he ever call you?

8 A I truly don't remember exactly if he ever

9 called back.

10 Q Okay. And I assume we can have phone

11 records that would determine whether or not that

12 happened. But as you sit here, you don't remember?

13 A No.

14 Q Okay. So paragraph 13 talks about your

15 May 5th phone call, which I'm going to refer to as

16 call No. 5. And it looks to me like this is the

17 first time that money comes up specifically.

18 You explained that you talked to

19 Mr. Magedson about the e-mail that he sent, this

20 big, long thing, and that you were not certain what

21 he wanted you to do. And then he says, "You have to

22 go into the website and enroll in the CAP program."

23 Did he say that to you?

24 A Yes.

25 Q During this call No. 5 on May 5th?

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1 A Yes.

2 Q And then you, next sentence, you asked

3 what it would cost to participate in the program,

4 and Mr. Magedson told you it would cost at least,

5 and you put quotes again on this one, "five grand,"

6 end quote, plus a maintenance fee of a couple

7 hundred dollars.

8 Did Mr. Magedson say all that to you?

9 A A few hundred dollars.

10 Q Did he only say a few hundred dollars, or

11 did he say also 5,000?

12 A 5,000 and a few hundred dollars.

13 Q He said that to you in call No. 5 on

14 May 5th?

15 A Correct.

16 Q And then the next sentence says, "He

17 stated these charges were based on the size of the

18 company" -- or there's a typo, "size if company," I

19 assume that means "size of company" -- "and he

20 stated that the more money a company made the more

21 they would be charged."

22 Did Mr. Magedson tell you that?

23 A I asked him, "How do you measure the

24 payment?"

25 Q And what did he say?

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1 A He says, "Depends on the size of the

2 company."

3 Q Did you find that offensive?

4 A At that time I didn't know what it is.

5 Q Well, it says, the next sentence of your

6 declaration says you asked for the reasoning behind

7 that. Why did you ask for the reasoning behind

8 that?

9 A I asked the same thing I just told you

10 naturally. I asked him, "How do you measure that?"

11 Q And he said it was based on if you earned

12 more, you'd have to pay more?

13 A I don't know he said exactly the same

14 words you are saying, but he said, "You are to

15 pay" -- I asked, "Him how do you measure this?"

16 Q And he told you the more money a company

17 made, the more they would be charged?

18 A Yes.

19 Q Okay. And, again, you say he asked you to

20 fill out CAP forms again?

21 A "CAP form, you have to go to our website

22 and fill it in."

23 Q Okay. And then at the end of paragraph 13

24 you say that your wife was listening in on the

25 office phone again.

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1 With regard to both this call, the May 5th

2 call, which I'm referring to as call No. 5, and the

3 previous one, call No. 4, the same day, did you ever

4 tell Mr. Magedson that anyone was listening on the

5 phone?

6 A I'm not sure at this time.

7 Q You're not sure?

8 A I might have.

9 Q You might have mentioned that?

10 A I'm not sure at this time.

11 Q Have you read your wife's declaration?

12 It's not before you. I will give it to you shortly.

13 But have you read that?

14 A Maybe I glanced it.

15 Q Well, we'll get to it in a second. But

16 she never says anything about communicating, her

17 communicating directly with Mr. Magedson. And I'm

18 wondering if that's consistent with your memory,

19 that she never actually said anything during any of

20 these calls?

21 A No.

22 Q Okay. You're saying you remember that she

23 didn't say anything?

24 A I don't think she talked.

25 Q You don't think she talked. Okay. And

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1 you don't think that you told Mr. Magedson that the
 2 call was being overheard by someone else?
 3 A I may have said it.
 4 Q But you're not sure?
 5 A Yes.
 6 Q Okay. So money is asked for in that call
 7 No. 5 on May 5th, yeah? That's the first time
 8 Mr. Magedson brought up the \$5,000 price tag?
 9 A Yes.
 10 Q Okay. Was that a yes?
 11 A Yes.
 12 Q Okay. All right. Moving on, paragraph 14
 13 talks about a call on May 12th, looks like a week
 14 later, and you called again and you say that you had
 15 a phone call lasting about 17 minutes. Do you
 16 remember that call?
 17 And before we do that, again, according to
 18 your phone bill, call No. 5 on May 5th at 1:05 was
 19 only 2.2 minutes, but that's consistent with your
 20 memory?
 21 A Yes.
 22 Q Okay. But you covered everything that was
 23 in paragraph 13 of your declaration in 2.2 minutes?
 24 A Yes.
 25 Q Okay. All right. Paragraph No. 14, then,

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1 on May 12th you talked for a long time, 17 minutes
 2 this time.
 3 Just generally Mr. Mobrez, everything
 4 that's in paragraph 14, is that accurate in terms of
 5 what your conversation was with Mr. Magedson on the
 6 12th of May? Go ahead and read it if you need to.
 7 A Yes.
 8 Q That's all accurate?
 9 A Yes.
 10 Q Specifically when you talk about in the
 11 middle of the paragraph here, "When asked what we
 12 would receive if we paid the fees he demanded,
 13 Mr. Magedson claimed" -- and again you have quotes
 14 here -- "'all the negative goes away and you see the
 15 positive."
 16 Is that a direct quote of what
 17 Mr. Magedson told you on May 12th?
 18 A Yes.
 19 Q He specifically said, "All the negative
 20 goes away and you see the positive"?
 21 A It's naturally he's saying if you pay and
 22 enroll to this CAP program, you will have some
 23 benefits from that.
 24 Q Okay. And then you say at the
 25 conclusion -- well, the benefits being the negative

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1 going away and the positive being there?
 2 A Yes.
 3 Q And he told you that verbally on the phone
 4 on May 12th?
 5 A Yes.
 6 Q Okay. That was a yes?
 7 A Yes.
 8 Q Okay. And then you say "At the conclusion
 9 of the call, Mr. Magedson again insisted that we
 10 fill out the paperwork," and he apparently repeated
 11 the same statement that "All the negative goes away
 12 and you see the positive." And so you already said
 13 he said that.
 14 And your wife listened again to that
 15 conversation?
 16 A Yes.
 17 Q And did you tell Mr. Magedson she was
 18 listening?
 19 A As I said --
 20 Q On that day? On this day, May 12th?
 21 A I may not said "my wife." I said "my
 22 partner" or --
 23 Q Okay.
 24 A Whatever.
 25 Q All right. Paragraph 18 on page 6 of your

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1 declaration, it looks, it looks like paragraph 14 is
 2 the last phone call that you had on May 12th. That
 3 was the last one that you had with Mr. Magedson; is
 4 that right? And your phone bills don't show any
 5 other calls, so I don't -- I think it was just
 6 these.
 7 A Yes.
 8 Q Okay?
 9 A Unless he may have called, but you would
 10 have that record.
 11 Q Unless he called you. But you don't
 12 remember of that happening?
 13 A Yeah.
 14 Q Okay.
 15 A If it did, it would be no more than a
 16 couple minutes.
 17 Q And these calls that we were just
 18 referring to, these are from your office line?
 19 A Yes.
 20 Q And the phone bills that you gave me are
 21 for that number, I think it's something 3000?
 22 A Yes.
 23 Q Okay. And that's a multiple-line phone --
 24 multiple-extension phone, so your wife got to listen
 25 on another line -- the same line in a different

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1 room?
2 A Correct.
3 Q Okay. And do you know if she took notes
4 at the same time the call was happening, or was it
5 later?
6 A I think she probably takes some notes when
7 she talks.
8 Q I'll ask her.
9 A More than, more than I do.
10 Q All right. Paragraph -- I'm sorry.
11 Paragraph 17 on page 6 of your e-mail, you're just
12 referring to the e-mail, e-mail response dated
13 July 24th?
14 A Yeah. That's the e-mail that you gave me.
15 Q Do you have that in front -- oh, you
16 e-mailed him on July 24th?
17 A Right.
18 Q You know what? I don't think I -- I don't
19 think I actually have his response.
20 I think that was the one where he said, "I
21 live in California, and the Pope couldn't get a
22 report removed," something like that? We don't need
23 to get into that one because that e-mail we have, we
24 know what it is.
25 But what I don't know is paragraph 18, I

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1 read this, and I didn't understand if you were
2 talking about another phone call, another e-mail,
3 another in-person conversation. I didn't know what
4 paragraph 18 talks about. Specifically where you
5 say:
6 "Sadly and yet again, he was not
7 responsive and not surprisingly again brought
8 up the topic of money."
9 That sounds like you're referring to
10 something new that you didn't already cover. But I
11 can't -- you didn't put the date or time or whether
12 it was a call or what. Do you remember what that
13 is, that conversation in paragraph 18?
14 A I think we covered this before. As I
15 said, I plead to him, pleaded to him that I want him
16 to know my business been ruined, my life is
17 devastated. But he was not responsive.
18 Q But was that -- are you summarizing the
19 prior conversations? Or is paragraph 18 referring
20 to a new conversation that we haven't already talked
21 about?
22 A Prior conversation.
23 Q You're summarizing the prior conversation?
24 A Yes.
25 Q So when you say, "Yet again, yet again he

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1 brought up the topic of money" -- "not surprisingly
2 again brought up the topic of money," you're just,
3 you're reiterating the previous discussions and
4 phone calls?
5 A Yeah. The last phone call, yes.
6 MR. GINGRAS: Okay. Very, very close to
7 being done.
8 Can I have 21, which is going to be 22?
9 MS. SPETH: Sure. Let me put a marking on
10 it.
11 MR. GINGRAS: Twenty-two.
12 MS. SPETH: Right. Thank you. I would
13 have put 21.
14 (Whereupon, Exhibit 22 was marked for
15 identification and is bound under separate
16 cover.)
17 BY MR. GINGRAS:
18 Q Okay. Mr. Mobrez, this is Exhibit 22. I
19 think you should have seen this before. This is a
20 subpoena that I sent to your lawyers, I don't know,
21 last week or something. The date's on there.
22 Do you recall receiving this subpoena or
23 getting it through your lawyers?
24 A I'm sure our lawyer received this.
25 Q In the subpoena there's a request for you

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1 to produce documents. And I specifically asked you
2 for "Notes of any and all telephone conversations
3 with Mr. Magedson or anyone else at Xcentric
4 relating to reports posted on Ripoff Report," and
5 then separately "Copies of any or all long distance
6 telephone bills or cell phone bills -- and/or cell
7 phone bills, between plaintiffs or defendants in
8 April 2009, May 2009, July 2009 and/or any other
9 dates of alleged conversations between plaintiffs
10 and defendants."
11 I believe you've responded to this, your
12 lawyers responded to this by producing three pages
13 of notes, which we've covered of yours, three pages
14 of telephone bills that have been redacted that
15 cover April 2009 and I think May 2009 but not
16 July 2009 because there were no phone calls in
17 July 2009.
18 Is that all correct?
19 A Yes.
20 Q All right. So you've responded to this
21 request as best you can with what you've given me?
22 A Yes.
23 Q So there are no other phone bills or notes
24 that document conversations between yourself,
25 Mr. Magedson or anyone else at Xcentric?

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1 A Yes.
2 MR. GINGRAS: Okay. Next, 22?
3 MS. SPETH: What are you looking for?
4 MR. GINGRAS: Twenty-two, which is going
5 to be 23. Oh, I'm sorry, I have it.
6 MS. SPETH: And did you want to cover
7 these?
8 BY MR. GINGRAS:
9 Q Yeah, let's, before, before I get away
10 from your declaration, Exhibit 19, flip back to
11 paragraph 13 on page 5 of your declaration.
12 Do you see that?
13 A Yes.
14 Q Paragraph 13 is the one, my notes call it
15 call No. 5, where the topic of \$5,000 came up.
16 A Yes.
17 Q It seems to me that is pretty much what
18 your extortion claim is based on, not, maybe not
19 completely but to a large degree.
20 When Mr. Magedson asked you for \$5,000 or
21 said it would cost you \$5,000, did you feel extorted
22 by that statement?
23 MR. BLACKERT: Objection. Calls for a
24 legal conclusion.
25 You can answer.

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1 THE WITNESS: I can't make a -- what do I
2 say? What do I feel that that day or what are
3 the legal avenues? I don't know. I cannot
4 speak of that. But I think it's clearly his
5 communication with us speaks for itself.
6 BY MR. GINGRAS:
7 Q Okay. But I'm asking you how interpreted
8 that. Did you feel that you were being extorted
9 when he asked you for \$5,000 on the fifth of May
10 around 1:05 P.M.?
11 MR. BLACKERT: Same objections.
12 He can answer it.
13 BY MR. GINGRAS:
14 Q Did you feel you were being extorted?
15 A Did I feel at that day or do I feel that
16 today?
17 Q Both.
18 A Today is different than that day. That
19 day I felt he's asking for the money to enroll the
20 program and that today I see that as a extortion.
21 Q Because you've learned more through the
22 course of this lawsuit or over the past few months?
23 A Yes.
24 Q Okay. And according to your declaration,
25 there are no other calls other than the one

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1 described in paragraph 13 that took place on May 5th
2 around 1:05 P.M. There are no other calls where
3 Mr. Magedson asked you for money; is that right?
4 A If there is any other call, I don't, I
5 don't have a note, nor I have a phone record. If
6 Mr. Magedson has called me, which you would have his
7 phone record, could be a one- or two-minutes call.
8 Otherwise I don't have --
9 Q I want to know what your memory is as we
10 sit here today. You've already testified that on
11 May 5th, 2009, as described in paragraph 13 of your
12 declaration, that there was a request for \$5,000.
13 And there are no other -- your declaration doesn't
14 say that there was ever money asked for on a
15 different day.
16 And what I'm asking you is that you recall
17 that that request for \$5,000 only happened on
18 May 5th?
19 A I can say yes.
20 Q I don't understand. You're saying yes
21 there were other dates that money was requested on
22 the phone?
23 A I think that's the only day maybe.
24 Q Well, your declaration doesn't say there
25 are other days. So I'm asking you as we now have

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1 sat here and talked about a lot of things today, are
2 there any other days that you're alleging that money
3 was demanded by Mr. Magedson?
4 You've covered one day. I'm asking are
5 there any other days. Your declaration doesn't say
6 anything about this.
7 A I know our first and second and the third
8 call did not have much of a money involved. But the
9 fourth and the fifth and the third call was in a
10 way, it became apparent that he is looking for this
11 CAP program as a price tag for it.
12 Q But the only time the 5,000, the specific
13 number of 5,000 came up was in the May 5th phone
14 call around 1:05 P.M.?
15 A I could say yes.
16 Q Whether you could say yes, I'd like a yes
17 or no.
18 A Yes.
19 Q Yes, that was the only time that came up?
20 (Whereupon, Exhibit 23 was marked for
21 identification and is bound under separate
22 cover.)
23 BY MR. GINGRAS:
24 Q Okay. Mr. Mobrez, Exhibit 23 is a copy of
25 a declaration that you filed in this case. This one

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1 has a date -- I'm sorry, is this -- this is
2 **Iliana's. Is that right?**
3 MR. BLACKERT: No, this is Raymond's.
4 MS. SPETH: No, it's his.
5 THE WITNESS: This is mine.
6 MR. GINGRAS: Oh, I'm sorry. I'm off by
7 one. That's what it is. That's okay.
8 THE WITNESS: Twenty-three.
9 BY MR. GINGRAS:
10 **Q I'm off by one. We added your notes in**
11 **the middle, and that's thrown every one in my book**
12 **off by one.**
13 **So 23 is a copy of your declaration. And**
14 **this one's dated March 29th, 2010, that you filed in**
15 **regard to our -- in response to our motion to**
16 **strike. Do you remember this declaration?**
17 A Yes.
18 **Q Is everything in here true and correct, to**
19 **the best of your memory?**
20 A So what's the question?
21 **Q The question is do you remember this**
22 **declaration.**
23 A Yes, I do.
24 **Q And is everything in it true and correct,**
25 **to the best of your memory?**

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1 A Yes.
2 (Whereupon, Exhibit 24 was marked for
3 identification and is bound under separate
4 cover.)
5 BY MR. GINGRAS:
6 **Q And let me just mark one, 24. This is,**
7 **I'm sorry, this is your wife's declaration. That is**
8 **dated May 3rd, 2010. This is what was filed on**
9 **Monday along with yours that had the wrong date, but**
10 **we've now clarified that.**
11 **Do you remember looking at your wife's**
12 **declaration?**
13 A I'm looking at it now.
14 **Q Did you not look at it before?**
15 A I glanced over it but -- your question?
16 **Q Do you remember this -- did you look at it**
17 **before it was filed? I think you said briefly.**
18 A Yes.
19 **Q And you looked at it now?**
20 A Yes, I did.
21 **Q And is everything in her declaration true**
22 **and correct, to the best of your memory? Is it**
23 **consistent with your own memory?**
24 A To my best of knowledge, yes.
25 **Q Well, specifically in paragraph 8 on**

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1 page 3 of her declaration, she says:
2 "I witnessed a conversation that took
3 place on May 5th, 2009, at approximately 1:00
4 P.M., during which Mr. Magedson requested
5 \$5,000 plus an additional monthly fee to enroll
6 in what Mr. Magedson referred to as CAP, as the
7 CAP."
8 A Yes.
9 **Q Is her declaration accurate insofar as it**
10 **describes that conversation on May 5th?**
11 A Yes.
12 **Q Okay. Mr. Mobrez, can you turn back to**
13 **your, the declaration just before. I think it's**
14 **Exhibit 23. This is the one that you did several**
15 **months ago.**
16 **Do you remember this one, Exhibit 23?**
17 A I have 23.
18 **Q Do you remember this one?**
19 A Yes.
20 **Q Look at the footnote on page 3. Do you**
21 **see where there's a footnote No. 1 there?**
22 A Yes.
23 **Q And it's a little long. If you can just**
24 **skim it for me.**
25 A Yes.

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1 **Q Do you specifically, you understand we**
2 **talked a little bit before about this, this deal**
3 **where Mr. Magedson told you that he lived in**
4 **California. Do you remember that?**
5 A Yes.
6 **Q And you understand that Mr. Magedson has**
7 **now filed at least two declarations with the court**
8 **that I'm aware of where he has testified under oath**
9 **that he actually lives in Arizona and that he was**
10 **just lying to you when he said he was living in**
11 **California? Are you aware of that?**
12 A At this time, yes, I do.
13 **Q Okay. Well, in the footnote that I just**
14 **had you look at, the line immediately above the**
15 **bottom states:**
16 **"Plaintiffs are considering whether to**
17 **pursue perjury charges against Magedson for**
18 **such a blatant lie."**
19 **What was that a reference to? How do you**
20 **believe that Mr. Magedson has perjured himself?**
21 A I'm not a lawyer. I can't speak of that.
22 This is footnote from a, what you call, the legal
23 documents.
24 **Q Well, this is, this is a declaration that**
25 **you signed under penalty of perjury that the**

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1 foregoing is true and correct. Are you saying that
2 you did not read this before you signed it?
3 A I read it. In fact, you know, for
4 example, I invited him for lunch. In here it says
5 dinner. Makes not much difference. Just I wanted
6 him to come into our office and meet with me.
7 Q I understand that. But I think my
8 question to you was do you believe that Mr. Magedson
9 has perjured himself in this case?
10 MR. BLACKERT: Objection.
11 BY MR. GINGRAS:
12 Q Do you believe that as we sit here now?
13 MR. BLACKERT: Objection. Calls for a
14 legal conclusion.
15 THE WITNESS: I don't know. In respect he
16 said he lives in California, you mean?
17 BY MR. GINGRAS:
18 Q With respect to anything at all, do you
19 believe that Mr. Magedson has given any false
20 statements under penalty of perjury in this case?
21 A If he said he lives in California and he
22 didn't, so he perjured himself, isn't it?
23 Q Well, did you ever consider -- you said
24 you were considering pursuing perjury charges
25 against Mr. Magedson for such a blatant lie. Did

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1 you ever actually do that, pursue perjury charges?
2 A I don't think so.
3 Q All right. I think I've got only just one
4 more exhibit. Okay. Mr. Mobrez, I have some very
5 good news for you, and I have some very, very bad
6 news for you. Okay?
7 The final exhibit that I have in my hand
8 is a copy of recordings, audio recordings, several
9 of them. I'm about to play these recordings into
10 the record. And whatever they show is whatever they
11 will show.
12 But before I do that, I'd like to give you
13 an opportunity that I am under no obligation
14 whatsoever to offer you. And that is as follows:
15 Under the federal perjury statute -- and this is a
16 federal case, and your documents that you filed in
17 this case were signed under penalty of perjury under
18 federal law -- under that statute, any false
19 statements of material fact that you make could
20 expose you to five years in federal prison per
21 offense.
22 You filed two declarations in this case
23 and you testified today, which is three separate
24 counts, 15 years in federal prison if I establish
25 that you lied about any material fact at all.

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1 That's the bad news.
2 The good news for you is that the perjury
3 statute has one "Get out of jail free" card. And
4 I'm about to offer it to you. Okay? And I'm going
5 to read it to you. This is from title 18, United
6 States Code Section 1623, False Declarations Before
7 Grand Jury or Court. Obviously it makes it illegal
8 to make a materially false statement of fact before
9 any federal court, which is where we are.
10 Subsection D of section 1623, and I'll
11 read it to you in its entirety:
12 "Wherein the same continuous court or
13 grand jury proceeding in which such declaration
14 is made, the person making the declaration
15 admits such declaration to be false, such
16 admission shall bar prosecution under this
17 section if" -- there's a contingency here.
18 Your safe "Get out of jail free" card
19 expires upon either of two things happening, and
20 I'll read to you what those two things are.
21 Number one:
22 "At the time the admission is made, the
23 declaration has not substantially affected the
24 proceeding."
25 That's number one. Or number two:

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1 "It has not become manifest that such
2 falsity has been or will be exposed."
3 So if you made any false statements of
4 material fact in this case and if they materially
5 altered the case or affect it in any significant
6 way, your "Get out of jail free" card is gone.
7 On the other hand, if you made any false
8 statements of material fact and it has become
9 manifest that they are exposed or likely to be
10 exposed, your "Get out of jail free" card goes away.
11 Having said that, and understanding that
12 I've not told you what these recordings are, I'm
13 going to hand a copy of the statute to your lawyer.
14 I'm going to give you five minutes to walk outside
15 and consult with your lawyer.
16 The time is now 4:31 P.M. At 4:36 P.M.,
17 whether you are sitting in this chair or not, I will
18 begin playing these recordings into the record. And
19 if they are consistent with what you've testified
20 to, you've got nothing to worry about. If they are
21 not consistent with what you testified to, I think
22 you have a hell of a lot to worry about.
23 And therefore I'm going to offer you one
24 chance to recant your testimony, be honest in this
25 proceeding and admit the truth. And if you do not

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1 do so, you will not have the opportunity to do so
2 again.
3 Do you understand me?
4 A Yes, I do.
5 Q Let's take a five-minute break. Actually,
6 the time is now 4:32. I will begin playing these
7 tapes at 4:37. So you better make your decision
8 quickly. Okay?
9 A Okay.
10 THE VIDEOGRAPHER: The time is 4:32, and
11 we're going off the record.
12 (Off the record.)
13 THE VIDEOGRAPHER: The time is 4:35, and
14 we're back on the record.
15 BY MR. GINGRAS:
16 Q Mr. Mobrez, just a couple of minutes ago
17 we took a break. I asked you to go and meet and
18 confer with your lawyer, and I wanted to offer you
19 an opportunity to change any of your testimony
20 before this proceeding is over and before I play
21 these recordings here.
22 What have you decided to do?
23 A Go ahead and play.
24 Q You want me to play them?
25 A Yes.

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1 MR. GINGRAS: All right. Let's mark, what
2 is this? Twenty-four or 25?
3 (Whereupon, Exhibit 25 was marked for
4 identification and is bound under separate
5 cover.)
6 BY MR. GINGRAS:
7 Q All right. Mr. Mobrez, Exhibit 25 is an
8 audio CD which contains seven files. One of them is
9 a -- on the top of the index here, there's a listing
10 of the files that are on this disk. The second one
11 is a, just a place-holding file that indicates
12 there's no recording for that day.
13 The other six are audio recording files,
14 and they are of the phone calls that you had with
15 Mr. Magedson that you just testified falsely about.
16 So let me begin with the first one, shall
17 we? And I'm sorry, for the record, according to
18 the, according to the records of Xcentric Ventures,
19 who recorded this call, this is a telephone call
20 that was made on the 27th of April 2009 with an
21 ending time of 3:27 P.M. The call was made from
22 area code (310)806-3000, and it has a total running
23 time of one minute, 35 seconds.
24 (The recording was played as follows:
25 "SPEAKER 1: What's the --

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1 "SPEAKER 2: This is Raymond. I am at the
2 Asia Economic Institute.
3 "SPEAKER 1: The what?
4 "SPEAKER 2: Asia Economic Institute.
5 "SPEAKER 1: I can't understand a word
6 you're saying. What are you saying?
7 "SPEAKER 2: I apologize. Asia Economic
8 Institute.
9 "SPEAKER 1: Asia Economic Institute?
10 "SPEAKER 2: Yes, sir.
11 "SPEAKER 1: Okay. Are you calling from
12 Asia?
13 "SPEAKER 2: No, I'm calling from Los
14 Angeles office.
15 "SPEAKER 1: Okay. How can I help you?
16 "SPEAKER 2: Well, the issue is just we
17 been reported with your website, and then I'm
18 trying to find out how we resolve this issue,
19 how can we -- what can I do here?
20 "SPEAKER 1: You need to send us an
21 e-mail, and we can send you the options. We
22 can't discuss that by phone.
23 "SPEAKER 2: Oh, I see. Where do I send
24 it?
25 "SPEAKER 1: You click on 'Contact Us'

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1 down at the bottom of the page.
2 "SPEAKER 2: Bottom of the page. Okay.
3 "SPEAKER 1: And you tell us of the
4 situation. Just try to make it short and
5 brief. Okay?
6 "SPEAKER 2: Say it again.
7 "SPEAKER 1: Other than that, thank you
8 for calling.
9 "SPEAKER 2: Hello? Oh.")
10 BY MR. GINGRAS:
11 Q Mr. Mobrez, the recording that I just
12 played for you is the telephone call that we've
13 identified as call No. 1, which you described in
14 paragraph 6 of your declaration, dated May 3rd.
15 Can you explain to me why that phone call
16 recording bears no resemblance whatsoever to the
17 testimony that you gave in paragraph 6 of your
18 declaration?
19 A It is.
20 Q Do you want me to play it again?
21 A You can.
22 Q Did you hear, did you hear on that
23 recording that the speaker immediately inquired into
24 the size and profitability of your business? Did
25 you hear any words to that effect?

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1 A He said first, he asked me, I remember
2 this, and that if it's international company. And
3 I, I don't know this recording is genuine or it's he
4 put on mute or whatever. I have no idea what he was
5 doing.
6 Q But he never asked you anything about the
7 profitability of your company or how you were making
8 money; isn't that true?
9 A Play the next one.
10 Q No, I'm asking you with respect to the
11 phone call that ended at three -- I'm sorry, 3:25
12 P.M. on April 27, 2009, which is the audio I just
13 played for you.
14 At no time on that recording were you
15 asked anything about money, were you?
16 A I, I don't know exactly that particular
17 phone call or any other call. But I think he was
18 insinuating in other calls. Do you have --
19 Q I have every one of them. We're going to
20 play every, single one of them.
21 A Okay. Let's play all of them one time.
22 MR. BLACKERT: I just want to put
23 something on the record real quick if I can.
24 It looks like the length of, just I'm having a
25 little discrepancy with it.

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1 MR. GINGRAS: I'll explain it all to you,
2 Dan.
3 MR. BLACKERT: Okay.
4 MR. GINGRAS: Okay?
5 Q Mr. Mobrez, also isn't it true that
6 Mr. Magedson never boasted that Ripoff Report was at
7 the top of the search engines? He never said that,
8 did he? On that recording. Did you hear that?
9 A He e-mailed it to me I guess.
10 Q Okay. So you're now changing your
11 testimony; is that right?
12 A I don't know --
13 MR. BLACKERT: Objection. Harassing.
14 BY MR. GINGRAS:
15 Q All right. I will tell you that the
16 second phone call, which you described in
17 paragraph 7 of your declaration, we have no
18 recording for that call because you never got
19 through the voice mail system, which takes a lot
20 longer than ten seconds to get through to a live
21 person.
22 That's why I believe there's no audio
23 recording for that day. And we'll put an affidavit
24 into the record if you need us to that our diligent
25 search of our business records have confirmed that

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1 there is no phone call recording of that specific
2 call.
3 But luckily for you, call No. 3, which
4 occurred on April 27th, 2009, at 3:22 P.M. was
5 recorded. And according to our records, this was a
6 caller ID (310)806-3000, total running time, a
7 minute, twenty. And if you'd like to compare and
8 follow along, this is paragraph 8 of your
9 declaration. Okay?
10 (The recording was played as follows:
11 "SPEAKER: Hello, my name is Raymond. I
12 called about ten minutes ago. And someone
13 said, talked to me and said I should go and get
14 an e-mail, send it to Editor at Contact Us. I
15 need to know how do I repair this and how do I
16 do it.
17 "I wonder if someone can call me back. I
18 can give you my cell number that I can be
19 reached anytime. My number is (310)801-5161,
20 (310)801-5161. And I appreciate someone
21 calling me back.
22 "This is about the report on Asia Economic
23 Institute. And I think the gentleman I spoke
24 to, he was wondering what was the name, and I
25 said a couple of times, and finally he

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1 understood exactly what the name of the company
2 was.
3 "I would appreciate someone to call me
4 back and tell me what I can do. And if this is
5 a mediation program or I don't know what it is.
6 Someone reach back me. Thank you."
7 BY MR. GINGRAS:
8 Q Mr. Mobrez, the recording that I just
9 played to you is indicated on the envelope index as
10 call No. 3, again, April 27th, 2009, ending at
11 3:32 P.M. And this is call No. 3, described in
12 paragraph No. 8 of your declaration.
13 You never spoke to Mr. Magedson a third
14 time or even a second time on April 27th; isn't,
15 isn't that true?
16 A I --
17 Q Paragraph 7 and 8 of your declaration talk
18 about a second and third phone call that you had
19 where you said Mr. Magedson asked about whether you
20 knew about the Corporate Advocacy Program and then
21 he told you to read about it online.
22 Those statements are false in your
23 declaration; isn't that true?
24 A I don't know -- can I see my declaration
25 for a second?

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1 **Q It's Exhibit 19.**
 2 A Exhibit 19.
 3 There could be a mix-up on the -- my phone
 4 calls. But I do know I did talk to him. I know I
 5 have spoken to him. I know what he said, and I know
 6 what I said.
 7 **Q Okay. So you're sticking to your story?**
 8 A I am. But maybe, as I said, these phone
 9 calls are -- just keep going, next one.
 10 **Q You want to hear the next one?**
 11 A Next one.
 12 **Q The next one is call No. 4. This took**
 13 **place on May 5th, 2009, ending at 11:33 A.M. The**
 14 **caller ID information was area code (310)806-3000.**
 15 **The total length of this one is 51 seconds.**
 16 **(The recording was played as follows:**
 17 **"SPEAKER 1: Raymond, how can I help you?"**
 18 **"SPEAKER 2: Hi. I called about almost**
 19 **two weeks ago, and I have sent an e-mail, as I**
 20 **was instructed to do so, to Editor at the**
 21 **Ripoff --**
 22 **"SPEAKER 1: Regarding what, sir?**
 23 **Regarding what?**
 24 **"SPEAKER 2: Well, our name appeared on**
 25 **your publication. And we are in Los Angeles.**

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1 **I'm calling from Los Angeles. And I'm with**
 2 **Asia Economic Institute. I sent an e-mail. I**
 3 **was instructed to do so. And --**
 4 **"SPEAKER 1: Okay. I'm not sure why we**
 5 **have e-mails that are bouncing. But there's**
 6 **nothing we can respond to here talking to you**
 7 **by phone. You just got to try and send an**
 8 **e-mail again.**
 9 **"SPEAKER 2: I did. I did it two days**
 10 **later, last Thursday."**
 11 BY MR. GINGRAS:
 12 **Q And that call cut off for whatever reason.**
 13 **But, again, that was call No. 4. That is paragraph**
 14 **No. 10 of your declaration.**
 15 And according to your phone bills, call
 16 No. 4 was 2.6 minutes long, which I think the
 17 evidence will show is consistent with getting
 18 through the phone message system and then having a
 19 51-second conversation.
 20 A I think that conversation was a little bit
 21 longer, but it could be --
 22 **Q I understand that as the credible witness**
 23 **that you are, you think that. I don't think anyone**
 24 **else on the face of the planet is going to believe**
 25 **that, but --**

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1 MR. BLACKERT: Objection. Argumentative.
 2 BY MR. GINGRAS:
 3 **Q -- that's not for me to decide.**
 4 **Mr. Mobrez, would you like me to play call**
 5 **No. 5? And I marked this on green in the exhibit**
 6 **there. I marked this in green because this is the**
 7 **phone call where you claim that Mr. Magedson asked**
 8 **you for \$5,000.**
 9 **Do you want me to play that one?**
 10 A Yes.
 11 **Q Okay. Let's have a listen to that one.**
 12 **(The recording was played as follows:**
 13 **"SPEAKER 1: Raymond --**
 14 **"SPEAKER 2: I spoke to you earlier.**
 15 **Thank you for sending me that e-mail. I tried**
 16 **to understand it, but there's nothing says what**
 17 **I can do there. Hello? Hello? Hello?"**
 18 THE WITNESS: Call number what?
 19 MR. BLACKERT: It's five.
 20 BY MR. GINGRAS:
 21 **Q All right. What we just heard was call**
 22 **No. 5. According to our records, this call was**
 23 **recorded on May 5th, 2009, ending at 1:10 P.M. The**
 24 **caller ID information was area code (310)806-3000.**
 25 **The total running time of that recording was 35**

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1 **seconds.**
 2 And, again, I'll note that according to
 3 your own phone bills, call No. 5 lasted for 2.2
 4 minutes, which I'm quite sure is the time that it
 5 took you to get through the phone message system and
 6 speak to Mr. Magedson. And then apparently he hung
 7 up on you.
 8 Mr. Mobrez, in your declaration, again,
 9 this is paragraph 13 where you talk about call No. 5
 10 where you say that you were asked for five -- I'm
 11 sorry, five grand, in quotes, plus a monthly
 12 maintenance fee of at least a couple hundred
 13 dollars.
 14 **You lied about that, didn't you?**
 15 A No.
 16 **Q Mr. Magedson never asked you for money**
 17 **that day or any other day; isn't that true?**
 18 A He has asked me for \$5,000. I don't know
 19 exactly which day.
 20 **Q Come on, man. I mean, seriously.**
 21 A I'm serious.
 22 **Q You want to sit in front of a federal**
 23 **judge and a federal jury and lie through your teeth**
 24 **like this? Is that what you're going to do?**
 25 A I'm telling you --

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1 Q Let's keep going. Let's keep going.
2 You've already dug your grave.
3 **Call No. 6. This was recorded on May 9th,**
4 **2009, at 1:38 P.M. The caller ID information was**
5 **area code (310)801-5161. The running time of this**
6 **one is one minute, thirty-six.**
7 And by the way, on --
8 A I'm sorry, one more time? What's that
9 call number?
10 Q This is call No. 6. You didn't have this
11 one in your phone bill list because that was -- this
12 is a call from your cell phone. You only gave us
13 your office records. You did not give us your cell
14 phone records even though my subpoena to you asked
15 for that. And I'll be taking that up with the
16 court.
17 But for your purposes, this is call No. 6.
18 I didn't mark that in our notes because you didn't
19 disclose it to us. But I'm disclosing it to you.
20 **This is call No. 6.**
21 **(The recording was played as follows:**
22 **"SPEAKER: Hello. My name is Raymond,**
23 **Raymond Mobrez, with the Asia Economic**
24 **Institute. I've made numerous calls. I've**
25 **been talking to an individual who's just**

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1 **directed me to Advocacy Program and e-mailed me**
2 **back finally I guess kind of pieces from the**
3 **website. I really don't know what I can do**
4 **with that. I need somebody to help me out.**
5 **"And my phone number, as you can see the**
6 **caller ID, it's my cell number is**
7 **(310)801-5161, (310)801-5161. And, and you can**
8 **call me anytime on the weekend. But my work**
9 **number that I will be in Monday anytime after**
10 **9:30 A.M. or 10:00 A.M., it's (310)806-3000,**
11 **and my extension is 223. Again, (310)806-3000,**
12 **extension 223. Asia Economic Institute. And**
13 **my first name is Raymond.**
14 **"I spoken about three times with the same**
15 **gentleman, but it seemed to me he does not want**
16 **to stay on the phone or something. He just**
17 **hangs up very quickly. So I'm trying to have**
18 **someone to help me out with this Advocacy**
19 **Program.**
20 **Thank you."**
21 BY MR. GINGRAS:
22 Q Mr. Mobrez, was that your voice that we
23 just heard?
24 A Yes.
25 Q And in fact all of these recordings are

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1 your voice; right?
2 A I assume, yes.
3 Q Okay. You want to hear the last call?
4 And by the way, I've marked this as call No. 7.
5 According to your phone bill, this call was made on
6 May 12th, 2009. You began the call at 2:46 P.M.
7 You called (602)359-4357. Your phone bill indicates
8 16.5 minutes. The actual amount of audio captured
9 was again 14:45. There's that little difference
10 when you were working your way through the voice
11 mail.
12 And this is paragraph 14 of your
13 declaration, which is Exhibit 19, is where you
14 described this phone call.
15 What do you think the chances are that
16 anything on this phone call is going to be
17 consistent with what you said in your declaration?
18 Is there any chance that any of this phone call is
19 going to match what your declaration says?
20 A Well, all I can tell you at this time, I
21 have made numerous calls. I spoke to him. He and
22 I, we talked, as you can see it. And I may be mixed
23 up on a phone call. I can, I can agree to that.
24 But I know for sure what we talked about.
25 Q Okay. Let's listen to this one. You said

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1 it was 17 minutes. It's not. It's shorter than
2 that.
3 But we're going to go ahead and listen to
4 it, and I'm going to keep my ears peeled because you
5 put it in quotes where you claimed that Mr. Magedson
6 said "All the negative goes away and you see the
7 positive," which your wife also testified under
8 penalty of perjury in her declaration was said. So
9 let's keep our ears peeled on call No. 7 for that.
10 Again, according to our records, this call
11 was recorded at -- I'm sorry, on May 12th, 2009.
12 The ending time was 3:05 P.M. The caller ID
13 information was area code (310)806-3000. The total
14 running time of this one is 14 minutes, 45 minutes.
15 A Remember what we said on this is, on these
16 calls --
17 Q There's no question pending.
18 A I apologize.
19 Q Thank you.
20 (The recording was played as follows:
21 **"SPEAKER 1: Hi. I didn't quite hear, who**
22 **is this calling from what company?**
23 **"SPEAKER 2: This is Raymond. I spoke to**
24 **you in the past couple of times with the Asia**
25 **Economic Institute. You send me an e-mail**

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1 and --
2 "SPEAKER 1: With what institute? Say
3 that again. What institute?
4 "SPEAKER 2: Asia Economic Institute.
5 "SPEAKER 1: Okay. Refresh my memory.
6 What were we talking about?
7 "SPEAKER 2: We talked, and you sent me
8 also an e-mail that I sent to you and I resend
9 it again and you replied back to me with a
10 cover page from your website. And on that one
11 you said -- I need somebody to help me how to
12 do this advocacy, whatever it is.
13 "SPEAKER 1: Okay. And what are you
14 looking for?
15 "SPEAKER 2: I e-mailed it to you. You
16 and I, we spoke at least --
17 "SPEAKER 1: I didn't -- listen, I deal
18 with, you know, thousands of e-mails a week,
19 and I have people here assisting me, so -- I'm
20 just trying to understand what, what you're,
21 what you're, what you're asking. What are you
22 asking about?
23 "SPEAKER 2: Well, you know, this Advocacy
24 Program, I need somebody to help me with that.
25 I don't know how it works and I don't know how

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1 do I do it, you know, that kind of stuff.
2 "SPEAKER 1: Well, did you fill out an
3 application, sir?
4 "SPEAKER 2: No, because, you know, I need
5 somebody to help me. Application doesn't tell
6 me exactly what's going to happen to it.
7 "SPEAKER 1: Once you fill out the
8 application, then we can tell you more
9 information about it.
10 "SPEAKER 2: It's --
11 "SPEAKER 1: See what I'm saying? What
12 kind of business do you have?
13 "SPEAKER 2: We are a publication,
14 basically, Asia Economic Institute.
15 "SPEAKER 1: Okay. How many reports were
16 about your company?
17 "SPEAKER 2: Two. It's the same guy I
18 guess.
19 "SPEAKER 1: Okay. What you need to do is
20 click on where it says 'Corporate Advocacy' on
21 that page, and on the left-hand side it says
22 'Application.' Fill that out, and then we'll
23 send you more information. There's only a
24 little bit, there's only a few questions we're
25 asking you there.

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1 "SPEAKER 2: I went there, and it was a
2 little bit confusing to me. Is it -- also it
3 doesn't say, what's the, the, what do you call,
4 the cost or something. It doesn't give me --
5 "SPEAKER 1: That, you're going to get
6 that once we get information from you.
7 "SPEAKER 2: Such as? I gave you my
8 information. I called -- I e-mailed it to you
9 about a month ago.
10 "SPEAKER 1: Hold on.
11 "SPEAKER 2: Look, do me a small favor.
12 Why don't you take my name and number down.
13 Anytime I call you it's my work number. As you
14 see the caller ID, my extension is 223 --
15 "SPEAKER 1: Hold on, hold on, hold on a
16 minute. Hold on. Okay? I need -- I'm going
17 to try and search this. What's the name --
18 give me -- what's the name of your company --
19 what is a unique word in the name of your
20 company? Did you say 'Economic'?
21 "SPEAKER 2: I can give you the full
22 report. I can give you report numbers.
23 "SPEAKER 1: No, I don't want -- what's
24 the name of your company again?
25 "SPEAKER 2: Asia Economic Institute.

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1 "SPEAKER 1: Okay. A-s-i-a?
2 "SPEAKER 2: Yeah.
3 "SPEAKER 1: Okay. Hold on.
4 "SPEAKER 2: You're the editor; right?
5 What's your name?
6 "SPEAKER 1: This is Ed.
7 "SPEAKER 2: Okay.
8 "SPEAKER 1: I have other things with Asia
9 in it, but it's not your company. Let me try
10 one more thing. What's your e-mail address?
11 "SPEAKER 2: Raymond, R-a-y-m-o-n-d.
12 "SPEAKER 1: R-a-y-m-o-n-d.
13 "SPEAKER 2: You know what, I can reply to
14 the last e-mail you sent it to me.
15 "SPEAKER 1: What is -- Raymond?
16 "SPEAKER 2: Raymond@AsiaEcon.org.
17 "SPEAKER 1: Asia at --
18 "SPEAKER 2: I just sent it back to you
19 again. Look, it's coming --
20 "SPEAKER 1: No, no, sir. It will take a
21 second. Spell it.
22 "SPEAKER 2: Raymond, R-a-y-m-o-n-d.
23 "SPEAKER 1: At?
24 "SPEAKER 2: Asia, A-s-i-a E-c-o-n, .org.
25 "SPEAKER 1: E-c-o-n?

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1 "SPEAKER 2: Yeah, like 'Econ.'
 2 "SPEAKER 1: Okay. That's all I need.
 3 That's all I need.
 4 "SPEAKER 2: Okay. You just got an e-mail
 5 from me.
 6 "SPEAKER 1: Okay. There's nothing in
 7 there, so hold on. Let me go into here.
 8 "SPEAKER 2: I just sent it to you. You
 9 might have it by now.
 10 "SPEAKER 1: Yeah, that's all the way
 11 around. You said you just sent it to me again?
 12 "SPEAKER 2: Yeah, I did. I replied back
 13 to E-d-i-t-o-r at --
 14 "SPEAKER 1: Okay. Right, right, right.
 15 Okay. You don't have to spell it. I know.
 16 Okay. Hold on. What state do you live in?
 17 "SPEAKER 2: I live in Los Angeles,
 18 California.
 19 "SPEAKER 1: Okay. Hold on one second.
 20 (Discussion held away from the phone.)
 21 "SPEAKER 1: Okay. I didn't get your
 22 e-mail yet, but let me see I'll --
 23 "SPEAKER 2: I did. You got it.
 24 "SPEAKER 1: How would you know I got it?
 25 I mean, just because you sent it, that doesn't

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1 mean I got it. People try to send us e-mails
 2 over time, there's problems sometimes.
 3 "SPEAKER 2: I said you must have got it
 4 by now. I'm not saying you got it.
 5 "SPEAKER 1: Oh, oh, okay.
 6 "SPEAKER 2: You got it now?
 7 "SPEAKER 1: No. I want to try my spam
 8 file. No, sir.
 9 "SPEAKER 2: Raymond.
 10 "SPEAKER 1: I didn't even have you in my
 11 system. You said I lied to you, but I don't
 12 even have you in my system.
 13 "SPEAKER 2: I replied back to you
 14 whatever you sent it to me.
 15 "SPEAKER 1: I know, but this could be
 16 taking some time because --
 17 "SPEAKER 2: Go ahead.
 18 "SPEAKER 1: You know --
 19 "SPEAKER 2: Take your time. Look, it
 20 takes only --
 21 "SPEAKER 1: No, why don't you just -- let
 22 me -- send it to me. Give me -- there's a
 23 bunch of phone numbers there at the top. If I
 24 don't call you back in 30 minutes, call me
 25 back. I mean, if you don't see an e-mail back

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1 from me with information, e-mail me, call me
 2 back.
 3 "SPEAKER 2: Well, I have information. I
 4 need to know a few things. Number one, it's
 5 very complicated for me, and number two, I just
 6 wanted to know, so it doesn't say anything and
 7 I'm just trying to figure out certain things.
 8 Can you at least check now before you leave and
 9 see if you got it or not.
 10 "SPEAKER 1: I am. I'm doing -- I just
 11 did while I'm here. I'm not -- what's -- Asia,
 12 is it Asia Economic?
 13 "SPEAKER 2: Yeah.
 14 "SPEAKER 1: E-c-o-n-o-m-i-c; correct?
 15 "SPEAKER 2: No. Raymond,
 16 R-a-y-m-o-n-d --
 17 "SPEAKER 1: No, no. The name of the
 18 company, Asia Economic?
 19 "SPEAKER 2: Yes.
 20 "SPEAKER 1: Economic, is it spelled
 21 E-c-o-n-o-m-i-c?
 22 "SPEAKER 2: Yeah. Well, let me spell it
 23 for you. E-c -- are you --
 24 "SPEAKER 1: Come on, come on.
 25 "SPEAKER 2: E-c-o-n, Economic, you know,

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1 Economics, Asia Economics.
 2 "SPEAKER 1: E-c-o-n-o-m-i-c?
 3 "SPEAKER 2: Correct. Now you got it this
 4 time.
 5 "SPEAKER 1: I don't see --
 6 "SPEAKER 2: I replied to it. I don't
 7 know why.
 8 "SPEAKER 1: I don't see --
 9 "SPEAKER 2: Hold on.
 10 "SPEAKER 1: Okay. I'm just not getting
 11 it now. I don't know why.
 12 "SPEAKER 2: Wait a second. I re-did it.
 13 You got it?
 14 "SPEAKER 1: I kind of got to go. I don't
 15 know what to tell you. I don't know why I'm
 16 not getting it. But I'm going to send an
 17 e-mail here to see --
 18 "SPEAKER 2: Okay. Look. You are the Ed,
 19 the big shot; correct?
 20 "SPEAKER 1: Yeah, but I need your e-mail
 21 address. Hold on one second.
 22 "SPEAKER 2: Okay. My e-mail address is
 23 Raymond, R-a-y-m-o-n-d --
 24 "SPEAKER 1: Wait, hold on, hold on.
 25 R-a-y-m-o-n-d?

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1 "SPEAKER 2: Uh-huh, at a-s-i-a-e-c-o-n,
2 dot, o-r-g.
3 "SPEAKER 1: E-c-o-n-?
4 "SPEAKER 2: Yeah, 'E' as in 'Edward.'
5 "SPEAKER 1: C?
6 "SPEAKER 2: Yeah, 'C' as in 'Charlie.'
7 "SPEAKER 1: 'O' as in 'Ohio'?
8 "SPEAKER 2: Yeah. 'N' as in 'Nancy,'
9 dot, o-r-g.
10 "SPEAKER 1: 'N' as in 'Nancy,' dot --
11 "SPEAKER 2: I just send an e-mail. Are
12 you able to see my caller ID? Look, my number
13 is (310)806-3000. (310)806-3000.
14 "SPEAKER 1: Uh-huh.
15 "SPEAKER 2: And then my extension is 223,
16 223. Again, (310)806-3000, extension 223.
17 Look, if you want to fix this, we can fix it
18 right away, okay?
19 "SPEAKER 1: Okay. Let me see here if I
20 got your e-mail. Let me see here.
21 "SPEAKER 2: You received two e-mails from
22 me.
23 "SPEAKER 1: Do you ever do mailings, like
24 e-mailings? Do you ever do mailing to people?
25 "SPEAKER 2: No.

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1 "SPEAKER 1: Never?
2 "SPEAKER 2: No.
3 "SPEAKER 1: Does your company mail out to
4 people, like do a mailing?
5 "SPEAKER 2: No.
6 "SPEAKER 1: Okay. All right. Okey-doke.
7 I will, I will investigate. Okay? If you
8 don't hear from me by this afternoon, call me
9 back. I must run immediately.
10 "SPEAKER 2: Well, so my boss is here
11 also. I need to find out what you want to do.
12 "SPEAKER 1: Yeah, I can't, I'm going to
13 try and find out why I'm not getting your
14 e-mail. That's the first thing. If I can't
15 correspond with you, we can't do anything.
16 "SPEAKER 2: Yeah, well, you know what?
17 Let me do this. Hold on just a second. Give
18 me just a second.
19 "SPEAKER 1: No, no, no, no, no. I can't,
20 sir. Sir, hello? I can't --
21 "SPEAKER 2: Yeah.
22 "SPEAKER 1: I've got to get off the
23 phone. Look, I've got to get the e-mails.
24 There's nothing we can talk about by phone. I
25 can't find your e-mails. I can't even find

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1 your existing e-mail. It's nowhere in my
2 system. And I'm not sure why. So I got to
3 go --
4 "SPEAKER 2: I replied back to your own
5 e-mail. I replied back to your own e-mail. Is
6 that your --")
7 BY MR. GINGRAS:
8 Q That's the end of the recording.
9 Mr. Mobrez, did you hear during that
10 14-minute, 45-second conversation Mr. Magedson ever
11 say that if you paid the fees he demanded, all the
12 negatives would go away and you'd see the positive?
13 Did you ever hear him say that?
14 A No. But on his e-mail I may be mixed up.
15 As you heard it, I said, "My boss is in here," on
16 the phone, I was referring to Iliana. And it's not
17 something I didn't disclose to him.
18 Q But he never said during that phone call
19 that all the negative goes away if you pay him. He
20 never said that, did he?
21 You don't need to answer that. We know
22 what the tape says.
23 Mr. Mobrez, were you paid anything by
24 anyone in order to bring this case against Ripoff
25 Report?

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1 A Did I pay anybody?
2 Q Have you been paid by anyone to bring this
3 lawsuit against Ripoff Report?
4 A No, sir.
5 Q Do you have any agreements, oral or
6 written, with anyone other than your attorneys
7 related to the outcome of this case?
8 A No one.
9 Q And has anyone offered you money of any
10 kind, compensation of any kind for bringing this
11 case?
12 A Not to my best recollection, no.
13 MR. GINGRAS: All right. I think we can
14 cut this. There's some cleanup issues. It's
15 late in the day. I think if we need to, we can
16 do this through written discovery or otherwise.
17 I would like to state -- if there's something
18 urgent, speak now.
19 Q Yeah, when you said to Mr. Magedson during
20 the last call, which I have as call No. 7, on
21 May 12th, when you said, "If you want to fix this,
22 we can take care of it right now," what were you
23 offering to Mr. Magedson when you said that?
24 A I didn't offer anything.
25 Q What did you mean when you said, "If you

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1 want to fix this, we can take care of this right
 2 now"?

3 A It's -- that's what I'm saying. I have, I
 4 believe there has to be one more phone call is
 5 missing in this whole picture.

6 **Q Your phone bills would show it, and they
 7 sure don't.**

8 A Let me explain to you. Because if I
 9 didn't know there is exchange of money, I would have
 10 not said, "We have to do this differently."

11 **Q Mr. Mobrez, you testified under oath
 12 repeatedly that on May 5th Mr. Magedson asked you
 13 for \$5,000. Why did you ask him in the recorded
 14 phone call that you didn't know was being recorded
 15 on May 12th, why did you say to him, "I don't know
 16 what the cost of the program is"? Why did you say
 17 that?**

18 **If Mr. Magedson asked you for money on
 19 May 5th, which we know he didn't, why would you ask
 20 him on May 12th that you don't know what the cost of
 21 the program is? You didn't know on May 12th because
 22 he never asked you; isn't that true?**

23 A No, I can't say that because I don't know
 24 what the cost is.

25 MR. GINGRAS: I know you don't.

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1 All right. I think I'm going to call this
 2 a day. I know we scheduled the deposition of
 3 your wife today. I'd like to go on the record
 4 as saying that I am suspending that deposition
 5 in light of what has happened here today.

6 I want -- your lawyer has certain
 7 obligations under his duties to the State Bar
 8 and to our court, and I do not want to put him
 9 in a position, assuming, as I hope, that he is
 10 an innocent victim of your conduct and your
 11 crimes, I do not want to put him in a position
 12 where he will lose his license if he continues
 13 to represent you knowing, as he knows now, that
 14 you have committed perjury in this case.

15 For that reason and only that reason, I am
 16 suspending your wife's deposition. I will
 17 retake it at a later time if this case
 18 continues past today, which I certainly expect
 19 it will not. Okay? And I'll give your lawyer
 20 notice of that when and if we decide to. Okay?

21 That's it. We're off the record.

22 THE VIDEOGRAPHER: The time is 5:12, and
 23 we're going off the record.

24 THE DEPOSITION OFFICER: Mr. Blackert, are
 25 you requesting review of the transcript?

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1 MR. BLACKERT: No, that's okay.

2 THE DEPOSITION OFFICER: Do you want a
 3 copy of the transcript?

4 MR. BLACKERT: Yes, yes, yes.
 5 (Deposition session concluded at 5:12 P.M.)
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 3 ***
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 6
 7 I do solemnly declare under penalty of perjury
 8 that the foregoing is my deposition under oath; that these
 9 are the questions asked of me and my answers thereto; that I
 10 have read same and have made the necessary corrections,
 11 additions, or changes to my answers that I deem necessary.
 12
 13 In witness thereof, I hereby subscribe my name
 14 this _____ day of _____, 20____.

 Witness Signature

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