



RESOLUTION OF THE WBO WORLD CHAMPIONSHIP COMMITTEE TO DETERMINE THAT DON KING PRODUCTIONS HAS DEFAULTED ON THE FEBRUARY 26TH, 2013 PURSE BID TO CONDUCT THE MARCO HUCK vs. OLA AFOLABI WBO JR. HEAVYWEIGHT WORLD TITLE BOUT

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WHEREAS this Committee resolved to hold a purse bid to resolve the Contract for the Marco Huck v. Ola Afolabi WBO Jr. Heavyweight World Title Bout on February 26, 2013; and

WHEREAS, Don King Productions is a licensed WBO Promoter; and

WEREAS, Don King Productions was the successful bidder at the purse bid; and

WHEREAS, Don King Productions has deposited its bid deposit of \$150,000.00 10% of the Purse, per the Rules; and

WHEREAS, the bout was to have been conducted on February 26, 2013 in Miami, Florida; and

WHEREAS, Don King Productions has undertaken no conduct to take the essential steps to Promote and conduct the Championship, it has no television agreement and no advertising has started; and

WHEREAS on April 9, 2013 Don King Productions was given until 3 PM EST to advise the WBO of the status of the Bout; and

WHEREAS Don King Productions has not advised the WBO that the Bout will go on or that any Promotional activity has started; and



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WHEREAS the WBO by Notice of April 16, 2013 gave Don King Productions until April 17, 2013 to show cause why the WBO World Championships Committee should not declare the Purse Bid defaulted, and why the Purse Bid should not be Forfeit; and

WHEREAS Don King Production has not communicated any cause why it is not in Default of the Purse Bid, or why the Purse Bid Bond should not be forfeit; and

WHEREAS Section 1 of the WBO World Championship Rules provides, in relevant parts:

SECTION 1. WORLD CHAMPIONSHIP COMMITTEE

* * * * *

(b) The World Championship Committee shall have the following powers and discretion:

(4) To determine if there is good cause to extend the time during which a Champion must make a Mandatory Challenge; and

* * * * *

(5) to approve the terms and conditions under which a Champion may extend the time for a Mandatory challenge so as to compete in a Unification Bout or a Unification Tournament; and

* * * * *

(8) To order a Purse Bid; and

* * * * *

(10) To determine if a Promoter has defaulted on a Purse Bid; and

* * * * *

(c) The above powers shall be interpreted to include any or all powers necessary, helpful or convenient to accomplish the purposes, policies and intent of these rules;” and



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NOW THEREFORE IT IS DETERMINED by the Committee that Don King Productions has defaulted on the Purse Bid., and

THE COMMITTEE DETERMINES THAT Don King Production's right of the Promoter in and to the Purse Bid is Extinguished; and

THE COMMITTEE DETERMINES THAT, the Purse Bid Bond is determined to have been forfeit; and

THE COMMITTEE DETERMINES THAT, the Purse Bid Bond shall be split amount the Champion (68%) the Challenger, (17%) and the WBO (15%) per Section 12 (b) of the World WBO Championship Rules; and

WHEREAS the WBO Rules that relate to Purse Bids and the Distribution of the Bid Deposit Provide:

“SECTION 11. PURSE BIDS

(a) Purse Bids for championship fights shall contain the elements required by these rules. Only those proposals submitted by Promoters registered with and in good standing with the WBO shall be accepted by the WBO.

(b) Bid Deposits. Each Promoter shall submit a Purse Bid Deposit of One Thousand (\$1,000.) Dollars with its bid at the time the Promoter submits its proposal. The Purse Bid Deposit for all bidders shall be retained by the WBO, and applied as the Purse Bidders Service Fee to cover the expenses incurred by the World Boxing Organization on calling the contest to bid.

(c) Proposals. The proposals shall be submitted to the office where the President of the World Boxing Organization indicates that the bid shall be held, in two sealed envelopes as follows:

(1) ENVELOPE NO.1- DOCUMENTS. A Promoter whose bid does not meet the requirements of this section shall be automatically disqualified from the Purse Bid and cannot participate in the Purse Bid. The World Boxing Organization shall retain the disqualified Promoter's Bid Deposit as the disqualified bidder's Purse Bidders Service Fee, and shall also return Envelope No. 2 "Proposal" which shall not be opened. Envelope Number 1 shall contain the following documents:



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(A) Certified check, cashier's check or bank money order payable to the World Boxing Organization, or money in cash, in the legal tender of the United States of America (dollars) for the Purse Bid Deposit in the sum of US\$1,000.00 to cover the Promoter's Purse Bid Service Fee.

(B) WBO Receipt or a copy thereof evidencing payment of the Annual Registration fee as WBO Championship Contest Promoter, or a copy of the Promoter's cancelled check or wire transfer to the WBO for the Annual Promoter's Registration Fee. The WBO President may waive this requirement for any Promoter known to the WBO President to have paid its Annual Registration fee.

(C) A letter of authority for a representative of a proponent, for those bidders who cannot attend the bid and sends a representative who is not an officer or employee of a bidder. This letter may be an original letter or may be sent by the proponent by facsimile, e-mail or telegraph.

(2) ENVELOPE NO. 2 - PROPOSAL

(A) A written proposal indicating the total purse offered to the Champion and the Challenger, the proposed sites for the Championship Contest, and the proposed date for the Championship Contest. This amount will be net, with no deductions except for the Sanction Fees to be paid by the Champion and the Challenger pursuant to these WBO Regulations of World Championship Contests and tax withholdings required by the law of the country where the fight is to be held.

(B) The Proposal shall include a Purse Bond in the form of a certified check, cashier's check or bank money order payable to the World Boxing Organization, or money in cash, in the legal tender of the United States of America (dollars) totaling Ten (10%) Percent of the total of the proposed purse. The Purse Bond of the successful bidder shall be retained by the World Boxing Organization to secure the Champion, Challenger and the WBO in the event that the successful bidder fails to promote the Championship Contest pursuant to the Purse Bid without just cause.

(C) The Proposal shall indicate the place or places where the fight is to be held; the Proposal shall not identify more than three (3) potential sites.



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(D) The Proposal shall Indicate the date the fight is to be held, which shall not be later than ninety (90) days nor earlier than forty-five (45) days from the date of the Purse Bid, counting from the date of adjudication of the bid, unless the interested parties agree to hold the bout prior to the forty-five (45) days established as minimum. The World Championship Committee may extend the 90 days during which a fight ordered by purse bid may be held for a period not to exceed 45 days for just cause shown.

(d) In the event that no qualified bid is made the Championship Committee may recommend to the President that the minimum bid be reduced by up to 50% and the purse bid rebid or that the Champion be granted a 120 day extension to make a voluntary defense. The President shall determine which option will be pursued within 30 days and the President will notify the contestants of his decision in writing on or before the expiration of the 30 day period.

(e) When a Championship has been completed, the Purse Bond will be refunded to the Promoter, net of any collection costs or bank charges incurred by the WBO, upon receipt by the WBO of evidence of satisfaction by the Promoter of all obligations secured by the Purse Bond, including all WBO Sanction Fees for the Championship.

SECTION 12. PROMOTER DEFAULT ON PURSE BID

(a) If the Promoter fails to comply with the Purse Bid commitment on the date indicated on the accepted Proposal without a justified cause, the World Championship Committee may declare the right of the Promoter in and to the Purse Bid extinguished and proceed to the distribution of the Purse Bond (the security deposit) as herein provided.

(b) If the Championship Committee declares a default by the Promoter, the Promoter's Purse Bond shall be forfeit and it shall be distributed as follows:

Champion	68%
Challenger	17%
WBO	15%

(c) If a successful Promoter defaults on a Purse Bid without justified cause, the Forfeiture of the Purse Bond provided for herein shall be sole and exclusive remedy of any party against the Promoter, and shall be retained and distributed in the proportions provided for herein as liquidated damages.



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(d) If the fight is not to be presented, without a justified cause as determined by the Championship Committee, the Promoter shall forfeit the Purse Bond and the World Boxing Organization may proceed to call a new Purse Bid for said championship contest, or the WBO Championship Committee may offer the contest to the second highest bidder at the original purse bid, or the Champion may be granted a 120 day extension to fight a voluntary defense, as determined by the World Championship Committee.”; and

THE COMMITTEE DETERMINES THAT the Don King Production Purse Bid Deposit of \$150,000.00 shall be divide \$102,000 to the Champion, \$25,000 to the Challenger and \$22,500 to the WBO; and

According to a communication from the legal representation of Champion Marco Huck, the 68% pertaining to the Champion will be returned to Promoter Don King. Furthermore, as stated during the purse bid, the second bidder, Sauerland Events GmbH, will be awarded the right to promote the bout. Sauerland must present the bout no later than 90 days from today and advise the date of the bout and submit the contract to challenger within 10 days of this Resolution date.

THE COMMITTEE HEREBY NOTIFIES Don King Productions that it may appeal this determination to the Complaints and Grievance Committee within 10 days on this date per Section 34 of the WBO Rules which provide:

“SECTION 34. COMPLAINTS AND GRIEVANCES

Any WBO Participant, including, but not limited to a Boxer, Manager, or Promoter who is or could be affected by a determination of the World Championship Committee who wishes to contest such a determination must, as his or her sole and exclusive remedy, file a Complaint pursuant to the WBO Appeal Regulations. In all cases the complaint shall be referred to the WBO President, who may attempt for a reasonable period to resolve the complaint amicably. The WBO President may reject a complaint or he may refer it to the Complaints and Grievance Committee which shall determine the complaint or grievance in accordance with the WBO Appeals Regulations.



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“SECTION 35. MISCELLANEOUS

(e) All WBO participants acknowledge and agree that the mandatory resort to the WBO Appeals Regulation is the sole and exclusive remedy for any claim, appeal or contest that arises from any right or status that is or could be subject to these Regulations or which results or could result from or relate to the interpretation or application of these Regulations. These WBO Appeals and Grievance Committee determinations are Arbitrations within the contemplation of the Arbitration Law of Puerto Rico, 32 LPRA Section 3201 et. seq. and the US Arbitration Act, Title 9 of the United States Code and the Inter-American Convention on International Commercial Arbitration of July 30, 1975 and the Convention on the Recognition and Enforcement of Foreign Arbitration Awards of June 10, 1958. All WBO participants stipulate and agree that the nature of the sport requires a prompt, final and uniform resolution of all disputes concerning application of these Regulations by a tribunal experienced with the application of these Regulations and with special knowledge and experience in world championship professional boxing.

(f) These Regulations apply to all WBO Participants. The term WBO Participant includes any and all person or company who participates in any WBO activity, including, but not limited to any and all current or former WBO World Champions, WBO Regional Champions, or WBO Zone Champions; WBO World Championship contenders or WBO Regional Championship contenders, or WBO Zone Championship contenders; all WBO World, Regional or Zone ranked or rated boxers; Manager and/or Promoters of any of the foregoing; all WBO Members, and all WBO Officials. The WBO is a voluntary not-for profit organization. All WBO Participants who participate in any WBO sanctioned activity do so on the express condition that such WBO Participant is bound by and subject to these WBO World Championship Rules and all WBO Rules and Regulations.” and



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IT IS DECLARED that this Purse Bid Deposit shall be held for the later of ten (10) days from this date or the Determination of the WBO Complaints and Grievance Committee if Don King Productions files a timely Complaint to contest this determination to the WBO Complaints and Grievance Committee.

Dated at San Juan Puerto Rico effective this 19th Day of April, 2013.

THE WBO WORLD CHAMPIONSHIP COMMITTEE

A handwritten signature in black ink, appearing to read 'Luis Batista Salas', is written over a faint, circular official stamp. The signature is fluid and cursive.

Luis Batista Salas, Esq., Chairman