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DECLARATION OF MICHAEL PETERS

I, Michael Peters, state that:

1. I am the Vice President of Business Development of Roommate.com, LLC and the father of the three principals of the company, Joel Peters, Brett Peters, and Bryan Peters. I make this declaration in support of defendant's Motion to Dismiss for Lack of Personal Jurisdiction or, Alternatively, To Transfer Venue. I have personal, first-hand knowledge of the facts stated herein, and if called and sworn as a witness, could and would testify competently hereto.

2. Roommate.com, LLC ("Roommate") is an Arizona limited liability company organized in and under the laws of the State of Arizona. Its principal, and only, place of business is in the State of Arizona. All of its officers, directors, and employees live in and are located within the State of Arizona. In fact, Roommate is a family business, and six of its ten employees are members of my family.

3. Roommate owns and operates Roommates.com, an interactive computer service located at <http://www.roommates.com>. Roommates.com is accessible to users across the nation and Canada to access and post listings for roommates.

4. All of Roommate's servers and equipment are located in Arizona, and the website at issue, Roommates.com, was designed, posted, and implemented in Arizona. Although users can access Roommate's interactive computer service from throughout the country and Canada, the data that they post and retrieve from the service is stored on computer servers located in Arizona.

5. Roommates.com receives over 50,000 visits and 1,000,000 page views per day and has approximately 150,000 active listings for roommates and

1 rooms for rent. Basic membership is free of charge and allows individuals to author
2 their personal profile, browse matches, and send messages. Additional services are
3 available for graduated fees. Roommates.com does not have any advertisements on
4 its site and thus generates all of its revenue from memberships.

5 6. Authoring a personal profile allows individuals to tell a bit
6 about themselves as well as what they are looking for in a roommate. When listing
7 a room for rent, the individual responds to prompts that result in the posting of
8 specific information about the area, rental and deposit information, utility and
9 occupancy information, and so forth. Information may be posted about the
10 occupants of the household, as well as roommate preferences. For example,
11 individuals may state whether they are willing to live with a smoker or with pets.

12 7. Individuals may also disclose their sex and sexual orientation,
13 and specify a roommate preference on that basis. They may also state whether they
14 are willing to live with children. These preferences are optional; the default setting
15 is no preference, and the user must alter these settings to indicate a preference.
16 There is no mention on the options of racial or religious preferences. Additional
17 comments may be added in a separate, open-ended section of the questionnaire,
18 and, on rare occasions, individuals use this space to indicate racial or religious
19 preferences.

20 8. Other than the formatting, all information posted on
21 Roommates.com is created by users, and Roommate does not edit or control the
22 postings. Roommate generally does not screen the postings and does not verify
23 information posted by a user. Like most forum sites on the Internet, Roommate
24 simply provides access to a computer server where people can exchange
25 information on a particular topic (here, shared living quarters) without impediment.

26
27
28 12B6 DECLARATION_V2.WPD

1 9. Under its Terms of Service ("Terms"), Roommates.com informs
 2 users it does not screen the postings. In fact, Roommates.com informs users that
 3 the website is not the author of the housing information on the site, and that:

4 [A]ll publicly posted or privately transmitted information,
 5 data, text, photographs, graphics, messages or other
 6 materials ("Content") are the sole responsibility of the
 7 person from which such Content originated.

8 10. The user is "entirely responsible for all Content" he or she
 9 uploads, downloads, posts, emails, transmits or otherwise uses at Roommates.com.
 10 The Terms further explain that Roommates.com cannot and will not guarantee the
 11 accuracy, integrity or quality of such content. Roommate screens only the photos
 12 posted by members simply to ensure that members do not post personal phone
 13 numbers or email addresses in circumvention of its Terms. Pursuant to the Terms,
 14 each user agrees that Roommates.com will not be liable for any content made
 15 available via the service.

16 11. The majority of Roommates.com's advertising is in connection
 17 with Google, Overture, MSN, and Yahoo. Roommate contracts with each of these
 18 search engines such that Roommates.com will appear near the top, or in the right
 19 column, of the screen, and not simply in the search results, when a user searches for
 20 roommate information on any of the sites. Although Roommates.com advertises in
 21 L.A. Weekly, this advertising is part of a nationwide advertising program run by an
 22 outside agency, which places ads in alternative newspapers throughout the country.
 23 Roommate's sole contact with the state of California is in allowing users to post
 24 their listings regarding roommate openings in California.

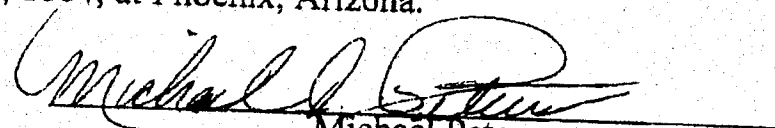
25 12. The burden on Roommate in defending in California is
 26 substantial. Roommate's business is located in the State of Arizona. Not only is all
 27 of Roommate's equipment located in Arizona, but most, if not all, of defendant's

1 witnesses reside in Arizona, including its officers and employees, as well as
 2 independent contractors and non-party witnesses. Again, most if not all
 3 documentary evidence is located in Arizona as well.

4 13. Requiring witnesses to leave their jobs for the purposes of
 5 depositions, hearings and trial would cause a hardship to them individually and to
 6 Roommate. Roommate is a relatively small business employing only ten people.
 7 With so few people conducting the business, requiring any or all of them to leave
 8 the state would genuinely disrupt the business. Also, the key officers and directors
 9 of Roommate are involved in other small businesses that require their attention.
 10 These other business interests also would be jeopardized if these individuals were
 11 forced to take time to travel back and forth to California to litigate this matter.

12
 13 I declare under penalty of perjury under the laws of the United States
 14 of America that the foregoing is true and correct.

15 Executed on May 5, 2004, at Phoenix, Arizona.

16 
 17 Michael Peters

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