

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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 :
 WORLD OF BOXING LLC, VLADIMIR
 HRUNOV, and ANDREY RYABINSKIY, :
 :
 Plaintiff, :
 :
 - against - :
 :
 DON KING and DON KING :
 PRODUCTIONS, INC., :
 :
 Defendants. :
 :
 -----X

14-CV-03791 (SAS)
**ANSWER AND
COUNTERCLAIM**

ANSWER

Defendants Don King Productions, Inc. and Don King, by their undersigned attorneys, for their Answer to the Complaint, state as follows:

As To "Nature of Case"

1. Defendants admit that this case concerns world class boxing and deny the remaining allegations in paragraph 1 of the Complaint.
2. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegation regarding Plaintiff WOBLLC, deny the remaining allegations in paragraph 2 of the Complaint, and refer the Court to the written contracts for their contents.
3. Defendants deny the allegations in paragraph 3 of the Complaint.

As To “Jurisdiction And Venue”

4. The allegations contained in paragraph 4 of the Complaint purport to state legal conclusions as to which no response is required.

5. The allegations contained in paragraph 5 of the Complaint purport to state legal conclusions as to which no response is required. Defendants respectfully refer the Court to the written agreement for its contents.

6. The allegations contained in paragraph 6 of the Complaint purport to state legal conclusions as to which no response is required. Defendants respectfully refer the Court to the written agreement for its contents.

As To “The Parties”

7. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 7 of the Complaint.

8. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 8 of the Complaint.

9. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 9 of the Complaint.

10. Defendants admit the allegations in paragraph 10 of the Complaint.

11. Defendants admit the allegations in paragraph 11 of the Complaint.

As To “Factual Background”

12. Defendants admit the allegations in paragraph 12 of the Complaint.

13. Defendants admit the allegations in paragraph 13 of the Complaint.

14. Defendants admit the allegations in paragraph 14 of the Complaint.

15. Defendants admit that Jones's first urine sample unofficially tested positive for "MM furosemide," and deny the remaining allegations in paragraph 15 of the Complaint.

16. Defendants deny the allegations in paragraph 16 of the Complaint and refer the Court to the 2013 WBA Resolution for its contents.

17. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 17 of the Complaint.

18. Defendants admit the first sentence and deny the remaining allegations in paragraph 18 of the Complaint and refer the Court to the Agreement in Principle for its contents.

19. Defendants admit the first sentence and deny the remaining allegations in paragraph 19 of the Complaint and refer the Court to the Addendum for its contents.

20. Defendants admit the first sentence and deny the remaining allegations in paragraph 20 of the Complaint and refer the Court to the Escrow Agreement for its contents.

21. Defendants admit the allegations in paragraph 21 of the Complaint.

22. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 22 of the Complaint.

23. Defendants admit the allegations in paragraph 23 of the Complaint and refer the Court to the April 22, 2014 WBA communication for its contents.

24. Defendants admit the allegations in paragraph 24 of the Complaint.

25. Defendants admit the allegations in paragraph 25 of the Complaint.

26. Defendants admit that the Anti-doping Agencies reported that Jones's sample had tested positive for furosemide and admit the remaining allegations in paragraph 26 of the Complaint.

27. Defendants deny the allegations in paragraph 27 of the Complaint and refer the Court to the April 28, 2014 WBA letter for its contents.

28. Defendants deny the allegations in paragraph 28 of the Complaint and refer the Court to the WBA Rules and the April 28, 2014 WBA letter for their contents.

29. Defendants deny the allegations in paragraph 29 of the Complaint and refer the Court to the 2014 WBA Resolution for its contents.

30. Defendants deny the allegations in paragraph 30 of the Complaint.

31. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 31 of the Complaint and refer the Court to the Affidavit for its contents.

32. Defendants deny the allegations in paragraph 32 of the Complaint and refer the Court to the April 28, 2014 letter for its contents.

33. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations in the first clause of paragraph 33 of the Complaint, admit that SunTrust's counsel sent a letter dated May 1, 2014 and refer the Court to the May 1, 2014 SunTrust letter for its contents.

34. Defendants deny the allegations in paragraph 34 of the Complaint.

35. Defendants admit the allegations in paragraph 35 of the Complaint.

As To 'Count "I"'

36. Defendants repeat each response to paragraphs 1 through 35 above.

37. Defendants deny the allegations in paragraph 37 of the Complaint and refer the Court to the Agreement for its contents.

38. Defendants admit the allegations in paragraph 38 of the Complaint and refer the Court to the Agreement for its contents.

39. Defendants admit the allegations in paragraph 39 of the Complaint and refer the Court to the Agreement for its contents.

40. Defendants deny the allegations in paragraph 40 of the Complaint and refer the Court to the Agreement for its contents.

41. Defendants deny the allegations in paragraph 41 of the Complaint.

42. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 42 of the Complaint.

43. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 43 of the Complaint.

44. Defendants deny the allegations in paragraph 44 of the Complaint.

45. Defendants deny the allegations in paragraph 45 of the Complaint.

46. Defendants deny the allegations in paragraph 46 of the Complaint.

47. Defendants deny the allegations in paragraph 47 of the Complaint.

As To "Count II"

48. Defendants repeat each response to paragraphs 1 through 47 above.

49. The allegations contained in paragraph 49 of the Complaint purport to state legal conclusions as to which no response is required.

50. Defendants deny the allegations in paragraph 50 of the Complaint.

51. Defendants deny the allegations in paragraph 51 of the Complaint.

As To "Count III"

52. Defendants repeat each response to paragraphs 1 through 51 above.

53. Defendants admit the allegations in paragraph 53 of the Complaint.

54. Defendants admit the allegations in paragraph 54 of the Complaint and refer the Court to the Escrow Agreement for its contents.

55. Defendants deny the allegations in paragraph 55 of the Complaint.

56. Defendants admit the allegations in paragraph 56 of the Complaint and refer the Court to the Escrow Agreement for its contents.

57. Defendants deny the allegations in paragraph 57 of the Complaint.

58. Defendants deny the allegations in paragraph 58 of the Complaint.

59. Defendants deny the allegations in paragraph 59 of the Complaint.

AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE

60. The Complaint fails to state a claim upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

61. Plaintiffs' claims are barred by reason of their unilateral decision to cancel the bout scheduled to take place on April 25, 2014 between Denis Lebedev and Guillermo Jones.

THIRD AFFIRMATIVE DEFENSE

62. The claims of Plaintiffs Vladimir Hrunov and Andrey Ryabinskiy are barred because they lack standing.

FOURTH AFFIRMATIVE DEFENSE

63. The claims of Plaintiffs Vladimir Hrunov and Andrey Ryabinskiy are barred because of failure of consideration and lack of mutuality of obligation.

FIFTH AFFIRMATIVE DEFENSE

64. Plaintiffs' claims are barred by the doctrine of assumption of risk.

SIXTH AFFIRMATIVE DEFENSE

65. Plaintiffs' claims are barred because this Court lacks personal jurisdiction over Defendant Don King due to improper service.

SEVENTH AFFIRMATIVE DEFENSE

66. Plaintiffs have not incurred any cognizable damages.

EIGHTH AFFIRMATIVE DEFENSE

67. Plaintiffs' claims are barred as their damages, if any, were caused by their own acts, omissions and/or the acts or omissions of others over whom Defendants had no control.

COUNTERCLAIM

Defendants-Counterclaim Plaintiffs Don King Productions, Inc. ("DKP") and Don King ("King"), by their undersigned attorneys, for their counterclaims for breach of contract against Plaintiffs-Counterclaim Defendants World of Boxing LLC ("WOBLLC") and Andrey Ryabinskiy ("Ryabinskiy"), allege:

The Parties

1. Defendant-Counterclaim Plaintiff DKP is a Delaware corporation with its principal place of business at 501 Fairway Drive, Deerfield Beach, Florida 33441.

2. Defendant-Counterclaim Plaintiff King is an individual who is a resident of the State of Florida

3. Plaintiff-Counterclaim Defendant WOBLLC is a limited liability company which, upon information and belief, is organized under the law of the Russian Federation, having its principal place of business at Room 6, Building 1A, Kulakova Street 20, Moscow, Russia 123592.

4. Plaintiff-Counterclaim Defendant Ryabinskiy is an individual who, upon information and belief, is a resident of Russia and who maintains a residence at Microdistrict Severnoe Chertanovo 6, Building 607, Flat 386, Moscow, Russia.

Jurisdiction And Venue

5. This Court has jurisdiction over this action pursuant to 28 U.S.C. §1332(a) as the action is between citizens of a State and a citizens of a foreign state, and the amount in controversy exceeds the sum and value of \$75,000, exclusive of interest and costs.

6. Venue is appropriate in this District pursuant to the contractual agreement of the parties

7. The Plaintiffs-Counterclaim Defendants have consented to personal jurisdiction in this Court.

Facts

8. DKP is in the business of promoting professional boxing matches.

King is president of DKP.

9. DKP is the exclusive promoter of and holds the exclusive promotional rights for Guillermo Jones (“Jones”).

10. On or about January 28, 2014, DKP and King entered into a written agreement (“the Agreement”) with World of Boxing LLC (“WOBLLC”) to promote and stage a WBA World Cruiserweight Title fight, scheduled to take place on April 25, 2014 in Moscow, between Denis Lebedev and Jones (the “Bout”). A true and correct copy of the Agreement is Exhibit A to Plaintiffs’ Complaint.

11. The Agreement provided that the WBA rules would govern the Bout and the conduct of the Bout

12. The essence of the Agreement was that in exchange for DKP’s grant of the right to promote a bout involving Jones, as to whom DKP held the exclusive promotional rights, WOBLLC agreed to pay DKP and King US\$800,000, pursuant to the terms and conditions of an escrow agreement to be entered into at a later date, so that WOBLLC could exclusively promote the Bout.

13. The Agreement provided that DKP and King were to receive a flat fee of US\$800,000, plus the potential for some minimal revenue as a result of certain territorial worldwide promotional rights, as set forth in paragraph 2 of the Agreement.

14. As is customary in the boxing industry, WOBLLC assumed all the risks associated with staging the Bout, and any other bouts that were to take place on the same night, when it contracted to become the exclusive promoter of the Bout. In return for assuming this risk, WOBLLC retained the exclusive rights to any potential revenue earned from the Bout.

15. On or about February 28, 2014, DKP and King and WOBLLC entered into an addendum to the Agreement (the "Addendum"). A true and correct copy of the Addendum is attached to Plaintiffs' Complaint as Exhibit B.

16. Pursuant to the terms of the Agreement, on or about April 4, 2014, WOBLLC, King and non-party SunTrust Bank entered into an escrow agreement (the "Escrow Agreement"). A true and correct copy of the Escrow Agreement is attached to Plaintiffs' Complaint as Exhibit C.

17. Pursuant to the terms of the Escrow Agreement, the sum of US\$800,000 was to be deposited with SunTrust Bank, the escrow agent.

18. Upon the execution of the Escrow Agreement, the non-refundable amount of US\$250,000 was immediately payable to King. The remaining US\$550,000 was to be held by the escrow agent, pending further instructions from WOBLLC and/or King.

19. On or about April 4, 2014, contemporaneously with the Escrow Agreement, Ryabinskiy executed a guaranty in favor of King (the "Guaranty"), whereby Ryabinskiy guaranteed that he would instruct the escrow agent to pay King an amount of US\$550,000 should the Bout not take place due to no fault of Jones. A true and correct copy of the Guaranty is attached as Exhibit 1.

20. Thereafter, on or about April 23, 2014, only two days before the scheduled Bout, both Jones and Lebedev were subjected to a pre-fight drug test.

21. Subsequently, on the day of the Bout, the testing agency reported that Jones's sample tested positive for the diuretic furosemide.

22. As a result of the positive test, Carlos Chavez, the WBA supervisor in charge of the Bout, scheduled a meeting between the representatives for Jones and for Lebedev later that day.

23. At the meeting, Mr. Chavez discussed the matter with representatives for Jones and for Lebedev. Mr. Chavez, acting on behalf of the WBA, then ruled that Jones's pre-fight drug test was unofficial, the Bout should take place as scheduled, and Jones would be subject to an official drug test after the Bout.

24. Pursuant to WBA Rule C42, "[d]uring a sanctioned contest or its related preliminary matters, a Supervisor is empowered to resolve unforeseen issues that require an immediate decision. The Supervisor's decision in these exceptional cases is irrevocable."

25. Despite the WBA Supervisor's decision, Ryabinskiy unilaterally cancelled the Bout.

26. The Bout therefore did not take place, not due to Jones's fault, but because Ryabinskiy refused to follow the irrevocable ruling of the WBA.

27. In breach of his contractual obligations under the Guaranty, Ryabinskiy has not instructed the escrow agent to pay King the amount of US\$550,000.

COUNT I
(Breach of Contract)
(against WOBLLC)

28. DKP and King repeat and reallege each and every allegation contained above as if fully set forth herein.

29. The Agreement is a valid contract among DKP and King and WOBLLC.

30. DKP and King performed all of their obligations pursuant to the Agreement.

31. The Agreement provided that the WBA rules would govern the Bout and the conduct of the Bout.

32. Ryabinskiy, acting on behalf of WOBLLC, unilaterally cancelled the Bout.

33. WOBLLC breached the Agreement by cancelling the Bout in contravention of the WBA's irrevocable ruling that it should take place as scheduled.

34. As a result of WOBLLC's breach of the Agreement, DKP and King have suffered damages in an amount to be determined at trial but not less than US\$550,000, plus interest.

COUNT II
(Breach of Contract)
(against Ryabinskiy)

35. King repeats and realleges each and every allegation contained above as if fully set forth herein.

36. The Guaranty is a valid contract between King and Ryabinskiy.

37. King performed all of his obligations pursuant to the Guaranty.

38. The Bout did not occur as scheduled on April 25, 2014.

39. Ryabinskiy breached the terms of the Guaranty by not instructing the escrow agent to pay King an amount of US\$550,000.

40. As a result of Ryabinskiy's breach of the Guaranty, King has suffered damages of US\$550,000, plus interest.

Prayer For Relief

WHEREFORE, Defendants and Counterclaim-Plaintiffs DKP and King respectfully request that this Court enter judgment in their favor as follows:

- (a) dismissing the Complaint with prejudice;
- (b) against WOBLLC and in favor of DKP on Count I of the Counterclaim for breach of the Agreement and awarding DKP an amount to be determined at trial but not less than US\$550,000, plus interest;
- (c) against Ryabinskiy and in favor of King on Count II of the Counterclaim for breach of the Guaranty and awarding King US\$550,000, plus interest;
- (d) the costs and expenses incurred by DKP and King in connection with the defense and prosecution of this action, including reasonable attorney's fees and disbursements; and
- (e) such other and further relief as this Court deems just, proper, and equitable.

Jury Demand

Defendants-Counterclaim Plaintiffs DKP and King demand trial by jury of all issues so triable.

Dated: New York, New York
June 19, 2014

**CURTIS, MALLET-PREVOST,
COLT & MOSLE LLP**

By: /s/T. Barry Kingham
T. Barry Kingham
Andrew B. Zinman
101 Park Avenue
New York, New York 10178
Tel.: (212) 696-6000
Fax: (212) 697-1559

*Attorneys for Defendants and Counterclaim-
Plaintiffs Don King and
Don King Productions, Inc.*

EXHIBIT 1

theJasmineBRAND.com

theJasmineBRAND.com

Marjorie Zuckerman

From: Dana Jamison [djamison@donking.com]
Sent: Monday, April 07, 2014 11:46 AM
To: 'Don King'; ringmia@aol.com; pavel@spiboxing.com; 'Celia Tuckman'; 'Marjorie Zuckerman'; 'Grace Johansson'
Subject: FW: [JunkMail] Guarantees

Dana Jamison
Sr. Vice President Boxing Operations
Don King Productions, Inc.

-----Original Message-----
From: korobova@gk-mic.ru [mailto:korobova@gk-mic.ru]
Sent: Friday, April 04, 2014 12:29 PM
To: Don King
Cc: 'Dana Jamison'
Subject: [JunkMail] Guarantees

Dear Mr .King,
In continuation of our conversation yesterday, on behalf of Andrey Ryabinskiy, and on my own behalf, I confirm our agreement as follows:
1) Escrow agent shall pay you an amount of 250 000 US dollars upon receipt of the funds into its account, and signature between us of all the required documents.
2) Escrow agent shall pay you 550 000 US dollars if the Event/Fight between Lebedev and Jones takes place on April 25, 2014 in Moscow.
3) We will endeavor our best efforts for Denis Lebedev to participate in the Event/Fight between Lebedev and Jones on April 25, 2014 in Moscow. In case if Lebedev will not participate in the Event and/or the Event/Fight does not take place for any reason that is not Jones' fault, but Guillermo Jones will arrive in Moscow and will be ready to participate in the Event on April 25, 2014, we guarantee that we will instruct the Escrow agent to pay you an amount of 550 000 US dollars.

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С уважением,

Коробова Ольга Борисовна
Директор по корпоративному развитию

ГРУППА КОМПАНИЙ "МШ"

Москва, Космодамианская наб., д. 52, стр. 1
раб. тел: +7 (495) 212 2243
моб. тел: +7 (903) 130 5445

korobova@gk-mic.ru
www.mosipoteka.ru