

### UNITED STATES DISTRICT COURT DISTRICT OF NEBRASKA

J. Paul Ottis

PLAINTIFF.

VS.
EDWARD MAGEDSON an individual,
MARIA CRIMI SPETH an individual,
Jaburg and Wilk PC an Arizona Law
Firm, XCENTRIC VENTURES, LLC,
WWW.RIPOFFREPORT.COM,
WWW.BADBUSINESSBUREAU.COM,
and does 1-10 inclusive
DEFENDANTS.

CASE NO. 4'07cv 3351

COMPLAINT

JURY DEMAND

### COMPLAINT FOR DAMAGES AND APPLICATION FOR INJUNCTIVE RELIEF

Plaintiff J. Paul Ottis, by his undersigned attorney, for his Complaint against the Defendants EDWARD MAGEDSON, MARIA CRIMI SPETH, JABURG and WILK PC. Xcentric Ventures, LLC, www.ripoffreport.com, www.badbusinessbureau.com, (collectively, the "Defendants"), for damages and emergency application for injunctive relief under the laws of the United States and the State of Nebraska alleges as follows:

#### I. SUBJECT MATTER JURISDICTION

1. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §1332 because there is complete diversity of jurisdiction of citizenship and the matter in controversy, exclusive of costs and interests, exceeds the sum

or value of seventy-five thousand dollars. In addition, this Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1331 because claims arise under 18 U.S.C. § 1962(c), 1962(d), and 1964 of the Racketeer Influenced and Corrupt Organizations Act (RICO).

2. This Court has supplemental jurisdiction over the claims in this Complaint that arise under the statutory and common law of the State of Nebraska pursuant to 28 U.S.C. § 1367(a) and of pendant jurisdiction and any other applicable law, since the state law claims are so related to the federal claims that they form part of the same case or controversy and derive from a common nucleus of operative facts.

#### II. VENUE

3. Venue is proper in the District of Nebraska and this Court pursuant to 28 U.S.C. § 1391 because the Defendants have committed and continue to commit tortuous and criminal acts in the State of Nebraska and this district.

#### **III. PARTIES AND PERSONAL JURISDICTION**

- 4. Plaintiff, J. Paul Ottis, is a resident of the State of Nebraska. J. Paul Ottis is a creative artist who has developed a series of characters, learning materials, books, Games, puzzles and DVD'S for children.
- 5. Upon information and belief, Defendant Xcentric Ventures, LLC ("Xcentric"), is a limited liability company organized and existing under the laws of Arizona with its principal office located in Arizona. Defendant is a citizen of

Arizona and no other state. Defendant transacts business in this district through the Internet, by the domains names of www.ripoffreport.com and badbusinessbureau.com which are registered to Xcentric, and may be served through its owner and/or operator on current information and belief at 1138 S. Rose, Mesa, Maricopa County, AZ 85204, and/or P.O. Box 310, Tempe, Maricopa County, AZ 85280 and/or 8833 S. JB Road, Reevis Mountain, Gila County, AZ 85545. Upon information and belief, Defendant Xcentric is, or will be subject to the jurisdiction of this Court.

- 6. Upon information and belief, Defendant www.ripoffreport.com is an unknown business entity whose owner and/or speaker is Edward Magedson. The site www.ripoffreport.com also is an Internet website address and platform where, upon information and belief, Defendant transacts business in this district through the World Wide Web and may be served through its owner and/or operator on information and belief at 1138 S. Rose, Mesa, Maricopa County, AZ 85204, and/or P.O. Box 310, Tempe, Maricopa County, AZ 85280. Upon information and belief, Defendant www.ripoffreport.com is, or will be subject to the jurisdiction of this Court.
- 7. Upon information and belief, Defendant www.badbusinessbureau.com is an unknown business entity whose owner and/or operator is Edward Magedson. The site www.badbusinessbureau.com also is an Internet website address and platform where, upon information and belief, Defendant transacts business in this district through the World Wide Web and may be served through its owner and/or operator on current information and belief at 1138 S. Rose,

Mesa, Maricopa County, AZ 85204, and/or P.O. Box 310, Tempe, Maricopa County, AZ 85280. Upon information and belief, Defendant www.badbusinessbureau.com is, or will be, subject to the jurisdiction of this Court.

- 8. Edward Magedson, is an individual who, upon information and belief, is, a convicted FELON, and a fugitive on the run, and at all relevant times was the and/or operator of www.ripoffreport.com owner and www.badbusinessbureau.com. ln addition. Mr. Magedson used www.ripoffreport.com and www.badbusinessbureau.com to conduct and direct the unlawful and tortious conduct described herein within the jurisdiction of this Court. Upon current information and belief, Mr. Magedson may be served at 1138 S. Rose, Mesa, Maricopa County, AZ 85204, and/or P.O. Box 310, Tempe Maricopa County, AZ 85280. Upon information and belief, Mr. Magedson is, or will be, subject to the jurisdiction of this court.
- 9. MARIA CRIMI SPETH is an individual who on information and belief, is, and at all relevant times was the Partner or Silent Partner or Co-conspirator of Ed Magedson to conduct and direct the unlawful and tortious conduct described herein within the jurisdiction of this Court. Plaintiff is informed and believes Ms. Speth also is aiding Magedson to avoid capture and prosecution by the authorities. This defendant on Information and belief may be served at 3200 North Central Ave. Suite 2000, Phoenix AZ 85012.
- 10. The Defendant MARIA CRIMI SPETH, is an attorney and partner in the law firm of Jaburg and Wilk PC doing business in the State of Arizona.

Plaintiff is informed and believes that SPETH, helped MAGEDSON create the scheme by which these websites are used to extort money from reputable businesses and that SPETH shares in the profits of this unlawful enterprise.

- 11. Jaburg and Wilk PC is a law firm who on information and belief, is, and at all relevant times was the Partner or Silent Partner or Co-conspirator of Ed Magedson. They are liable for the acts of SPETH under the doctrine of vicarious liability, for the unlawful and tortious conduct described herein within the jurisdiction of this Court. This defendant on Information and belief may be served at 3200 North Central Ave. Suite 2000, Phoenix AZ 85012.12. The Doe Defendants: The true names and capacities, whether individual, corporate, or otherwise, of the Defendants sued as Does 1 through 10 are unknown to Plaintiffs, who, therefore, sue them by such fictitious names. At such time as their true names and capacities have been ascertained. Plaintiffs will seek leave of Court to amend this Complaint accordingly. On information and belief, Plaintiffs allege that each of Does 1 through 10 was the agent, representative, or employee of each of the other Defendants and was acting at all times within the scope of his/her agency or representative capacity, with the knowledge and consent of the other Defendants, and that each of Does 1 through 10 are liable to Plaintiffs in connection with one or more of the claims sued upon here and are responsible in some manner for the wrongful acts and conduct alleged here.
- 13. The acts of defamation, interference with business relationships, business disparagement, conspiracy, and other wrongful acts alleged in this

Complaint occurred, arose and were directed in whole or part in the District of Nebraska.

14. Reference to defendants herein refers to each and every defendant in their role as Partner, Agent, Representative, or Co-conspirator of each and every other defendant.

#### IV. FACTUAL ALLEGATIONS

- 15. Plaintiff J. Paul Ottis is a well respected source of copyrighted stories and other information, including the creation of children's characters, books, games and story lines. He is well known throughout the entertainment complex. Plaintiff spends substantial amounts of time, money, and effort creating, collecting, protecting, displaying and distributing his copyrighted characters and stories.
- 16. A website is a specific location on the World Wide Web identified by a unique address known as a Universal Resource Locator ("URL"). Among the channels through which the Plaintiff distributes his content are websites found at the URLs "MeetThePlanets.com". In addition to story and game coverage and extensive original content, Plaintiffs' website includes almost the entire content of his characters, games, story lines and scripts.
- 17. Plaintiffs' copyrighted content is the way in which Plaintiff attracts readers to his respective websites, and promotes with the intent to market his characters and storylines.

- 18. In or about 1997, and continuing for some 10 years thereafter, Plaintiff developed the characters, story lines, scripts, books, games and ideas, and web presence for his characters and displayed them on his web sites www.MeetThePlanets.com, www.GlobiesWorld.com, www.GlobiesKldzNation.com and www.StarshipAmerica.com.
- 19. Plaintiff has made numerous public appearances promoting his characters, attended fundraising events, television broadcasts, produced commercial products, i.e. the production and sales of soft toy dolls, t-shirts, visors, including a book entitled "Meet the Planets" published in 2004, and an Internet presence featuring the Globie/GloBee and Earth/Star Rangers Characters. All have been available to the public since 1998.
- 20. Plaintiff as a part of the entertainment complex occasionally requires investors to finance his operations.
- 21. Through his efforts and professional advisors, J. Paul Ottis has become well-known to charities, clients and the general public. J. Paul Ottis has gone to considerable expense and effort to develop and maintain his image to potential companies who might engage his services or otherwise invest in his projects. As a means to promote his products and services, J. Paul Ottis created Internet websites to enable consumers to learn about his creations, and to provide a conduit for prospective and current investors and clients to learn about his characters, games, puzzles books and screen plays. Potential Clients and investors use Internet search engines to locate J. Paul Ottis' website. J. Paul

Ottis thus relies heavily on Internet search engines to direct potential clients to his websites.

- 22. The Defendants own and/or operate websites located at www.ripoffreport.com and www.badbusinessbureau.com (collectively, the "Websites") as centralized websites for publishing and posting alleged fraudulent business practices. Upon information and belief, the Defendants operate these Websites for profit. On further information and belief, Magedson, Speth and Xcentric actively control and maintain the Websites, together with the assistance of one or more unknown agents.
- 23. The Websites hold themselves out to the public as a "worldwide consumer reporting Website and Publication, by consumers for consumers" and purport to expose companies and individuals who "rip-off" customers. A true and correct copy of the Defendants' homepage is attached hereto as Exhibit "A" and incorporated herein by reference.
- 24. The Defendants actively solicit and receive complaints from all over the country. In addition, the Defendants have edited, published and created content for well over 15,000 reports directed at various companies and individuals some of whom are residents of Nebraska, for example Defendant Magedson has created and authored the following statement about Plaintiff which appears on www.ripoffreport.com, and which is false and defamatory, and which statement is also an admission of Defendants interference with a contract advantage of Plaintiff:

"We sincerely hope we're notifying you soon enough to cut any losses you may have incurred and to disassociate yourself with this con artist. The last contact we had was with a woman (Renee R.) from California he took \$15K from and nearly stole her own children's book idea and a publisher/toy distributor (Gary G.) in Arizona for well over \$750K (which we were able to stop). These individuals are also being notified of Ottis resurrecting this money making scheme. He's left a nice trail hasn't he?"

25. Defendant Magedson creates and authors the content he places on his web sites. Defendants therefore are not protected by the Communications Decency Act (CDA), 47 U.S.C. § 230. As the CDA provides that "no provider or user of an interactive computer service shall be treated as the "publisher or speaker" of any information provided by another information content provider." 47 U.S.C. § 230(c)(1). The phrase "interactive computer service is defined as "any information service, system, or access software provider that provides or enables computer access to the Internet and such systems operated or services offered by libraries or educational institutions." 47 U.S.C. § 230 (f)(2). The phrase "information content provider" is defined as "any person or entity that is responsible, in whole or in part, for the creation or development of information provided through the Internet or any other interactive computer service." 47 U.S.C. § 230 (f)(3). In enacting the CDA, "Congress granted most Internet services immunity from liability for publishing false or defamatory material so long as the information was provided by another party.

26. The statements regarding Plaintiff as authored and produced by MAGEDSON and the other defendants and as published on the defendant websites, are fabrications and false and are placed there by these defendants in order to attempt to extort money from Plaintiff and other legitimate businesses.

- 27. Due to the aggressive marketing activities of the Defendants, existing and potential clients of J. Paul Ottis receive search engine results which feature lists to one or more reports published on the Websites. Clients that follow the links to the Websites are referred to the Websites containing information regarding J. Paul Ottis' business and reputation which is false, misleading, disparaging and/or defamatory. Additionally, the reports on the Websites contain discussions of intellectual property and proprietary information that clearly belong to J. Paul Ottis. Indeed, the information posted on the Websites contains facts that would only be known to J. Paul Ottis and serves to gives his competitors an unfair advantage now that the information has been revealed. The information contained in the so-called "Rip-off Reports" on the Websites receive high placement on Internet search engines because Defendants include J. Paul Ottis' name in the caption of pages on the Websites, in page titles, and in metatags.
- 28. The Defendants do not substantiate the source or accuracy of the information published and posted on the above referenced Websites, including but not limited to, information published and posted regarding J. Paul Ottis' business practices. Upon information and belief, the Defendants author the posts on the Websites, including, but not limited to, information regarding J. Paul Ottis and then publish them for the public to view. Plaintiff will Produce in evidence at

a later date the Deposition Transcript of Dixon Earl Woodward, Vol. I, 146:24-149:3; 183:6-8; 237:18-238:11. In addition to creating content, the Defendants exercise editorial control over the content submitted by others on the Websites by including additional language to the so-called "Rip-off Reports," such as "rip-off," "fraud," and "scam," to imply that the company named in the report is "ripping off" the consumer.

- 29. On information and belief, Defendants create most of the content of the reports for the purpose of posting them on the RipoffReport webpage. These reports are not provided by third party consumers but by the defendants themselves.
- 30. Further, in order to improve and enhance search engine results regarding J. Paul Ottis, the Defendants edit, alter, change, and create report names and identifiers. The Defendants' websites also provide a search function where users can search postings organized by state, including postings allegedly involving Nebraska residents. In order to inflame the readers and overstate the postings, the Defendants categorize postings under several groupings, including one entitled "Corrupt Companies." SCAMS" "Rip-off" "con artist" etc.
- 31. Upon information and belief, the Defendants have also solicited, developed, created, written, authored, and published on the Websites numerous false and deceptively misleading statements of fact concerning J. Paul Ottis, made at least in part in concert or conspiracy with a disgruntled former J. Paul Ottis employee who worked on Defendants website who later claimed ownership to certain artwork that he was paid to produce, and or other individuals using

different identities to disparage J. Paul Ottis and to create the appearance that numerous businesses, associates, investors and clients are unhappy with J. Paul Ottis.

- 32. The Defendants have published false, misleading, disparaging and/or defamatory statements about J. Paul Ottis on their above-referenced websites. The Defendants have developed, created, written, authored, and published on the Websites, in the form of report content, titles, and various headlines, numerous false and deceptively misleading statements of fact concerning J. Paul Ottis and his business affairs.
- 33. Defendants created a report: #131182 by an associate of Plaintiff "Glenn" of Hope, Arkansas which was submitted on February 12, 2005 at 9:21:21 p.m. and modified on July 24, 2007 at 2:31:12 a.m.
  - 34. Plaintiff has no knowledge of this individual.
- 35. On or about February 12, 2005, the Defendants, without authorization or consent, published and posted false, misleading, disparaging and/or defamatory statements about J. Paul Ottis and his business on the websites located at www.ripoffreport.com and www.badbusinessbureau.com. The Defendants' categorized this posting under the category "Con Artists" and named the posting "J. Paul Ottis "Ottis, rip off scam" Following is the true and correct content of the report.
  - "J. Paul Ottis goes by many names: Joe Ott, Joe Ot, Paul Ottis, J. Paul Otis, and any variation you can think of.

His basic M.O. is to take an idea and make one think that he can get it to the market place, however, he is nothing more than a conman. He will talk people into cash investments, use of their credit cards and even signing over their personal property to finance the idea.

He also incorporates the venture and assigns himself President and CEO, his wife Phillis, (Which has possibly changed) acts as the CFO and they bleed the bank accounts dry, and leave like thieves in the night, literally! His M.O. of control is to challenge everything and keep confusion in the fore front, he also changes the master plan in the middle of the game. He's as slick as they come, therefore, if you have a 6'2' blondish grey haired guy offering you the moon, just take a few hours and contact the California Division of Corporations and have them run his name and any A.K.A.'s you can make out of his name. At the last count in 1984 he had 14 corporation in 14 years, it could well be 30 by now. His son's name is Jason and he seemed to be a chip off the old block! I hope to Heaven you don't meet this guy. If you do, beware, and call the fraud division of your local police!"

36. A true and correct copy of this publication and posting is attached hereto as Exhibit "B" and incorporated herein by reference. Defendants have developed, created, written and publishing report content, titles, and various

headings concerning J. Paul Ottis. The Defendants have produced original content in the so-called "Rip-off Reports" regarding J. Paul Ottis found on the Websites.

- 37. On February 12, 2005, the Defendants, without authorization or consent, published and posted false, misleading, disparaging and/or defamatory statements about J. Paul Ottis and his business on the websites located at www.ripoffreport.com and www.badbusinessbureau.com. The Defendants named the posting "J. Paul Ottis". The defendants have updated this report periodically with the last update being in or about June of 2007.
- 38. J. Paul Ottis upon first learning of the false reports on or about May 2001 and periodically thereafter as the content was upgraded and changed by the defendants to be more libelous, and including contacting defendants in or about May or June of 2007, contacted the editor of Rip Off Report known as Editor@ripoffreport.com, which upon information and belief is an alias for Defendant Edward Magedson, via email and informed him of the presence of numerous false and misleading statements on the Websites regarding J. Paul Ottis. Plaintiff Ottis, in a series of emails, explained in each instance the falsity of the information and requested that the false and misleading statements be removed from the Websites. Magedson refused to remove the false and misleading statements and instead demanded payment for remedying the falsities pursuant to the "Rip-off Report Corporate Advocacy Business Remediation & Customer Satisfaction Program" offered on the Websites.

Defendant MAGEDSON proposed that Plaintiff Ottis pay him \$5,000.00 to investigate and remove the negative reports and \$1,500. a month to keep the reports from reappearing. Mr. Ottis declined to pay for these services.

- 39. The postings on the Websites have significantly disrupted and continue to cause significant disruption to J. Paul Ottis' ability to conduct business in that prospective investors and clients use Internet search engines to find information about J. Paul Ottis, but then discover the false postings regarding J. Paul Ottis. J. Paul Ottis must respond to these false, misleading, disparaging and/or defamatory comments and allegations in his dealings with existing and prospective investors and clients. J. Paul Ottis may not have the opportunity to respond to every person who accesses the Websites because J. Paul Ottis does not know the identities of persons who access the Websites and review the false information. The Defendants' conduct has caused J. Paul Ottis' business and reputation. The Defendants have intentionally interfered with business advantages of Plaintiff and as they admit on their webpage, they have caused Plaintiff to lose at least \$750,000.00 from investors.
- 40. The Defendants continue to pose a threat of harming J. Paul Ottis and his business through the creation, publishing, and transmission of false and defamatory statements regarding J. Paul Ottis. The Defendants have refused to comply with J. Paul Ottis' requests to remove the false postings and to delete every false statement of fact about or concerning J. Paul Ottis' business. Without knowing the identity of some of the presently unknown sources of such

information, J. Paul Ottis does not have the ability to prevent others from disseminating such false, misleading, disparaging and/or defamatory comments and allegations to third parties.

- 41. Defendants have perfected a slight twist on the oldest of the MOB or SYNDICATE rackets the "Protection Racket". Instead of bombing a business if they refused to pay for protection, these defendants post defamatory and derogatory comments about the persons business and demand payment to have these false charges removed, they also charge a monthly fee to maintain the clean up of the records. This is and amounts to criminal extortion.
- 42. Hundreds of businesses have been victimized by these defendants over the past 9 years, causing many reputable businesses to file lawsuits against these defendants. Following are "only" the RICO actions for Extortion.

Parties	District Court	Judge	Type of Lawsuit	Cause of Action
(i) June 1, 2007 GW Equity LLC v. Xcentric Ventures LLC et al	TX Northern	Kinkeade	Assault, Libel, and Slander	Racketeering (RICO) Act
Plaintiff: GW Equity LLC; Defendar www.badbusinessbureau.com, Edwa	at: Xcentric Ventuard Magedson	ires LLC, ww	w.ripoffreport.con	n,
(ii) May 10, 2007 Global Royalties, Ltd. et al v. Xcentric				
Ventures, LLC et al	AZ	Martone	Assault, Libel, and Slander	Diversity- Libel,Assault,Slande r

Plaintiff: Global Royalties Ltd, Brandon Hall; Defendant: Xcentric Ventures, LLC, Ed Magedson, Jane Doe Magedson

#### (iii) January 11, 2007

IGIA, Inc. v. Xcentric

Ventures, LLC et al NY Southern Scheindli And Comunt Racketeering (RICO)

NY Southern n Organization Act

Plaintiff: IGIA, Inc.; Defendant: Xcentric Ventures, LLC, Ed Magedson

### (iv) December 11, 2006

Cambridge Who's
Who Publishing, Inc.
Racketeer

v. Xcentric Ventures, NY Eastern Seybert and Corrupt Racketeering (RICO)

LLC et al Organization Act

Plaintiff: Cambridge Who's Who Publishing, Inc.; Defendant: Xcentric Ventures, LLC, Edward Magedson

#### (v) November 6, 2006

Energy Automation

Systems, Inc. v. Racketeer
Influenced Trademark
Xcentric Ventures, TN Middle Trademark and Comput Infringement

LLC et al TN Middle Trauger and Corrupt Infringement Organization (Lanham Act)

Plaintiff: Energy Automation Systems, Inc.; Defendant: Xcentric Ventures, LLC, Edward Magedson

#### (vi) December 10, 2004

Hy Cite Corporation v.

Badbusinessbureau.c

Racketeer
Influenced

o, et al AZ Carroll and Corrupt Racketeering (RICO)

Organization s

Plaintiff: Hy Cite Corporation; Defendant: Badbusinessbureau.com, LLC, Ed Magedson, Xcentric Ventures, LLC

#### (Vii) September 15, 2004

George S May Intl. et

al v. Xcentric

Ventures, et al.

IL Northern Norgle

Other Statutory Actions

**Federal Question** 



Plaintiff: George S. May International Company; Defendant: Xcentric Vventures, LLC, Rip-Off Report.com, BadBusinessBureau.com, Ed Magedson, ABC Companies and others...

#### (Viii) April 14, 2004

PRITCHARD, et al v. MAGEDSON, et al.

PA Western Conti Assault, Libel, and Slander

Diversity-Personal

Injury

#### January 27, 2004 (ix)

Whitney Information. et al v. Xcentric

Ventures, et al

FL Middle

Howard Trademark Trademark

Infringement



Plaintiff: Whitney Information Network, Inc.; Defendant: Xcentric Ventures, LLC, Badbusinessbureau.org, Ed MagedsonMediator: Jonathan C. Koch

#### FIRST CLAIM FOR RELIEF **DEFAMATION BY LIBEL**

- 43. J. Paul Ottis realleges and incorporates by reference all preceding paragraphs as fully set forth herein.
- 44. The statements regarding J. Paul Ottis on the Websites are false. The statements pertain to J. Paul Ottis by intentionally making one or more false, misleading, disparaging and/or defamatory comments and allegations concerning J. Paul Ottis' management, business methods, activities, policies, and practices.
- 45. The Defendants publicly communicated false, misleading, disparaging and/or defamatory comments and allegations to third parties by disseminating

such comments and allegations via the Websites on the Internet and by placing metatags on the Websites designed to publicize those false statements.

- 46. The Defendants have authored, hosted and transmitted false, misleading, disparaging and/or defamatory comments and allegations to such third parties on the Websites knowing the same were false or with a high degree of awareness that the same were probably false, or with a reckless disregard for the truth.
- 47. The Defendants disseminated false, misleading, disparaging and/or defamatory comments and allegations with the intent to damage the business, goodwill, and professional reputation of J. Paul Ottis and to otherwise coerce J. Paul Ottis to pay for "protection" against these false and malicious reports being circulated.
- 48. The Defendants' false, misleading, disparaging and/or defamatory comments and allegations have caused general defamation damages to J. Paul Ottis by exposing him to contempt and ridicule by the third parties receiving such comments and allegations.
- 49. J. Paul Ottis has also suffered special damages in the form of financial loss resulting from the effect of the Defendants' statements, relating to, among other things, lost investors and clients, believed to be in excess of \$25,000,000.00 plus legal fees in excess of \$100,000.00

- 50. The Defendants acted maliciously by disseminating comments and allegations with wanton disregard for J. Paul Ottis' rights, and with the intent to defame and injure J. Paul Ottis in his person and in his business dealings.
- 51. The Defendants' conduct as alleged above has caused special damages and will continue to cause special damages to J. Paul Ottis in the form of lost investors and sales to potential clients. Further, the Defendants' publishing of false, misleading, disparaging and or defamatory words, statements, and comments about J. Paul Ottis and his business services has played a substantial part in inducing others not to deal with J. Paul Ottis with the result that J. Paul Ottis has suffered special damages, in the form of the loss of trade or other dealings. The Defendants' conduct entitles J. Paul Ottis to injunctive relief.
- 52. Unless the Defendants are restrained and enjoined, the Defendants will continue to harm J. Paul Ottis irreparably, thereby further damaging J. Paul Ottis and impairing J. Paul Ottis's business reputation and activities. By reason of the foregoing, the Plaintiff has been injured in an amount not yet ascertained, and is entitled to monetary and equitable remedies.

#### SECOND CLAIM FOR RELIEF DEFAMATION PER SE. BY LIBEL

- 53. J. Paul Ottis re-alleges and incorporates by reference all preceding paragraphs as fully set forth herein.
- 54. The false allegations regarding J Paul Ottis reflect upon the business practices of J Paul Ottis, as such they constitute Defamation per se.

### THIRD CLAIM FOR RELIEF INTERFERENCE WITH BUSINESS RELATIONSHIPS

- 55. J. Paul Ottis re-alleges and incorporates by reference all preceding paragraphs as fully set forth herein.
- 56. The Defendants have created, solicited, and published on the Websites false and defamatory statements regarding J. Paul Ottis that have interfered with J. Paul Ottis' business relationships with its existing and potential investors and clients.
- 57. These false and defamatory statements have been communicated with the knowledge that clients and potential clients had an existing or prospective business relationship with J. Paul Ottis and with the intention of interfering with that relationship.
- 58. The Defendants' wrongful interference with J. Paul Ottis' business relations has been willful and deliberate and has caused J. Paul Ottis to incur loss and damages in excess of \$25,000,000.00.
- 59. The Defendants' conduct has caused damages and will continue to cause damages to J. Paul Ottis in the form of lost investors and clients. Further, the Defendants' publishing of false, misleading, disparaging and/or defamatory words, statements, and comments about J. Paul Ottis and his business practices have played a substantial part in inducing others not to deal with J. Paul Ottis with the result that J. Paul Ottis has suffered special damages, in the form of the

loss of trade or other dealings. Defendants' conduct entitles J. Paul Ottis to injunctive relief.

60. Unless the Defendants are restrained and enjoined, the Defendants will continue to harm J. Paul Ottis irreparably, thereby further damaging J. Paul Ottis and impairing J. Paul Ottis' business reputation and activities. By reason of the foregoing, J. Paul Ottis has been injured in an amount not yet ascertained and is entitled to monetary and equitable remedies.

### FOURTH CLAIM FOR RELIEF NEBRASKA BUSINESS DISPARAGEMENT

- 61. Plaintiff re-alleges and incorporates by reference all preceding paragraphs as fully set forth herein.
- 62. The acts and conduct of the Defendants, as alleged above in this Complaint, constitute injurious falsehood or business disparagement under Nebraska law.
- 63. The Defendants published false, misleading, disparaging and/or defamatory words, statements, and comments about J. Paul Ottis and his business practices and services.
- 64. The Defendants' false, misleading, disparaging and/or defamatory words, statements, and comments were published without J. Paul Ottis' consent and with a lack of privilege.
- 65. The Defendants published the false, misleading, disparaging and/or defamatory words, statements, and comments about J. Paul Ottis and his

business practices with knowledge of the falsity of the words, statements, or comments or with reckless disregard for the words, statements, and comments' falsity.

- damages and will continue to cause special damages to J. Paul Ottis in the form of lost investors and sales to potential clients. Further, the Defendants' publishing of false, misleading, disparaging and or defamatory words, statements, and comments about J. Paul Ottis and his business practices has played a substantial part in inducing others not to deal with J. Paul Ottis with the result that J. Paul Ottis has suffered special damages, in the form of the loss of trade or other dealings. The Defendants' conduct entitles J. Paul Ottis to injunctive relief.
- 67. Unless the Defendants are restrained and enjoined, the Defendants will continue to harm J. Paul Ottis irreparably, thereby further damaging J. Paul Ottis and impairing J. Paul Ottis' business reputation and activities. By reason of the foregoing, the Plaintiff has been injured in an amount not yet ascertained, and is entitled to monetary and equitable remedies.

### FIFTH CLAIM FOR RELIEF CIVIL CONSPIRACY

68. J. Paul Ottis re-alleges and incorporates by reference all preceding paragraphs as fully set forth herein.

- 69. The Defendants and each of them and their unknown agents have had a common design by means of concerted action to solicit, develop, create, author and publish on the Websites false and misleading statements regarding J. Paul Ottis. The purpose of their consorted effort was to extort money from J. Paul Ottis.
- 70. The Defendants and unknown agents have solicited, developed, authored, created and published on their Websites such false and misleading statements.
- 71. The Defendants and unknown agents have created the "Rip-off Report Corporate Advocacy Business Remediation & Customer Satisfaction Program." Through this so-called "program," the Defendants offer to attempt to resolve disputes between targeted companies and complainants regarding published "Rip-off Reports" on the Websites. This so-called service is offered on the Websites at a cost to the business.
- 72. J. Paul Ottis and/or his Representatives informed Magedson of these false statements regarding J. Paul Ottis on the Websites. Magedson demanded payment and participation in the Defendants' "Rip-off Report Corporate Advocacy Business Remediation & Customer Satisfaction Program" before taking any action to remedy the false and misleading statements, Magedson demanded an advance fee of \$5,000.00 and \$1,500.00 a month.
- 73. These actions constitute a civil conspiracy to use coercion to obtain J. Paul Ottis' property. These actions also constitute a civil conspiracy to create, solicit, and publish false, misleading, disparaging and/or defamatory statements

regarding J. Paul Ottis. These actions further constitute criminal extortion. These actions have caused J. Paul Ottis to incur loss and damages and entitle J. Paul Ottis to compensatory and punitive damages in an amount to be determined at trial.

# SIXTH CLAIM FOR RELIEF VIOLATION OF THE RACKETEER INFLUENCED AND CORRUPT ORGANIZATIONS ACT (RICO), 18 U.S.C. § 1962(C)

- 74. J. Paul Ottis re-alleges and incorporates by reference all preceding paragraphs as fully set forth herein.
- 75. Xcentric is a "person" within the meaning of 18 U.S.C. §\* 1961(3) and 1962(c).
- 76. Magedson is a "person" within the meaning of 18 U.S.C. § 196 1(3) and 1962(c).
- 77. Xcentric is an "enterprise" within the meaning of 18 U.S.C. § 1961(4) and 1962(c), which enterprise engaged in and the activities of which affected interstate commerce during the relevant times.
- 78. Magedson was employed by or associated with an enterprise, Xcentric, and did conduct or participate, directly or indirectly, in the conduct of affairs of Xcentric through a pattern of racketeering activity within the meaning of 18 U.S.C. § 1961(1)(B) and 1961(5) and 1962(c), through the following acts:
- (i) The Defendants have repeatedly attempted to obtain J. Paul Ottis's property, without his consent, through the wrongful use of actual or threatened fear by requiring payment to remedy the publication of false and defamatory statements

that the Defendants created and/or solicited. This conduct amounts to extortion under 18 U.S.C. § 1951(b)(2). (ii) The Defendants have repeatedly and intentionally used their Websites as a scheme to obtain money from J. Paul Ottis and other companies by means of false and defamatory complaints created or solicited by the Defendants. The Defendants have repeatedly created, solicited, and published false, misleading, disparaging and/or defamatory statements on the Websites and sent emails requesting that J. Paul Ottis pay a fee before the Defendants would agree to take any action related to the material on the Websites. This conduct amounts to wire fraud under 18 U.S.C. § 1343.

- 79. The Defendants' violation of 18 U.S.C. § 1962(c) has caused J. Paul Ottis to lose at least eight sales per month and has damaged J. Paul Ottis' business, goodwill, and reputation. The Defendants' unlawful conduct has caused damages to J. Paul Ottis, in an amount to be determined at trial, and threatens to cause additional damage. J. Paul Ottis seeks three times its actual damages sustained, as well as other relief which is necessary and proper, including reasonable attorney's fees and costs.
- 80. Because his remedy at law is inadequate, J. Paul Ottis seeks injunctive relief to protect his reputation and interests. Unless the Defendants are restrained and enjoined, the Defendants and anonymous sources making false representations of fact about J. Paul Ottis will continue to harm J. Paul Ottis irreparably, thereby further damaging J. Paul Ottis' business reputation.

## SEVENTH CLAIM FOR RELIEF VIOLATION OF THE RACKETEER INFLUENCED AND CORRUPT ORGANIZATIONS ACT (RICO) 18 U.S.C. § 1962(D)

- 81. J. Paul Ottis re-alleges and incorporates by reference all preceding paragraphs as fully set forth here.
- 82. Xcentric is a "person" within the meaning of 18 U.S.C. § 1961(3) and 1962(c).
- 83. Magedson is a "person" within the meaning of 18 U.S.C. § 196 1(3) and 1962(c).
- 84. Xcentric is an "enterprise" within the meaning of 18 U.S.C.. § 1961(4) and 1962(c), which enterprise engaged in and the activities of which affected interstate commerce during the relevant times.
- 85. Magedson was employed by or associated with an enterprise, Xcentric, and conspired with Xcentric within the meaning of 18 U.S.C. § 1962(d) to violate 18 U.S.C. § 1962(c). The Defendants and one or more unknown agents did conspire to conduct or participate, directly or indirectly, in the conduct of such enterprise's affairs through a pattern of racketeering activity within the meaning of 18 U.S.C. § 1961(1)(B) and 1961(5) and 1962(c), through the following acts:
- (i) The Defendants have repeatedly attempted to obtain J. Paul Ottis' property, without its consent, through the wrongful use of actual or threatened fear by requiring payment to remedy the publication of false and defamatory statements that the Defendants created and/or solicited. This conduct amounts to extortion under 18 U.S.C. § 195 1(b)(2). (ii) The Defendants have repeatedly and intentionally used their Websites as a scheme to obtain money from J. Paul Ottis

and other companies by means of false and defamatory complaints created or solicited by the Defendants. The Defendants have repeatedly created, solicited, and published false, misleading, disparaging and/or defamatory statements on the Websites and sent emails requesting that J. Paul Ottis pay a fee before the Defendants would agree to take any action related to the material on the Websites. This conduct amounts to wire fraud under 18 U.S.C. § 1343.

- 86. The Defendants' violation of 18 U.S.C. § 1962(c) has caused J. Paul Ottis to lose at least eight sales per month and has damaged J. Paul Ottis' business, goodwill, and reputation. The Defendants' unlawful conduct has caused damages to J. Paul Ottis, in an amount to be determined at trial, and threatens to cause additional damage. J. Paul Ottis seeks three times its actual damages sustained, as well as other relief which is necessary and proper, including reasonable attorney's fees and costs.
- 87. Because its remedy at law is inadequate, J. Paul Ottis seeks injunctive relief to protect his reputation and interests. Unless the Defendants are restrained and enjoined, the Defendants and anonymous sources making false representations of fact about J. Paul Ottis will continue to harm J. Paul Ottis irreparably, thereby further damaging J. Paul Ottis' business reputation.

# EIGHTH CLAIM FOR RELIEF REQUEST FOR EMERGENCY EX PARTE TEMPORARY RESTRAINING ORDER AND PRELIMINARY INJUNCTION

88. J. Paul Ottis re-alleges and incorporates by reference all preceding paragraphs as fully set forth here.

- 89. The Affidavit of J Paul Ottis, which proves the allegations in this application for injunctive relief, is attached as Exhibit B and incorporated by reference. The affidavit further demonstrates that no less than 10 additional complaints under RICO have been filed against Defendant MAGEDSON.
- 90. Defendants Xcentric Ventures, LLC, www.ripoffreport.com, www.badbusinessbureau.com, and Edward Magedson have solicited, developed, and published on the Websites numerous false and misleading statements of fact concerning J. Paul Ottis, his business activities, and have essentially placed the reputation and goodwill of J. Paul Ottis in the hands of Defendants.
- 91. Plaintiff J. Paul Ottis has been and will continue to suffer immediate and irreparable damage if Defendants are not enjoined during the pendency of this lawsuit from disseminating, using, or publishing false, misleading, disparaging and/or defamatory words and comments regarding J. Paul Ottis his Business activity and reputation and from disseminating, using, or publishing confidential information regarding J. Paul Ottis. J. Paul Ottis' remedies are inadequate to compensate him for this harm and damage. Defendants have refused to remove false and misleading statements after repeated requests by J. Paul Ottis. Every day that Defendants continue to disseminate, use, or publish false, misleading, disparaging and/or defamatory words and comments regarding J. Paul Ottis impacts J. Paul Ottis' business opportunities and persuades potential investors and clients not to do business with J. Paul Ottis. J. Paul Ottis has no ability to monitor who visits the Websites and reads the false postings. As a result, its reputation can only suffer at the hands of Defendants. J. Paul Ottis'

only option is to respond to these false and misleading comments and allegations in its dealings with existing and prospective investors and clients. Once his reputation is tainted, it is virtually impossible to regain the trust of these potential investors and clients.

- 92. There is a substantial likelihood that J. Paul Ottis will prevail on the merits. Defendants have been repeatedly notified to cease and desist disseminating, using, or publishing false, misleading, disparaging and/or defamatory words and comments regarding J. Paul Ottis and its services and reputation, but they have willfully continued to host such statements on the Websites with the understanding that such disparaging acts would be detrimental to J. Paul Ottis.
- 90. Any harm associated by the entry of a restraining order and preliminary injunction is outweighed by the potential damage to J. Paul Ottis' goodwill and reputation. As the operators of the Websites, Defendants will not suffer any monetary losses if they are forced to remove the false and misleading statements regarding J. Paul Ottis.
- 93. Issuance of a restraining order and preliminary injunction would not adversely affect the public interest and public policy because the public interest is served by preventing the dissemination of false and misleading statements about other businesses.
- 94. Plaintiff J. Paul Ottis is willing to post a bond in the amount the Court deems appropriate.

- 95. The Court should enter a temporary restraining order without notice to Defendants because J. Paul Ottis will suffer immediate and irreparable injury, loss, or damage if the temporary restraining order is not granted before Defendants can be heard and there is no less drastic means to protect Plaintiff's interests. See FED. R. CIV. P. 65(b).
- 96. J. Paul Ottis further asks the Court to set its application for preliminary injunction for hearing at the earliest possible time, and after hearing the request issue a preliminary injunction against Defendants from disseminating, using, or publishing false, misleading, disparaging and/or defamatory words and comments concerning either J. Paul Ottis and its services and reputation.

### NINTH CLAIM FOR RELIEF REQUEST FOR PERMANENT INJUNCTION

- 97. J. Paul Ottis re-alleges and incorporates by reference all preceding paragraphs as fully set forth here.
- 98. J. Paul Ottis further asks the Court to set its application for injunctive relief for a full trial on the issue in this application, and after the trial, to issue a permanent injunction against Defendants from disseminating, using, or publishing false, misleading, disparaging and/or defamatory words and comments concerning either J. Paul Ottis and his business activities, services and reputation.

#### **PRAYER FOR RELIEF**

WHEREFORE, J. Paul Ottis demands that judgment be entered against the Defendants as follows:

- (1) That pursuant to federal and Nebraska state law, the Court issue preliminary and permanent injunctive relief that the Defendants, their officers, agents, representatives, servants, employees, attorneys, successors and assigns, and all others in active concert or participation with the Defendants, be enjoined and restrained, during the pendency of this action and permanently from disseminating, using, or publishing false, misleading, disparaging and/or defamatory words and comments concerning either (i) J. Paul Ottis and his business activities, and services or (ii) J. Paul Ottis and his reputation or commercial activities;
- (2) That the Defendants be required to remove the false, misleading disparaging and/or defamatory words and comments regarding either (i) J. Paul Ottis and its services or (ii) J. Paul Ottis and its reputation or commercial activities and all confidential information regarding J. Paul Ottis' intellectual property and trade secrets;
- (3) That the Defendants be enjoined from posting any further comments and statements regarding J. Paul Ottis on the Websites without J. Paul Ottis having the opportunity to first respond to the alleged author privately;
- (4) That the Defendants be required to contact and notify any and all Internet business directory providers and Internet search engines to terminate all

associations, if any, between Defendants and J. Paul Ottis and that all cached pages being kept by any Internet search engine be terminated as well;

- (5) That the Defendant be required to pay three times J. Paul Ottis' actual damages for violations of 18 U.S.C. § 1962(c) and 1962(d) of the Racketeer Influenced and Corrupt Organizations Act (RICO) pursuant to 18 U.S.C. § 1964(c);
- (6) That J. Paul Ottis recover all damages it has sustained as a result of Defendants' defamation, business disparagement, and tortious interference with prospective contracts;
- (7) That J. Paul Ottis recover compensatory damages in an amount to be determined at trial;
- (8) That the Defendants be required to pay J. Paul Ottis' costs, expenses, and reasonable attorney's fees in connection with this action;
- (9) that all search engine and web providers be ordered to take down the websites and to de-link access to these postings www.ripoffreport.com, and www.badbusinessbureau.com; and
- (10) That J. Paul Ottis be entitled to such other relief as this Court deems just and equitable.

Dated this  $\frac{72}{8}$  day of October 2007.

John W. DeCamp #109 Attorney at Law 414 South 11<sup>th</sup> Street Lincoln, NE 68508 (402) 477-3974 

#### **VERIFICATION**

STATE OF NEBRASKA )
)s.s.
COUNTY OF LANCASTER)

J. Paul Ottis, under penalties of perjury, being first duly sworn, deposes and says:
That he is the Plaintiff in the above-entitled action; that he has read the foregoing
Complaint and knows the contents thereof; that the same is true of his own personal
knowledge, except for those matters therein stated upon his information and belief, and as
to those matters he believes them to be true.

Paul Ottis

SUBSCRIBED and SWORN to before me this \_\_\_\_\_ day of October, 2007,

GENERAL NOTARY - State of Nebraska STACI L. WILLIAMS My Comm. Exp. March 26, 2009

Date Filed: 10/18/2007

Page 35 of 44

.by consumers, for consumers





Victim of a consumer Rip-off? Want justice?

RIPORT Report® is a worldwide consumer reporting Web site and publication, by consumers, for consumers, to file and document complaints about companies or individuals. While we encourage and even require authors to only file truthful reports, Riporf Report does not guarantee that all reports are authenic or accurate. Be an educated consumer. Read what you can and make your decision based upon an examination of all available information.

Newest Reports

Unlike the Better Business Bureau, Ripoff Report does not hide reports of "satisfied" complaints. ALL complaints remain public and unedited in order to create a working history on the company or individual in question.

Ripoff Reports cover every category imaginable! You can <u>Browse</u> the latest Reports, <u>Search</u> the Reports, or <u>Submit</u> your report now for FREE, by clicking on <u>File Report</u>. <u>View</u> over 1,000 different topics & categories you can file under.

By filing a Ripoff Report it's almost like creating your own web site

Your Ripoff Report will be discovered by millions of consumers! Search engines will automatically discover most reports, meaning that within just a few days or weeks, your report may be found on search engines when consumers search, using key words relating to your Ripoff Report.

Helping you, the consumer...

Search the Ripoff Report before you do business with retail stores with bad return policies, checking & credit theft, rebate fraud or other unscrupulous business policies such as phony auto repairs, auto dealer balt-and-switch tactics, restaurants with bad service or food, corrupt government employees & politicians, police corruption, home builders, contractors, unethical doctors & lawyers, online stores that sell nonexistent products, dead beat dads & moms, landlords & tenants, fraudulent employment & business opportunities, and individual con artists who scam consumers.

Filing a class action lawsuit & notifying the authorities

Many law firms and law enforcement agencies utilize Ripoff Report to aid in their investigations of business practices. By filing a report, your information may aid in pursing civil or criminal proceedings against companies engaged in wrongdoing.

Ripoff Report has been contacted by almost every state Attorney Generals office, U.S. Postal Inspectors office, the Justice Department, Homeland Security, FBI, FTC and local and state authorities, including those in Canada, UK, Australia, and other government agencies around the world.

Media attention

Quite often the media is interested in the reports you filed and ask us to assist in their investigations giving you the publicity needed to help your cause. In the event your Ripoff Report is of interest to the media, we will put you in contact with them.

We also supply story ideas along with victim information to every network and most local affiliates and to every major TV News Magazine including Dateline, 20/20, 48 Hours, 60 Minutes, Inside Edition, W2 Canada, CNN, along with most major news papers including, NY Times, Wall Street Journal, Forbes, Money, Inc. and hundreds of others.

#### Helping you, the reported business or individual

My company has been reported! How do I respond?

If you are a business with one or more reports filed against you, you can make it right. If handled correctly, Ripoff Report(s) filed against you can actually help improve your credibility and reputation. We offer you the opportunity to file a REBUTTAL to any report. (See the RESPOND rebuttal box at the end of the specific Ripoff Report you wish to comment on). Every company receives complaints, but how they handle those complaints separates good business from bad business.

Businesses that want to make a real difference should read about the very successful, groundbreaking and innovative program that both businesses and consumers are raving about. This program is a way businesses can turn negatives into a positive. Ripoff Report Corporate Advocacy Business Remediation and Customer Satisfaction Program is a program that benefits the consumer, assuring them of complete satisfaction and confidence when doing business with a member business. For more information, visit our <u>Corporate Advocacy</u> section.

Employee Insider / ex-employee information

If you are an employee or ex-employee with information about a reported company or individual, please click on the REBUTTAL box at the end of the Ripoff Report to post your comments. This sort of information is often very helpful to an Investigation.

Whistleblowers

Employees who want to expose corruption may file a Ripoff Report. Any employees who do so should be protected by Federal Whistleblower Laws, and Ripoff Report treats all victims as a confidential source. Remember, we are a publication, just like a major newspaper, and we will never voluntarily reveal your identity. Instead we will protect our sources under the First Amendment of the U.S. Constitution.

DOING BUSINESS WITH THE COMPANY OR INDIVIDUAL REPORTED

Consumers, just because a company or individual is reported on Ripoff Report does not necessarily mean you should not do business with them. By reading the experiences of other consumers, you will now be able to make more educated decisions, because now you know what to watch for.

USE YOUR REPORT TO GET WHAT IS COMING TO YOU

Faxing your Ripoff Report to the company or individual you have just reported can serve as a very valuable negotiating tool. Include in your negotiation that you have the ability to UPDATE your Report and reflect their good business practices by explaining that their eagerness to satisfy the complaint and make things right will be seen by the entire world. Also, explain that failure to respond/rectify the situation will also be seen.

YOU MUST NOT call them threatening to file a report if they do not comply with your demands, as this may be construed as blackmail! You must first file a Ripoff Report, then fax them a copy, offering them a chance to rectify the wrong that they did to you. Explain that then, and only then, you will UPDATE your Ripoff Report in a positive way, if deserved.

Organizing class action lawsuits

Victims & lawyers who want to sue companies or individuals reported

Victims & attorneys who are interested in pursuing litigation against a particular company reported on this website must contact us directly. It is inappropriate to solicit business using this website other than through prior arrangement. This is largely because we need to ensure, the best we can, that our readers are not being taken advantage of again.

If you are interested in filing a class action lawsuit based on Reports you've seen posted, and you want to identify a class representative, we can help by e-mailing those victims that gave permission and asking them to contact you. In this way, we protect victim identities while allowing them to make the decision as to whether to participate or not.

Additionally, if you would like to know whether any new reports are being posted AS THEY GET POSTED, such as during the early stages of an investigation, you may be interested in our upcoming Ripoff Alerts program. We'll update you shortly on how you can participate in these valuable programs.

We are anxious and willing to join forces with victims and attorneys to stand up for the rights of consumers and help them get justice. Both victims and attorneys should send their e-mails to: <u>ClassAction@RipoffReport.com</u>.

It's important to file on Ripoff Report because we're important to government and media agencies
Many sites and organizations (like the BBB) are in place to collect information from you, the consumer, but in many cases, those reports never
become available for others to see. Listing your complaint on Ripoff Report insures that your report will be seen, and not just placed in a a
database where only privileged eyes can see them. Making your report available on Ripoff Report helps educate consumers.

Many government agencies come to the Ripoff Report for information. We have assisted, and continue to assist, many government agencies, including local and state police departments, the FBI, FTC and Attorney General offices from around the country.

Since all the Reports are out in the open, consumers, journalists, attorneys and investigators from all types of agencies can research existing problems and anticipate potential problems. We provide immediate access to all kinds of fraud and scams, all out in the open, all unedited and all for FREE.

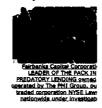
Reporting your experiences on Ripoff Report is the next best thing to getting your story on TV or in a newspaper. In fact, many national TV networks and several local TV stations from all around the country come to the Ripoff Report for information. They do this because they know other agencies are not as reliable or as cooperative a source as the Ripoff Report. News stations know that they will get information from us that is unobtainable elsewhere.

By filing a Ripoff Report, you might be contacted by one of us to notify you to make contact with a law firm that has shown interest in your case. We get requests every week for class action lawsuits, bringing victims together with lawyers willing to sue the company after reading your Ripoff Report.

Get a company or individual listed on Top Rip-off Links

If there are more than five (5) Reports filed from different consumers on a company or individual then you can request they be added to the list. Ripoff Report will verify that the Reports are filed by different people. Send request to <a href="mailto:EDitor@RipoffReport.com">EDITOr@RipoffReport.com</a>.

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Number one — Robert Frank Nebraska.....Contact for suit to follow Subi:

10/6/2007 4:04:28 P.M. Central Daylight Time Date:

From:

iackferm1940@yahco.com To:



Report: Jay Ottis, Joseph Paul Ottis, Globie, KidzNation, GKN, Globie's World, Globie Ineternational

Category: Internet Fraud

Jay Ottis, Joseph Paul Ottis, Globie, KidzNation, GKN, Globie's World, Globie Ineternational scam fraud investment opportunity con artist money back cash stocks criminal record coerced vagrant children planets world Salt Lake City Utah

\*Consumer Comment .. Jay Ottis is commiting fraud via other sites

### Rebuttal Box Respond to this report!

Are you an owner, employee or ex-employee with either negative or positive information about the company or can you provide "insider information" on this company?

File a Rebuttal

### Victim of this person/company?

Are you also a victim of the same company or person? Want Justice? File a Ripoff Report and don't let them get away with it!

File a Report

Oct 17 07 03:42p GloBee Ottis 402-932-1001 Case: 4:07-cv-03251-WKU-DLP Document #: 1 Date Filed: 10/18/2007 Page 39 of 44 Page 3 of 4

### Jay Ottis, Joseph Paul Ottis, Globie, KidzNation, GKN, Globie's World, Globie Ineternational

Phone: 702-203-2881

Fax:

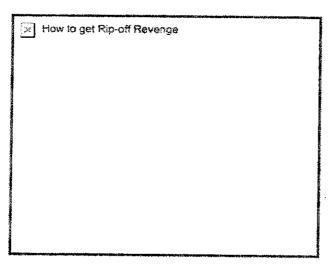
136 S Main St, Suite 325 Salt Lake City, Utah, 84101 U.S.A.

Submitted: 6/29/2007 10:54:00 AM

Mod	ifie	d:	7/25/	2007	3:57:51	I AM
	Ri Bi					

### Mary

Omaha, Nebraska



In relation to these links from the Utah Department of Securities: http://www.securities.utah.gov/press/globie.pdf & http://www.securities.utah.gov/dockets/07003801.pdf

Jay Ottis / Joseph Paul Ottis has been running the 'for the children' scam for several years now and somehow finds a way to continually get away with it. Past complaints have been file with the IFCC, IRS, Attorney Generals of Nevada and Nebraska and the US Postal Inspector.

He used the exact same con artist 'sales' pitch and false storyline with over 150 'investors' from 1999-2000 in Omaha, NE. An attempt at a class action suit was put together to get back the investment dollars as Ottis promised, but funds to pursue the elusive Ottis were not available. He lures unknowing people in with the feel good vibe of helping children and then outright lies about his financial stability and past.

Saturday, October 06, 2007 America Online: Jottis

Oct 17 07 03:43p GloBee Ottis

Date Filed: 10/18/2007 Page 40 of 44 P · 3 Page 3 of 4 Case: 4:07-cv-03251-WKU-DLP Document #: 1

Ottis has no cash or credit outside of what he takes from others. Ottis has no viable contacts in any industry to move the program ahead. Ottis' documents are embelished for his own gratification. Ottis lies about the status of his 'company' and who he is affiliated with.

The website is a sham and consists of stolen creative work from past scams, artists and staff left unpaid and taken for all their worth. Foundations he has conned his way into have always left him running when they find out the truth about him, just as everyone else should. Ottis is a smooth talker and con artist through and through and should not be given credit for anything more.

If there are any questions you have in regards to his history of Ottis' con artist activities previously with Globie's LLC / Globie's KidzNation, I would gladly assist anyone in bringing Jay Ottis / Joseph Paul Ottis to justice. Better yet force him to pay all investors back and put him behind bars where he truly belongs for the good of children and investors.

Email below sent in 2006 to his daughters company in CA (Tiffany / Cobblestone Real Estate) fronting as the call center for the Globie Alert hotline number:

The website you are sponsoring will be shut down shortly by your local ISP. Local news agencies will be notified Joseph Paul Ottis (aka. Jay Paul Ottis, J. P. Ottis) is attempting his fraudulent money making schema's again. This is Ottis' 3rd noted and by the looks of it, successful attempt to promote a false company to raise funds for his own well being. The illustrator, writers, web designer, general staff, and well over 170 past investors responsible for the majority what you see on this website have never been compensated or investment returned as promised by Ottis when taking their money. Ottis does not legally own the rights to what you see displayed on this site.

The sponsors located within this labyrinth of a website have been sent notifications of their logos being affiliated with Ottis' fraudulent work. We're confident they'll be in contact with you in short order as we've taken the liberty to provide them the only contact number we found (Cobblestone Real Estate's), the web address/contact email, and background info on JP. We do appreciate Doug answering after several minutes of being on hold when we called the Globie Alert number.

In addition, various Federal agencies were contacted last week and earlier today, please note the following: US Postal Inspector (Pamela Durkee); IRS (Ottis has failed to pay income taxes for at least a decade - illegal and all the while living on someone else's dime); the IFCC/FBI (to shut down the website and investigate online activities); the Attorney General of the fine State of California, Nebraska, Nevada; local news agencies will be contacted and provided with Federal contacts to solidify what we're sharing with you now.

We apologize for the potential harshness of this letter, but Ottis has done far more evil than good and all in the name of children, very pathetic. Be sure to check in Ottis' criminal records if you all have not already done so as part of your due diligence. We sincerely hope we're notifying you soon enough to cut any losses you may have incurred and to disassociate yourself with this con artist. The last contact we had was with a woman (Renee R.) from California he took \$15K from and nearly stole her own children's book idea and a publisher/toy distributor (Gary G.) in Arizona for well over \$750K (which we were able to stop). These individuals are also being notified of Ottis resurrecting this money making scheme. He's left a nice trail hasn't he?

Responses are welcome and please be advised they will be sent directly to the Federal and local Law Enforcement contacts we're in touch with.

Regards. Getting Ottis '06

Joe Omaha, Nebraska U.S.A.

Oct 17 07 03:44p GloBee Ottis 402-932-1001 Case: 4:07-cv-03251-WKU-DLP Document #: 1 Date Filed: 10/18/2007 Page 41 of 44 . 4

Subj: NUMBER 2 Not sure who wrote

Date: 10/6/2007 4:07:45 P.M. Central Daylight Time

From: Jottis

To: jackferm1940@yahoo.com

Report: #131182

View Similar Reports

### Report: J.Paul Ottis - Joe Ottis - Joe Ott

Category: Con Artists

# J.Paul Ottis - Joe Ottis - Joe Ott Con-man ripoff Sacramento California

\*Consumer Comment ..More info on Ottis, rip off scam continues with more sites...

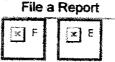
### Rebuttal Box Respond to this report!

Are you an owner, employee or ex-employee with either negative or positive information about the company or can you provide "insider information" on this company?

File a Rebuttal

### Victim of this person/company?

Are you also a victim of the same company or person? Want Justice? File a Ripoff Report and don't let them get away with it!



### J.Paul Ottis - Joe Ottis - Joe Ott

Phone:

Fax:

Sacramento, California, 95634 U.S.A. Oct 17 07 03:44p GloBee Ottis

Date Filed: 10/18/2007 Page 42 of 44.5 Case: 4:07-cv-03251-WKU-DLP Document #: 1

### Submitted: 2/12/2005 9:12:21 PM

Modified:	7/24/2007	2:31:12	AM
<b>∞] R</b> ₀			

Hope, Arkansas

How to get Rip-off Revenge	***************************************

J. Paul Ottis goes by many names: Joe Ott, Joe Ot, Paul Ottis, J. Paul Otis, and any variation you can think of.

His basic M.O. is to take an idea and make one think that he can get it to the market place, however, he is nothing more than a con-man. He will talk people into cash investments, use of their credit cards and even signing over their personal property to finance the idea.

He also incorporates the venture and assignes himself President and CEO, his wife Phillis, (Which has possably changed) acts as the CFO and they bleed the bank accounts dry, and leave like thieves in the night, litterally! His M.O. of control is to challenge everything and keep confusion in the fore frount, he also changes the master plan in the middle of the game.

He's as slick as they come, therefore, if you have a 6'2' blondish grey haired guy offering you the moon, just take a few hours and contact the California Division of Corporations and have them run his name and any A.K.A.'s you can make out of his name.

At the last count in 1984 he had 14 corporation in 14 years, it could well be 30 by now. His son's name is Jason and he seemed to be a chip off the old block!

I hope to Heaven you don't meet this guy, if you do, beware, and call the fraud division of your local police!

Glenn Hope, Arkansas U.S.A.

Oct 17 07 03:45p GloBee Ottis 402-932-1001 Case: 4:07-cv-03251-WKU-DLP Document #: 1 Date Filed: 10/18/2007 Page 43 of 44 P.6
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Subj: NUMBER THREE

Date: 10/6/2007 4:08:49 P.M. Central Daylight Time

From: Jottis

To: jackferm1940@yahoo.com

Report: #257196

· View Similar Reports

# Report: Jay Ottis / Joseph Paul Ottis / J.P Ottis / Jason Ottis

Category: Financial Services

Jay Ottis /Joseph Paul Ottis /J.P Ottis /Jason Ottis / GKN /Globie's LLC /Globie's KidzNation, Con artist provided investment opportunity, w/ full refund optoin. Lied about past criminal history and endeavors. Salt Lake City Sacramento Utah Nevada California

### Rebuttal Box Respond to this report!

Are you an owner, employee or ex-employee with either negative or positive information about the company or can you provide "insider information" on this company?

File a Rebuttal

### Victim of this person/company?

Are you also a victim of the same company or person? Want Justice? File a Ripoff Report and don't let them get away with it!

File a Report

He used the exact same 'sales' pitch and false storyline with over 150 'investors' from 1999-2000 in Omaha, NE. An attempt at a class action suit was put together to get back the investment dollars as Ottis promised, but funds to pursue the elusive Ottis were not available.

If there are any questions you have in regards to his history of Ottis' con artist activities previously with Globie's LLC / Globie's KidzNation, I would gladly assist you in bringing Jay Ottis / Joseph Paul Ottis to justice. Better yet force him to pay all investors back and he 'promised' for his fradulent schemes in the name of helping children and put him behind bars where he truly belongs.

Regards,

Date: Mon, 6 Feb 2006 21:52:24 -0800 (PST)

From: Getting Ottis

Subject: GW Website / Company Affiliation

To: doug@searchhomesfast.com, HenrysMyAgent@juno.com, chrisnwilhelm@yahoo.com, Tiffiny@Searchhomesfast.com

The website you are sponsoring will be shut down shortly by your local ISP. Local news agencies will be notified Joseph Paul Ottis (aka. Jay Paul Ottis, J. P. Ottis) is attempting his fraudulent money making schema's again. This is Ottis' 3rd noted and by the looks of it, successful attempt to promote a false company to raise funds for his own well being. The illustrator, writers, web designer, general staff, and well over 170 past investors responsible for the majority what you see on this website have never been compensated or investment returned as promised by Ottis when taking their money. Ottis does not legally own the rights to what you see displayed on this site.

The sponsors located within this labyrinth of a website have been sent notifications of their logos being affiliated with Ottis' fraudulent work. We're confident they'll be in contact with you in short order as we've taken the liberty to provide them the only contact number we found (Cobblestone Real Estate's), the web\_address/contact email, and background info on Ottis. We do appreciate Doug answering after several minutes of being on hold when we called the 'Globie Alert' 800 number.

In addition, various Federal agencies were contacted last week and earlier today, please note the following: US Postal Inspector (Pamela Durkee - who is investigating Ottis); IRS (Ottis has failed to pay income taxes for at least a decade - yes, we know good for him right; ) - but highly illegal and all the while living on someone else's/the investor's dime); the IFCC/FBI (to shut down the website and investigate online activities); the Attorney General of the fine State of California; local news agencies will be contacted and provided with Federal contacts to solidify what we're sharing with you now.

We apologize for the potential harshness of this letter, but Ottis has done far more evil than good and all in the name of children, very pathetic. Be sure to check in Ottis' criminal records if you have not already done so as part of your <u>due diligence</u>. We sincerely hope we're notifying you soon enough to cut any losses you may have incurred and to disassociate yourself with this con artist. The last contact we had was with a woman (Renee R) from California he took \$15K from and nearly stole her own children's book idea - and a publisher/toy distributor in Arizona for well over \$750K (which we were able to stop). These individuals are also being notified of Ottis resurrecting this money making scheme. He's left a nice trail hasn't he?

Responses are welcome and please be advised they will be sent directly to the Federal and local Law Enforcement contacts we're in touch with.

Regards, Getting Ottis '06

Joe Omaha, Nebraska U.S.A.

<sup>\*</sup>Attention\*