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Attorneys for Defendant FF MAGNAT LIMITED UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

LIBERTY MEDIA HOLDINGS, LLC, a California Corporation,

Plaintiff

VS.

FF MAGNAT LIMITED d/b/a/ ORON.COM; MAXIM BOCHENKO a/k/a/ ROMAN ROMANOV; and JOHN DOES 1 - 500.

Defendants.

Case No. CV 2:12-cv-01057

DECLARATION OF DAVIDOGLOV STANISLAV IN OPPOSITION TO PLAINTIFF'S MOTION TO ENFORCE SETTLEMENT AGREEMENT

Hearing: Not yet set Time: Not vet set

Judge: Hon. Gloria N. Navarro

Courtroom: 7D

- I, Davidoglov Stanislav, declare and state as follows:
- 1. I am the owner of defendant FF Magnat Limited. I make this declaration in support of Defendant's Motion to Enforce Settlement Agreement. If called as a witness, I could and would so competently testify.
- 2. Oron is a legitimate business located in Hong Kong, which owns the domain name, Oron.com ("Oron"). Oron is a file sharing hosting company that provides data storage services accessible on the internet throughout the world to private individual, business and professional users. Oron offers its users the ability to upload and store large amounts of data on remote and secure servers. The users have complete control over their stored data and decide whether to share their data with others. Oron.com was registered in 2001.
- 3. Maxim Bochenko is not and never has been an owner of Oron. Mr. Bochenko is not and has never been an employee of Oron's.
- 4. Oron is and for years has been extremely diligent in establishing safeguards to deal with potential copyright infringement. Oron has always had a program in place under the Digital Millennium Copyright Act ("DMCA"), by which a copyright owner can report and click on copyright infringement on Oron's website. A copyright owner need only go to the front page of the website to the "report abuse" link, which will result in the offending material being deleted.
- 5. Oron's Terms of Service, which are also available on the front page of the website, expressly set forth how to report suspected copyright infringement, and provide an additional link to "report abuse."
- 6. In addition to its policy of responding to DMCA take-down notices, Oron has also assisted others again, including Plaintiff Liberty Media with their efforts to monitor Oron.com for potential copyright infringement. For example, on January 13, 2011, Liberty appointed the organization Porn Guardian to submit DMCA notices on its behalf. On December 22, 2011, upon Porn Gurdian's request, Oron granted Porn Guardian access to a removal tool that enables it to directly take down infringing material from Oron's website with impunity. When Porn Guardian had difficulty removing some content (e.g., content located within folders), Oron.com offered to process

those folders manually. Further, prior to allowing final deletion of any material taken down by PornGuardian, Oron has automated the running of MD5 Hash algorithms on all such material thus blocking any such material from ever being unloadable again on Oron's servers. The latter two technical means have effectively blocked third parties from uploading repeat infringing content to Oron's servers.

- 7. Plaintiff's aspersions that Oron is a "child pornography" site and attempting to label Oron a "criminal" are completely false and unfounded. Oron's extensive Terms of Service, to which every user must agree to comply, specifically addresses the issue of "child abuse content". Oron has always maintained a relationship with the National Center for Missing & Exploited Children's CyberTipLine. Furthermore, Oron is one of the two cloud hosting providers that is a member of the Internet Watch Foundation ("IWF"). http://www.iwf.org.uk/about-iwf/news/post/319-oron-is-first-new-internet-watch-foundation-member-of-2012 The IWF is the UK hotline for reporting criminal online content with a primary focus on protecting children. Acceptance into the IWF is not just a matter of paying money, but instead includes a rigorous review process by the then current members of the IWF. Oron has implremented a specific action plan to mitigate the risks with or exposure to any child abuse content. Specifically, Oron is actively working with IWF and is currently implementing the new IWF Alerts System. This system which will automatically alert Oron of any child sexual abuse content hosted on its network allowing for quick notification of th authorities and deletion.
- 8. The order that was obtained by Liberty in Hong Kong allowed for the freezing of Oron assets "up to" \$3 Million US. The order was served on Oron's account at HSBC bank in Hong Kong, which is the bank that Oron uses for its business operations. The amount frozen in that account was HKD \$8,011,602 which converts to US \$1,032,950.
- 9. The order that was obtained by Liberty in the United Stated allowed for the freezing of Oron assets in PayPal in the amount of Euro 1,110,635. Plaintiff, in its Exparte Motion used evidence of HKD 852,278.58 which converts to US \$ 109,890 being transferred from PayPal to Oron's corporate bank account. This was a normal business transaction.
 - 10. According to PayPal this evidence could only have been obtained by hacking Oron's

email account. (Please see Exhibit A which is a true and correct copy of emails from PayPal to Oron)

- 11. In an effort to prevent the destruction and shut down of Oron as a result of this litigation, Oron did engage in settlement discussions with Liberty's attorney, Mr. Randazza. On July, 1, 2012, a draft term sheet was prepared for further discussions by the parties. However, Oron never agreed to any final agreement to settle this case. Oron was only interested in a global settlement that would buy its peace completely by settling all lawsuits in their entirety, including any claims against Mr. Bochenko.
- 12. By July 3, 2012, Liberty's counsel had made it clear that there was no settlement between the parties.
- 13. On July 4, 2012, Mr. Randazza gave an interview to a reporter in which he admitted that there was no settlement between the parties. The interview can be accessed at the following link: http://business.avn.com/articles/legal/Liberty-Oron-Ask-the-Court-for-Extra-Time-to-Narrow-the-Issues-480685.html.

I hereby declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 13th day of July, 2012, at Chisinau, Moldova.

DAVIDOGLOV STANISLAV

EXHIBIT A

Forwarded message
From: Driesch, Ted <tdriesch@paypal.com></tdriesch@paypal.com>
Date: 2012/6/27
Subject: FW: URGENT Request.
To: "Oron.com - payment" <payment@oron.com></payment@oron.com>
Hi,
we in PayPal are not able to seee the eMail in that format as shown in your screenshot. (see eMail)
But to be on the secure site, this case was escalated to our GAP team.
Who did provide you the screenshot? What is the exhibit C or the suit for?
Did you ever received this eMail, which is here in teh screen shot?
Regards
Ted Driesch
Enterprise Account Management
Direct +353 1 436 9333

Mobile +353 86 839 1040

eMail tdriesch@paypal.com

Skype TedPPie

German Line 0180 500 7587

German Fax 0180 500 6649

Ballycoolin Business Park, Ballycoolin Rd, Blanchardstown, Dublin 15, Ireland

From: William

Sent: 27 June 2012 13:00

To:

Cc:

Subject: RE: URGENT Request.

Hi Ted,

The screenshot appears to be of an email sent to the merchant from PayPal. PayPal teammates do not see emails in the format as shown on the screenshot – as far as I am aware, automated emails such as this cannot be viewed by PayPal employees. Again, this points to the probability that the merchant's own computer systems have been fraudulently accessed, and their emails potentially hacked.

I escalated the case to GAP. Much like PET, the case will be worked in the order it has been received. It has yet to be assigned to a specific agent. I have added your name to the request as reference for further information, and I will let you know if I receive any update.

Best regards,

William