

DRAFT - EDWARD MAGEDSON - 6/8/10

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objected today. I didn't give you enough time, and some of this is subject to potential protective order, but let me just ask you if you are willing to answer. Can we just go down this list of documents, and you just let me know if any such documents exist.

A. Okay.

Q. I think you already answered number one, so I won't bore you with that again. Number two, I think -- just for the record, let's just be clear. Example rate sheet for the cost of CAP given to potential CAP members in 2009 and '2000 and ten?

A. It's the same, and you have it.

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Q. Has it always been the same?

A. It's been at least for the last -- I can't remember exactly, so but it's probably more than three or four years old, and it was only a slight variation to it before then.

Q. What was that?

A. Just in the price structure.

Q. Like what?

A. Price went up on the higher end from -- just they went up.

Q. How did you formulate the rates on the rate

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sheet?

A. I formulated it based on -- and I was right on for my -- you know, I've always had a saying, first inclination is always -- usually your right inclin- -- you know, the right answer, you know, for when you are doing something, at least that's the way its worked with me.

And I always thought that depending upon how many reports a company has gives a good indication of how many phone calls we may receive or how many e-mails we will get, because the CAP program is an extension of the business's customer service. So from customer service questions, meaning, can I trust them, we are going to say, look, they or this program, they mess up, they got to make it right with you. It's not like the BBD or this other stuff, so I'm really going into too far, so what's your question.

Q. How did you formulate it?

A. By the amount of reports. I mean, it's -- I felt by formulating by the amount of reports would be a fairway to assess how much work would be involved.

Q. Did the Bad Business Bureau ever have a company -- or a program similar to CAP?

A. It's the same.

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Q. It had the same CAP program?

A. Yes.

Q. Same rates?

A. Same rates.

Q. Now f a business who is a member of CAP is really good, wouldn't they stop having complaints?

A. I don't care who you are, what company you are, how good of a wife you may think you are, or a husband maybe, or stenographer or videographer.

Q. (Indicating)?

A. Indicating how good they may be. We all make mistakes and a hundred percent of the people are not going to like you a hundred percent of the time, even really nice people who are just a kind of -- they have that personality where basically everyone likes them, they are capable and everybody is capable of making mistakes, including myself. We all make them, so there is no way that everyone can be satisfied a hundred percent with everyone, and so mistakes are going to happen. There is no business, specially when you have employees. They are going to make mistakes. They don't have the same concerns the owner does. They can't be everywhere at the -- in front of everybody watch what they do on the phone. So

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things happen. Mistakes happen. It's not going to not happen. There's always question and with the Internet today, people are more so they are looking for everything, and it's because there is so much ripping off going on in general. I know I got off the question.

Q. That's okay.

Following up on that, if a company joins the CAP and after they join the CAP they do an excellent job of responding to all customer complaints, and then they stop having complaints because of their changed better practices, would they pay the same amount.

A. You know, BBB and other kinds of organizations that are out there, which have popped up over the years, it's not really -- well, they don't have a website, but they are like JD power and associates, any one of these organizations, they have some sort of fee to be a member, to stay a member, because they, too, whether I like the service or disagree with it, we are different, whatever, they are providing some sort of a service.

If you are just even listed with them as a member, they are going to have to respond and answer to problems as a member, so consumers trust that BB torch logo, that JD power & Associates award that they are

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given, or any organizations seal of approval, Verisign, anything, they are all the same. They are paying a fee to them to kind of be certified, but nobody can guarantee anything, but they are there to certify, look, you get screwed, some better than others, we are going to make sure it's made right, at least that's the way Ripoff Report is about to verify, Ripoff Report corporate advocacy program.

Q. Isn't it cheaper for a company to join CAP with as few reports as possible at the time that they join?

A. Yes.

Q. So the longer they wait and the more reports go up, the more expensive it's going to be, correct?

A. Yes.

Q. Okay. Looking at this page, the fourth and last page of Exhibit 1, category number three, the second questionnaire that Excentric provides to potential CAP members, is that the questionnaire we talked about earlier today that is contained in the body of an e-mail?

A. The second -- that questionnaire happens once somebody has let us know after they've received the rates that says, wow, okay, I can afford this. This is fine,