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January 11, 2016

Terek Box Event
Mr. Timur Dugazaev
dugazaev@ccc-terek.de
c/o Malte Müller-Michaelis
maltemm@hotmail.com

RE: *Sanction Fees Due For Chagaev v. Oquendo - July 6, 2014*

Dear Messrs. Dugazaev and Müller-Michaelis:

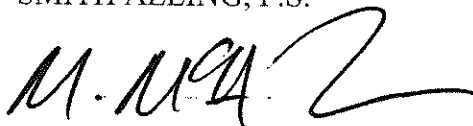
As you are aware, this office represents the World Boxing Association (“WBA”). In light of the recent court decisions in the matter of *Oquendo v. Terek Box Event*, and the WBA’s July 1, 2015 Resolution, which is attached hereto, the WBA must be paid the additional sanction fees it is due for Oquendo’s \$1 million dollar purse. To that end, enclosed please find an updated invoice from the WBA based upon the revised purse. The original invoice is also enclosed. The WBA must receive the difference between said invoices within the next fourteen (14) days.

The WBA’s consent to the above-mentioned Resolution, and subsequent bouts for Chagaev v. Oquendo and Chagaev v. Browne, was conditioned upon receipt of these additional fees. If Terek refuses to pay the same within the above-mentioned time period, the WBA will be forced to take action including, but not limited to, removal of promotional privileges until the past due amounts are brought current. This may include, but not be limited to, removal of any sanction for the upcoming Chagaev v. Browne bout.

If you have any questions and/or concerns, please do not hesitate to contact me.

Yours truly,

SMITH ALLING, P.S.



Michael E. McAleenan

MMc:jp
Enclosure
cc: WBA
Philippe Fondue (via email: philippe.fondu@btinternet.com)
Robert Mack, Legal Director



WORLD BOXING ASSOCIATION

AV. AQUILINO DE LA GUARDIA CON CALLE 47 EDIFICIO OCEAN BUSINESS PLAZA
 PISO 14, OFFICE 14-05 PHONE: +507-3406425 / +507-3406427 / +507-3406428
 Email info@wbanews.com Http://www.wbanews.com
 MARBELLA, PANAMA

Bout: Ruslan Chagaev vs Frez Oquendo
Promoter: Terek Box Event
Date: July 6, 2014
Venue: Ahmat Arena, Grozny, Russia

TYPE OF CHAMPIONSHIP

WBA	<input checked="" type="checkbox"/>		
Unified-Undisputed-Super	<input type="checkbox"/>		Total Purse Amount: \$325,000.00
Interim	<input type="checkbox"/>		CHAGAEV Purse: \$250,000.00
Elimination	<input type="checkbox"/>		OQUENDO Purse: \$75,000.00
Vacant Title	<input type="checkbox"/>		
Intercontinental	<input type="checkbox"/>		
Promoter License:			Receipt N°
Fight Sanction:			\$6,000.00
CHAGAEV Fee: 3.00%			\$8,000.00
OQUENDO Fee: 3.00%			Total Due: \$7,500.00
Legal & Insurance:			Total Due: \$2,250.00
Special Permission:			\$3,000.00
CHAGAEV Manager			\$0.00
License:			\$1,200.00
OQUENDO Manager			\$1,200.00
License:			\$1,200.00
Others:			

Total Due:	\$29,150.00
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OFFICIALS

Referee:	\$1,900.00
Judges:	\$1,600.00
Supervisor Stipend:	\$500.00

Agreed to and accept all terms and amount listed above

Sincerely yours,

Company name: _____

Gilberto Mendoza
Vice President

By: _____



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 MARBELLA, PANAMA

Bout: **Ruslan Chagaev vs Frez Oquendo**
Promoter: **Terek Box Event**
Date: **July 6, 2014**
Venue: **Ahmat Arena, Grozny, Russia**

TYPE OF CHAMPIONSHIP

WBA	X
Unified-Undisputed-Super	
Interim	
Elimination	
Vacant Title	
Intercontinental	

Total Purse Amount: **\$1,250,000.00**
 CHAGAEV Purse: \$250,000.00
 OQUENDO Purse: \$1,000,000.00

Receipt Nº

Promoter License:		\$6,000.00
Fight Sanction:		\$25,000.00
CHAGAEV Fee:	3.00%	Total Due: \$7,500.00
OQUENDO Fee:	3.00%	Total Due: \$30,000.00
Legal & Insurance:		\$3,000.00
Special Permission:		\$0.00
CHAGAEV Manager License:		\$1,200.00
OQUENDO Manager License:		\$1,200.00
Others:		

Total Due:	\$73,900.00
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OFFICIALS

Referee:	\$1,900.00
Judges:	\$1,600.00
Supervisor Stipend:	\$500.00

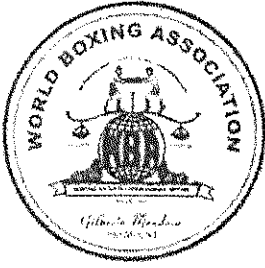
Agreed to and accept all terms and amount listed above

Sincerely yours,

Company name: _____

Gilberto Mendoza
Vice President

By: _____



WORLD BOXING ASSOCIATION

GILBERTO MENDOZA

President

Resolution No. 201507011702 WBA Championships Committee *Heavyweight Division* July 1, 2015

I. BACKGROUND

On June 3, 2014, the WBA Championship Committee issued Resolution No. 201406031712 directing the leading available contenders in the division to participate in a box-off to determine the champion. The two highest rated boxers in the division, Ruslan Chagaev (“Chagaev”) and Fres Oquendo (“Oquendo”), were directed to begin negotiations for a bout to fill the vacant heavyweight title. Chagaev and Oquendo agreed to terms and the bout took place July 6, 2014 in Grozny, Russia.

Chagaev won the bout by a controversial majority decision. Since then, Oquendo and Chagaev’s promotor, CCC Terek (“Terek”), have been embroiled in a dispute and litigation in US District Court, Southern District of New York, Cause No. 1:14-cv-09835-RA over a rematch, and Terek’s failure to pay the remaining balance of a million dollar purse. The Judge initially enjoined Terek from promoting any bout for Chagaev unless Oquendo was the opponent.

On February 24, 2015, the WBA designated Lucas Browne (“Browne”), ranked #4 by the WBA, as the official contender for the Champion.

On February 26, 2015, on behalf of Chagaev, Terek requested special permission from the WBA for a voluntary defense of the title against Francesco Pianeta (“Pianeta”) in Hamburg, Germany on April 25, 2015, which has since been postponed to July 11, 2015. After providing notice of the request to potentially interested parties, including Browne, Povetkin, and Oquendo, and receiving no objections, the WBA granted Chagaev’s special permit request per Resolution No. 201513111712 conditioned on the winner, or Chagaev if a draw, facing Browne as the next defense.

On or about May 22, 2015, the judge in the *Oquendo v. Terek* litigation entered a final order in favor of Oquendo enjoining Terek for eighteen (18) months from being involved with or promoting any bout for Chagaev unless against Oquendo, and awarding Oquendo the remaining balance of the \$1 million dollar purse, plus interest.

II. ANALYSIS

A. Within sixty (60) days of the expiration of the mandatory defense period, a champion is limited to fighting only a mandatory contender or leading available contender. WBA Rule C.13.

B. The WBA may modify the periods for mandatory defenses for good cause, either in response to a request for a Special Permit, or on its own initiative. WBA Rule C.16.

C. The WBA may modify or suspend the strict application of these rules when the WBA deems them justified in its sole discretion to accommodate special circumstances. WBA Rule C.46. Those reasons include to “engage in an optional title defense,” to “engage in a bout of recognized importance and significance for the boxing world,” or to “extend or otherwise modify a mandatory defense period.” WBA Rule C.46.a, e and g.

D. The WBA may grant Special Permit Requests and require conditions. “The Committee and the President in their sole discretion shall consider the best interests of boxing, the purposes and policies of the Association, and such other factors that may be relevant, and shall make their best effort to balance competing interests.” WBA Rule C.47.

E. Boxers and promoters are obligated to “know and be familiar with all Association rules,” including those “for Special Permits.” WBA Rule C.14.

III. DECISION

The WBA reviewed the recent final decision, injunction, and judgment issued by the court in *Oquendo v. CCC Terek*. Although the WBA is not a party to the above-mentioned litigation and is not bound by any rematch clauses in bout contracts, based on the facts of this case and the WBA’s inherent discretion, the WBA will take a position consistent with the court’s ruling. Therefore, the WBA is willing to facilitate a global resolution of the various disputes between the parties conditioned and subject to the following:

1. The WBA will grant a Special Permit for Chagaev’s proposed July 11, 2015 bout against Pianeta. If a minimal postponement of no more than ten (10) days is necessary, that is acceptable; however, any further delay will cause the sanction for said bout to be withdrawn, and Chagaev’s rematch against Oquendo referenced below to proceed instead.

2. The winner of Chagaev v. Pianeta, or Chagaev if a draw, must face Oquendo within 120 days of the bout. If Chagaev/Pianeta fails to do so, their recognition will be removed and Oquendo will face Lucas Browne for the vacant championship.

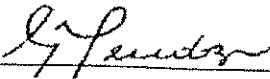
3. The winner of Chagaev/Pianeta v. Oquendo must face Browne within 150 days of said bout. Browne remains the official challenger for the champion once the previously bouts have materialized. No further voluntary or special permit bouts will be authorized until after the Champion defends the title against Browne. At the time Browne was named official challenger for the division, he was aware of the pending dispute between Oquendo and Chagaev’s

promoters, thus knew of the potential risk to the defense timeline. Additionally, Browne accepted a fee to step aside and wait for the Pianeta bout, thus has waived any claim for an immediate bout with Chagaev.

4. The WBA must receive the additional fees due to it for the July 2014 Chagaev/Oquendo bout.

5. Chagaev, Oquendo, and Pianeta must submit signed documents to the WBA certifying their consent to the terms, conditions, and bouts referenced herein. Copies of any and all agreements between Oquendo, Chagaev, Pianeta and/or their promoters, managers, or representatives concerning resolution of any prior disputes and/or the bouts referenced herein must also be provided to the WBA.

Date: July 1, 2015



Gilberto Jesus Mendoza, Jr.
Championship Committee Chairman