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# UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY

DIBELLA ENTERTAINMENT INC. and REGIS PROGRAIS,

Plaintiffs,

v.

COMOSA AG,

Defendant.

Civil Action No.:

**COMPLAINT** 

**JURY TRIAL DEMANDED** 

Plaintiffs DiBella Entertainment, Inc. ("DBE") and Regis Prograis ("Prograis")

(collectively, "Plaintiffs"), with knowledge as to their own conduct and upon information and belief as to all other matters, state and allege for their complaint against Defendant Comosa AG ("Comosa" or "Defendant") the following:

## **NATURE OF THE ACTION**

- 1. This action arises out of the wrongful conduct and broken promises of Comosa, a European sporting company that runs a tournament known as the World Boxing Super Series ("WBSS"), in promising the boxing world that it could deliver viable tournaments featuring world champions and top contenders fighting top quality bouts for millions of dollars in purses. Instead, Comosa has left a trail of late payments and scheduling delays that, upon information and belief, have put many of boxing's top promoters and boxers in limbo due to its financial problems and breach of contractual duties.
- 2. Here, plaintiff DBE is one of those most impacted by Comosa's false promises.

  DBE is among the top boxing promotional companies in the world. DBE has signed and promoted some of the best boxers in the sport including many world champions.
- 3. One of the world champions currently signed to the DBE promotional roster is Prograis, who is widely considered one of the best boxers in the world in his weight class. Prograis currently has an unbeaten professional record of 24-0, with 20 wins coming by knockout. Prograis is the World Boxing Association ("WBA") World Super Lightweight Champion.
- 4. As Prograis' promoter, DBE is responsible for, among other things, finding and negotiating deals with opponents, arranging the venue and broadcaster, and publicizing and marketing Prograis' bouts.

- 5. In May 2018, Comosa induced DBE and Prograis into participating in the WBSS with the promise of career high paydays, including in excess of a million dollars, and the chance to fight some of the top competitors in Prograis' weight class. In reliance on these promises, both DBE and Prograis signed a Tournament Agreement (the "Tournament Agreement") with Comosa.
- 6. Almost immediately, DBE and Prograis ran into problems with Comosa. Prograis won his quarterfinal fight in easy fashion by unanimous decision over former WBO Lightweight Champion Terry Flanagan. Prograis was paid his purse the night of the fight. However, in the Tournament Agreement, Comosa also contracted to pay bonuses to the winning boxers ("Winner's Bonus") within 5 days of the bout and receipt of an invoice.
- 7. Prograis submitted his invoices within a few days following the bout; however, in violation of their duties, Comosa did not pay on time. Indeed, DBE counsel Alex Dombroff ("Dombroff") was forced to send a letter nearly a month later notifying Comosa that they were in material breach of the Tournament Agreement, as Prograis' Winner's Bonus, of which DBE had a percentage interest, was still unpaid.
- 8. This was not the only time that Comosa failed to pay a Winner's Bonus. In fact, DBE also represented another fighter in the WBSS, then International Boxing Federation ("IBF") Champion Ivan Baranchyk, who similarly did not receive his Winner's Bonus in a timely manner. On information and belief, many more boxers in the WBSS were paid late after their quarterfinal bouts, some waiting months to be paid in full.
- 9. Comosa then delayed scheduling Prograis' semifinal match beyond the deadlines set out in the Tournament Agreement. These delays, coupled with Comosa's rumored financial problems and issues with late payment of purses and Winner's Bonuses, forced DBE and

Prograis to attempt to confront Comosa. The parties attempted to settle their differences by negotiating and entering into an escrow agreement ("Escrow Agreement").

- 10. Under the Escrow Agreement, Comosa was obligated to put both the purse money and potential Winner's Bonus into escrow at agreed upon dates before the semifinal bout, scheduled for April 27, 2019. The dates were specifically meant to ensure payment well in advance of the bout and to give Prograis adequate time to train for his top class opponents in the tournament. Indeed, anything less than the schedule set forth in the Escrow Agreement would materially impact Prograis' ability to prepare for the bout as boxers must train for months under a regimented "camp" schedule in order to get ready to put their lives on the line in the ring.

  Memorializing this timeline and pursuant to the Escrow Agreement the first installment was due on February 21, 2019, 65 days before the bout; the second installment was due on March 4, 2019, 54 days before the bout; and the third and final installment was due on
- 11. The Escrow Agreement also stated that should Prograis advance to the WBSS final, "the parties shall enter in an escrow agreement on *substantially similar terms* as this Agreement related to monies due to [DBE] and Prograis for the final. The WBSS final bout shall take place no later than October 7, 2019 as a material term of Prograis' continued participation in the WBSS under the Tournament Agreement." (Paragraph 16, Emphasis added.)
- 12. Prograis won his semifinal bout by sixth round technical knockout over reigning WBA Champion Kiryl Relikh and advanced to the final against Josh Taylor of Scotland. Both Prograis and DBE were paid their percentages of the purse and Winner's Bonus from the escrow account, held by escrow agent Dines & English, a law firm based in Clifton, New Jersey.

- 13. Several media outlets have reported that the final would take place on October 5 at a location to be determined in the United Kingdom. However, by late July 2019, no formal bout agreements or arrangements for a new escrow agreement had been proffered by Comosa to DBE and Prograis.
- 14. Thus, on July 29, 2019, Dombroff, on behalf of Prograis and DBE, wrote Comosa reminding them that the Escrow Agreement required the final to take place by October 7 and the deadline for entering into a new escrow agreement on *substantially similar terms* was fast approaching. In order to meet this deadline and to give Prograis the minimum amount of time required to adequately prepare for the bout, the first escrow remittance would be due by August 3, 2019. As set forth in the Escrow Agreement, Prograis' participation in the final was tied to this provision of the Escrow Agreement.
- 15. In blatant violation of the obligations of the Escrow Agreement Comosa missed the August 3 deadline. Comosa made a belated attempt to buy more time on August 6, by sending draft escrow and bout agreements. However, both the draft escrow and bout agreements were conditioned on giving Comosa another two weeks to put off making escrow payments and to find a site for the bout. Comosa set the date of the bout for October 5. On information and belief, Comosa never had the October 5, 2019 date set with their US broadcaster DAZN. Thus, Comosa sent out agreements it knew were false and not approved by their broadcast partner.
- 16. Two days later, on August 8, Comosa sent yet another set of draft escrow and bout agreements. This time, they proposed a date of September 28, 2019 for the final. Fighters of Prograis' caliber require *at least* eight (8) weeks to prepare for a fight of this magnitude, which is likely to effect the short window of his professional career. Bumping the date of the final up one

week gave Prograis even less time to train for the biggest fight of his life and further violated the Escrow Agreement's set schedule of escrow payments.

- 17. With rampant rumors of Comosa investors no longer putting up the money to pay the boxers remaining in the tournament, absent Court intervention, Comosa has Prograis trapped in a tournament whose delays and money problems have kept him and DBE from capitalizing on his status as one of the best boxers in the game. Prograis would command well in excess of \$1,000,000 for his next fight outside of the tournament.
- 18. Accordingly, Plaintiffs bring this action to resolve the justiciable issue of Prograis' status as a WBSS participant. Specifically, Plaintiffs seek a declaration that Comosa's conduct, in not entering into a new escrow agreement on substantially similar terms as the original Escrow Agreement, violates the material terms of the Escrow Agreement with DBE and Prograis and the parties bargain for Prograis' continued participation in the WBSS. Plaintiffs further seek a declaration that DBE and Prograis are free of any obligations to Comosa or the WBSS and can pursue other opportunities in the sport.

## **PARTIES**

- 19. Plaintiff DBE is a New York Corporation with its principal place of business in Nassau County, New York. DBE is one of the leading promotional companies in the world.
- 20. Plaintiff Prograis is a citizen of the State of Texas. He is an American professional boxer and currently the WBA World Super Lightweight Champion. Prograis was previously the Interim and Diamond WBC World Super Lightweight Champion.
- 21. Defendant Comosa is Swiss Corporation with its principal place of business in Prattein, Switzerland and its sporting arm located in Hamburg, Germany. Comosa created the WBSS boxing tournament in or around 2017.

## **JURISDICTION AND VENUE**

- 22. This Court has jurisdiction over this action pursuant to 28 U.S.C. 28 § 2201, 28 U.S.C. § 2202 and 28 U.S.C. § 1332 (a)(2), as the matter in controversy, exclusive of interest and costs, exceeds \$75,000 in value, and is between citizens of different States and citizens of a foreign state.
- 23. This Court has personal jurisdiction over Defendant pursuant to the laws of the State of New Jersey, including New Jersey's long-arm statute, and N.J. R.4:4-4 as Defendant satisfies the minimum contact requirements within the State of New Jersey. Defendant has also availed itself to the laws of New Jersey by both transacting business and employing the escrow agent for the Escrow Agreement in the state of New Jersey.
- 24. Venue is proper in this Court pursuant to the Escrow Agreement at issue in this case and all parties consenting to the provision that "the courts located in the State of New Jersey shall have sole jurisdiction" over the Escrow Agreement, which also incorporates and serves to modify the Tournament Agreement. The escrow account and escrow agent employed by Comosa both reside in the State of New Jersey.

## FACTUAL ALLEGATIONS

## A. Comosa's Attempt to Legitimize Titleholders through the WBSS

25. Boxing is a fractured sport that does not operate like other major sports. There is no centralized league like the NFL in football or the NBA in basketball. The closest the sport has to a governing body are the sanctioning organizations, the major ones being the IBF, World Boxing Council ("WBC"), WBA, and World Boxing Organization ("WBO"). All of these organizations crown their own champion. With up to four boxers calling themselves "world champions" in any given weight division, this has been said to hurt the credibility of the sport and its mainstream appeal with fans and the media. Often, these "world champions" do not face

each other causing fans and media to become frustrated that the best do not face the best as they do in other major sports.

- 26. Upon information and belief, Comosa was formed in late 2016, early 2017 by Modern Times Group (a Swedish digital entertainment group), Highlight Event Entertainment (a Swiss entertainment company), and Sauerland Promotions (a German boxing promoter). At a press event in March 2017, Comosa executive Roberto Dalmiglio was quoted as stating that the WBSS tournament was created to "set new standards, ensure coherent storylines and provide top-class boxing throughout the year. It is Comosa's ambition to turn the [WBSS] into the world's biggest and best boxing tournament."<sup>1</sup>
- 27. They touted themselves as "The Champions League of Boxing", a reference to the soccer tournament held between the top-division European clubs to determine the best team in Europe. Initially, Comosa publicly represented that the WBSS was offering \$50 million in prize money to the contestants and \$10 million to the winner of the tournament. Later, in an interview with writer Thomas Hauser, boxing promoter and Chairman of the Americas for Comosa, Richard Schaefer, conceded that \$50 million was "just a number because we don't know yet who will enter the tournaments."<sup>2</sup>
- 28. Season I of the WBSS featured two weight divisions, Super Middleweight and Cruiserweight.<sup>3</sup> Upon information and belief, Comosa was successful in attracting some of the

<sup>&</sup>lt;sup>1</sup> Dan Rafael, *World Boxing Super Series to offer \$50 million in prize money*, ESPN, (Mar. 10, 2017), <a href="https://www.espn.com/boxing/story/\_/id/18868583/world-boxing-super-series-tournament-offer-50-million-prize-money">https://www.espn.com/boxing/story/\_/id/18868583/world-boxing-super-series-tournament-offer-50-million-prize-money</a>

<sup>&</sup>lt;sup>2</sup> Thomas Hauser, *Notes and Nuggets*, THE SWEET SCIENCE, (Feb. 11, 2018), <a href="https://tss.ib.tv/boxing/featured-boxing-articles-boxing-news-videos-rankings-and-results/48037-notable-fact-nuggets-thomas-hauser">https://tss.ib.tv/boxing/featured-boxing-articles-boxing-news-videos-rankings-and-results/48037-notable-fact-nuggets-thomas-hauser</a>

<sup>&</sup>lt;sup>3</sup> The competitors in the sport of boxing are divided by weight class. There are 17 different weight classes in professional boxing: Heavyweight (200 lbs. +), Cruiserweight (up to 200 lbs.), Light Heavyweight (up to 175 lbs.), Super Middleweight (up to 168 lbs.), Middleweight (up to 160 lbs.), Super Welterweight (aka Junior Middleweight) (up to 154 lbs.), Welterweight (up to 147 lbs.), Super Lightweight (aka Junior Welterweight) (up to 140 lbs.),

best talent in the Super Middleweight division and the top talent at Cruiserweight. However, Season I was financially disastrous due to Comosa's inability to procure a US television deal to broadcast the tournament.

## B. WBSS Season II – Prograis Joins The Super Lightweight Tournament

- 29. On May 9, 2018, Comosa announced the lineup for Season II of the WBSS.

  Comosa ambitiously included three weight divisions, Bantamweight, Super Lightweight, and

  Cruiserweight (announced at a later date).
- 30. In order to generate interest in the Super Welterweight tournament, Comosa recruited Prograis to be part of the WBSS.
- 31. On or about May 24, 2018, both Prograis and DBE signed the Tournament Agreement to allow Prograis to participate in Season II of the WBSS.
- 32. Paragraph A of the Tournament Agreement laid out the timing of the bouts as follows: "Comosa is owner and creator of World Boxing Super Series ("WBSS"), an annual global boxing tournament (the "Tournament"), with Draw Gala in June/July 2018 and quarterfinals in September, October, or November 2018, semi-finals in January, February or March 2019, and the final in May, June or July 2019."
- 33. Paragraph 11 of the Tournament Agreement set out the purse amounts for each stage of the Tournament. For the quarterfinal bout, \$500,000 for the purse and \$500,000 as Winner's Bonus. For the semifinal bout, \$500,000 for the purse and \$600,000 for the Winner's Bonus. For the final bout, \$700,000 for the purse and \$1,300,000 for the Winner's Bonus.

Lightweight (up to 135 lbs.), Super Featherweight (aka Junior Lightweight) (up to 130 lbs.), Featherweight (up to 126 lbs.), Super Bantamweight (aka Junior Featherweight) (up to 122 lbs.), Bantamweight (up to 118 lbs.), Super Flyweight (aka Junior Bantamweight) (up to 115 lbs.), Flyweight (up to 112 lbs.), Junior Flyweight (up to 108 lbs.), and Strawweight (aka Minimumweight) (up to 105 lbs.).

- 34. Paragraph 11 also specified the timing of payment stating: "Any fee is due after the corresponding bout has actually taken place and will be payable by bank transfer within five (5) bank business days from the day of the corresponding bout and receipt of the corresponding invoice of Boxer, whatever is the later."
- 35. Above the signature block for DBE in the Tournament Agreement, is a paragraph where DBE, as promoter of Prograis, agreed to a limited release of Prograis allowing him to participate in the tournament as well as payment terms in consideration for the limited release which was to be paid from monies payable to Prograis under the Tournament Agreement.
- 36. On July 20, 2018, the seeding and brackets for the tournament were set at the WBSS Draft Gala in Moscow. Prograis was selected as the number one seed for the Super Lightweight tournament and considered the favorite to win. There was one world champion in the field, WBA Champ Kiryl Relikh, as well as a fight for the vacant IBF Championship between DBE-promoted boxer Ivan Baranchyk and unbeaten contender Anthony Yigit.

## C. Prograis Fights In The Quarterfinals – Then Fights To Get Paid

- 37. On October 27, 2018, in his hometown of New Orleans, Prograis fought his quarterfinal match against former WBO Lightweight Champion Terry Flanagan and easily defeated him by 12-round unanimous decision. Prograis knocked Flanagan down in round eight on his way to victory.
- 38. Prograis was paid his \$500,000 purse on the night of the fight, as per the rules of Louisiana State Boxing Commission. Both DBE and Prograis sent detailed invoices to Comosa for their shares of the Winner's Bonus, on October 29 and October 30, respectively. Receipt of those invoices was confirmed.

- 39. In contravention of the Tournament Agreement, Comosa did not remit payment to either DBE or Prograis within "five bank business days" of receipt of the invoices. On November 16, 2018, Dombroff emailed Comosa US counsel Leon Margules ("Margules"), attaching a letter demanding payment by close of business on Tuesday, November 20. DBE and Prograis were eventually paid by Comosa, days after the demand letter was sent.
- 40. On the same night that Prograis was victorious, DBE-promoted boxer Ivan Baranchyk ("Baranchyk") won the IBF World Title when his opponent Anthony Yigit was deemed unable to continue after round seven due to swelling around his left eye. Baranchyk was also paid his quarterfinal bout purse on the night of the fight. Baranchyk took a little longer submitting his invoices but was also left high and dry by Comosa on the timing of payment for his Winner's Bonus. On December 4, Dombroff emailed Margules demanding payment by close of business December 7. Payment to Baranchyk and DBE took longer than Prograis' situation but eventually both Baranchyk and DBE were paid their share of the Winner's Bonus by Comosa.
- 41. Upon information and belief, it was not just Prograis and Baranchyk who did not receive their Winner's Bonuses. On December 6, 2018, Mike Coppinger of The Ring one of the leading publications in boxing reported that the WBSS was in jeopardy of being cancelled due to financial problems: "Turmoil has been brewing behind the scenes among the board at Comosa AG, the group banking the tourney. At the heart of the issue: some investors have funded more than their promised share; others haven't met their due. . . . The semifinals are slated for February and March, and the matchups are set, but as of now, there's been no sites

secured for any of the six bouts; no dates, either. . . . Several fighters are still waiting for their victory bonuses — some of them six figures — to be paid out from their quarterfinal bouts."<sup>4</sup>

42. Upon information and belief, Comosa eventually made all of the Winner's Bonus payments to the boxers, and their respective promoters, who won in the quarterfinals of Season II. However, some of the payments were months late.

## **D.** The Escrow Agreement

- 43. Comosa's delays in scheduling the semifinal bouts, inability to timely pay the boxers in the WBSS (in contravention of the Tournament Agreement), and its well-publicized internal financial problems, had at least one boxer, Baranchyk, attempting to pull out of the tournament.
- 44. In late 2018, early 2019, DBE and Prograis sought to amicably resolve their dispute with Comosa without resorting to litigation.
- 45. On January 31, 2019, Prograis' co-manager Sam Katkovski ("Katkovski") wrote an email to Comosa Executive Massimiliano Iuliano ("Iuliano") expressing his concerns. Katkovski stated, "We had zero communication, verbal or in writing, from WBSS. The moment, he ended his fight on Oct 27th, we heard a potential date of Feb 28th for his next fight. As we were promised, before we signed and in the contract, that the 2nd round would take place no later then March 2019. This was a significant point that induced us to enter into the contract. Obviously that is no longer happening." Katkovski continued, "One of the main reasons for Regis desire to participate in the tournament was activity; 3 fights in a span of 9 months, that is no longer happening. The plan to finish the series by end of summer and to have Regis fight a

<sup>&</sup>lt;sup>4</sup> Mike Coppinger, *World Boxing Super Series In Jeopardy Of Cancellation; Some Fighters Still Await Bonuses*, THE RING, (Dec. 6, 2018) <a href="https://www.ringtv.com/549581-world-boxing-super-series-in-jeopardy-of-cancellation-some-fighters-still-await-bonuses/">https://www.ringtv.com/549581-world-boxing-super-series-in-jeopardy-of-cancellation-some-fighters-still-await-bonuses/</a>

massive fight in fall, is no longer possible. . . . We were paid late, were aware that nearly everyone else was paid late, and we are aware that some people have yet to be paid in respect to Round 1."

- 46. On February 4, 2019, Iuliano responded that Comosa planned to have Prograis fight in Glasgow, Scotland on May 18, 2019. Katkovski replied by email the same day, "Regis is ready to fight in April and we have placed holds on April 6 and 13<sup>th</sup> in New Orleans . . . With the semifinals originally agreed upon for Feb and March, April must be an acceptable date that would satisfy the tournament. . . . More importantly, if we are able to proceed with the April date, we would like to receive a guarantee of an "end date" to the tournament. . . . In regards to your mention of escrowing the fees, the money must be placed in escrow 75 days in advance of each of his next two fights (Semifinals and the Finals). Both the purse <u>and</u> the winner's bonus should be escrowed given the delays on the payments from the 1st round of the tournament."
- 47. After discussions between DBE, Katkovski and Kalle Sauerland ("Sauerland"), Comosa's Chief Boxing Officer, on February 8, 2019, Sauerland sent an email to DiBella and Katkovski stating, "Thanks for the productive conversations we have had over the last couple of days. I would like to confirm on behalf of Comosa the following understandings which form the basis for the binding long form escrow agreement: The Semifinal Bout versus Relikh to take place in the USA in April, 2019, most likely in New Orleans on April 27, 2019. The WBSS Super-Lightweight Finals to take place on/before 16.October 2019. In a change of the Tournament Agreement that requires Comosa to pay the Purse and PoS fee 5 days after the event, Comosa is willing to pay the basic Purse and Winning Bonus in escrow . . . . Comosa to offer the same timelines/conditions on a pro-rata basis to Prograis for an Escrow for the WBSS Final Bout, if Prograis proceeds to the final." (Emphasis added.)

- 48. On or about February 22, 2019, DBE, Prograis and Comosa entered into a *de facto* settlement agreement in the form of the Escrow Agreement. The Escrow Agreement modified the Tournament Agreement regarding methods and timing of payment, setting a hard and fast deadline date for the WBSS Super Lightweight final and a specification that a new escrow agreement had to be entered into for the final on substantially similar terms as the Escrow Agreement.
- 49. Under the Escrow Agreement, DBE and Prograis established a specified time period for installment payments into escrow of Prograis' semifinal bout purse (\$500,000) and potential Winner's Bonus (\$600,000):

\$250,000 on or before February 21, 2019 (65 days before the semifinal bout) \$250,000 on or before March 4, 2019 (54 days before the semifinal bout) \$600,000 on or before March 27, 2019 (31 days before the semifinal bout).

- 50. The Escrow Agreement also named the law firm of Dines & English, based in Clifton, New Jersey, as escrow agent and stated that the Agreement "shall be governed and construed in accordance with the law of [sic] State of New Jersey and in the event of any dispute requiring court intervention, the courts located in the State of New Jersey shall have sole jurisdiction."
- 51. In paragraph 12, the Escrow Agreement gave Prograis the right to "terminate this Agreement and the Tournament Agreement with immediate effect and without opportunity for Comosa to cure" if any payment pursuant to the Escrow Agreement did not arrive in the account within two banking days of its due date.
- 52. Paragraph 16 of the Escrow Agreement laid out how things would proceed if Prograis made it to the finals of the WBSS. It reads as follows:

In the event, Prograis advances to the WBSS final, the parties shall enter into an escrow agreement on *substantially similar terms* as this Agreement related to monies due to

DiBella and Prograis for the final. The WBSS final bout shall take place no later than October 7, 2019 as a material term of Prograis' continued participation in the WBSS and under the Tournament Agreement. (Emphasis added.)

53. Importantly, the Escrow Agreement contained an integration clause that stated, "This Agreement sets forth the entire agreement among the parties with respect to its subject matter, and supersedes and replaces all prior and contemporaneous warranties, representations, and agreements whether written or oral; and may not be amended or modified except by written agreement executed by the parties thereto."

## E. Prograis Advances To The WBSS Final - And Waits

- 54. On April 27, 2019, in Lafayette, Louisiana, Prograis fought his semifinal match against reigning WBA Super Lightweight Champion Kiryl Relikh and won by technical knockout as the referee stopped the fight at 1:36 of the sixth round. Prograis dropped Relikh with a body shot in round one.
- 55. Prograis and DBE were paid in accordance with the Escrow Agreement without issue.
- 56. In the other semifinal bout, held on May 18, 2019 in Glasgow, Scotland, Josh Taylor won a unanimous decision over Baranchyk and took over Baranchyk's IBF title. This set up a highly anticipated matchup between two unbeaten world champions who were seeded number one (Prograis) and number two (Taylor) by the WBSS at the beginning of the tournament.
- 57. Both Prograis and Taylor have waited patiently since May for Comosa to announce the date and site of the WBSS Super Lightweight final. On July 11, 2019, Sauerland made a vague statement to a reporter from The Ring, "The finals are due to take place in

September, October, November. We're working on venues in Asia, Middle East, U.S., U.K. and some others, so it's very open."<sup>5</sup>

- 58. In the meantime, on information and belief, Comosa was having funding problems to the point where they were reaching out to other promoters in hopes of getting funding to set make the WBSS finals happen. To date, in spite of the Tournament Agreement stating that the finals will take place "in May, June or July 2019" not one of the three weight classes in Season II of the WBSS has taken place.
- 59. On July 29, 2019, Dombroff emailed Chris Meyer, Director of Administration at Comosa attaching a letter. In the letter, Dombroff reiterated that the Escrow Agreement had stated clearly that "the parties shall enter into an escrow agreement on substantially similar terms" as the original Escrow Agreement. He also noted that the Escrow Agreement stated that the WBSS final bout "shall take place no later than October 7, 2019 as a material term of Prograis' continued participation in the WBSS and under the Tournament Agreement."
- 60. In order for the new escrow agreement to be on substantially similar terms to the original, Dombroff emphasized that the following specified installment dates must be met:

\$500,000 on or before August 1, 2019 i.e., 65 days before the final bout \$500,000 on or before August 12, 2019 i.e., 54 days before the final bout \$1,000,000 on or before September 4, 2019 i.e., 31 days before the final bout

61. Meyer responded that, "Comosa has always taken the position that reasonable notice to the Boxers as to the date of each Bout as provided for in the Tournament Agreement is 8 weeks before. We therefore will finalyze [sic] the date on or before August 5th."

<sup>&</sup>lt;sup>5</sup> Anson Wainwright, *Kalle Sauerland Reviews Season Two Of The World Boxing Super Series, Looks Forward To The Future*, THE RING, (July 11, 2019) <a href="https://www.ringtv.com/570934-kalle-sauerland-reviews-season-two-of-the-world-boxing-super-series-looks-forward-to-the-future/">https://www.ringtv.com/570934-kalle-sauerland-reviews-season-two-of-the-world-boxing-super-series-looks-forward-to-the-future/</a>

- 62. August 5th came and went with no offer. Only on August 6th, well after the date DBE specified for the first payment, Meyer emailed a last minute offer stating, "In order to save time once Comosa has determined the place and date of the Final, please find attached the contract drafts as proposed by Comosa. Please have a look from your end, what is acceptable to you, and where you would make a counter proposal."
- 63. The proposed escrow arrangements confirmed that Comosa had no intention to comply with their obligations under the Escrow Agreement as the terms of the new proposal were clearly not the same nor substantially similar to the escrow for the semifinal bout. Comosa offered the following:

\$350,000 on or before August 16, 2019 (50 days before the final bout) \$350,000 on or before August 30, 2019 (36 days before the final bout) \$1,300,000 on or before September 6, 2019 (29 days before the final bout)

- 64. Further, the offer asked for another two weeks to finalize, not just the escrow payments, but also the site and date of the final. On information and belief, Comosa made this offer with the knowledge that their American broadcast partner, DAZN, a sports streaming service, had not approved of the October 5 date. Comosa's offer was merely a stalling tactic as they desperately tried to find alternate financing to pay for the bout and front the escrow money.
- 65. Two days later, on August 8, 2019, Comosa forwarded another set of draft escrow and bout agreements. The proposed date of the final was now moved up to September 28, 2019. Comosa left the same dates for the escrow payments as their August 6, 2019 offer. The new offer clearly violated the Escrow Agreement's set schedule of escrow payments. It also grossly violated Meyer's stated deadline for "reasonable notice to the Boxers," which he emailed less than a week prior. Moving the date of the final one week closer also gave Prograis even less time to train for final. The fighters in the WBSS are required to travel to the site of the bout at

least one week in advance of the fight in order to do publicity. Even if Prograis were to start his training camp immediately on August 8, he would only have a little over six weeks to be in prime condition.

- 66. Indeed, Comosa is well aware that the current offer falls woefully short of their obligations. Meyer acknowledged in his previous email that they needed to finalize a date (and therefore escrow payments) at least eight weeks before the fight. The custom and practice in boxing is to have all of the details of the boxing match: site, date, method of payment, etc., squared away at least two months in advance to give the boxers the bare minimum of adequate time to prepare and train for their fight. For Prograis, this is the biggest fight of his life and less than eight weeks out there is still no escrow agreement and no finalized site for the WBSS final.
- 67. Comosa's continuing failure to perform under the Escrow Agreement is, without Court intervention, holding his career hostage and keeping him in limbo. Put simply, Prograis is being kept off of a very lucrative boxing market by Comosa,<sup>6</sup> which upon information and belief, cannot finance the rest of its tournament and is in violation of its obligations under the Escrow Agreement. Based on the foregoing, Plaintiffs DBE and Prograis seek a declaration that Comosa has not complied with the Escrow Agreement and cannot at this point offer a new escrow agreement on substantially similar terms.
- 68. Further, Plaintiffs seek a declaration that Prograis is free and clear of his obligations to Comosa under both the Escrow Agreement and Tournament Agreement and can pursue his career outside of the WBSS immediately.

<sup>&</sup>lt;sup>6</sup> Steve Kim, *A Booming, Divided Boxing Business in 2019*, ESPN, (Jan. 9, 2019) (Promoter Eddie Hearn quoted, "There is more money in the sport than ever, more broadcasters in the sport than ever, more shows than ever, more big shows than ever.") <a href="https://www.espn.com/boxing/story//id/25720899/a-booming-divided-boxing-business-2019">https://www.espn.com/boxing/story//id/25720899/a-booming-divided-boxing-business-2019</a>

## **FIRST CAUSE OF ACTION**

## **DECLARATORY JUDGMENT**

- 69. Plaintiffs incorporate by reference and reallege each and every allegation set forth above as if fully set forth herein.
- 70. A justiciable controversy exists with respect to whether Comosa has violated the Escrow Agreement by, among other things, not entering into a new escrow agreement on terms substantially similar to those in the original Escrow Agreement, including by agreeing to an appropriate schedule for the timely payment of hundreds of thousands dollars per payment to Plaintiffs.
- 71. A further justiciable controversy exists regarding whether Prograis is still obligated to participate in the WBSS in light of Comosa's conduct, or whether Prograis is free to pursue other fights outside the WBSS, for which he would earn millions of dollars.
- 72. A decree from this Court with the authority granted by 28 U.S.C. § 2201 and 28 U.S.C. § 2202 would resolve this justiciable controversy and obviate the need for further litigation.

## PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for judgment as follows:

- 1. That this Court enter declaratory judgment as follows:
  - a. That Comosa has violated the Escrow Agreement by not entering into a new escrow agreement on terms substantially similar to the original Escrow
     Agreement; and
  - b. That Prograis is free of any obligation to Comosa to participate in the WBSS and DBE is free to promote Prograis in fights without obligation to Comosa.

Dated: August 9, 2019

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