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Attorneys for Plaintiffs  
LOS ANGELES TURF CLUB, INCORPORATED,  
LOS ANGELES TURF CLUB II, INC.,  
PACIFIC RACING ASSOCIATION, PACIFIC RACING  
ASSOCIATION II, GULFSTREAM PARK RACING  
ASSOCIATION, INC., OREGON RACING, INC.,  
MARYLAND JOCKEY CLUB OF BALTIMORE CITY, INC.,  
and LAUREL RACING ASSOCIATION, INC.

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES TURF CLUB, ) No.: 2:15-cv-9332 SJO (JEMx)  
INCORPORATED, a California )  
Corporation, LOS ANGELES TURF )  
CLUB II, INC., a California Corporation, ) **JUDGMENT**  
PACIFIC RACING ASSOCIATION, a )  
California Corporation, PACIFIC )  
RACING ASSOCIATION II, a California )  
Corporation, GULFSTREAM PARK )  
RACING ASSOCIATION, INC., a )  
Florida Corporation, OREGON RACING, )  
INC., a Delaware Corporation, )  
MARYLAND JOCKEY CLUB OF )  
BALTIMORE CITY, INC., a Maryland )  
Corporation, and LAUREL RACING )  
ASSOCIATION, INC., a Maryland )  
Corporation, )  
Plaintiffs, )  
vs. )  
HORSE RACING LABS, LLC, a )

1 Delaware Limited Liability Company, )  
2 (also known as IMMERSE, LLC), doing )  
3 business as DERBYWARS, and DOES 1 )  
4 through 10, inclusive, )

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Defendants.

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10 WHEREAS, on December 2, 2015, Plaintiffs Los Angeles Turf Club, Inc., Los  
11 Angeles Turf Club II, Inc., Pacific Racing Association, Pacific Racing Association II,  
12 Gulfstream Park Racing Association, Inc., Oregon Racing Inc., Maryland Jockey Club  
13 of Baltimore City, Inc., and Laurel Racing Association, Inc. (collectively, “Plaintiffs”),  
14 commenced this action against Defendant Horse Racing Labs, LLC, d/b/a Derby Wars  
15 (“Defendant”), alleging, among other things, that Defendant’s fantasy horse racing  
16 contests that use horseraces run at horserace tracks operated by Plaintiffs (the  
17 “Contests”) violate the *Interstate Horseracing Act* (“IHA”) (the “Action”);

18 WHEREAS, on May 31, 2016, Defendant filed an Answer to Plaintiffs’ claims,  
19 raising a number of affirmative defenses and denying any and all liability for the  
20 claims asserted;

21 WHEREAS, on May 15, 2017, the Court issued its Order granting in part  
22 Plaintiffs’ Motion for Partial Summary Judgment, and Denying Defendant’s Motion  
23 for Summary Judgment, (Docket, No. 88), (the “Order”);

24 WHEREAS, Plaintiffs and Defendant have entered into a Stipulation for Entry  
25 of Judgment (the “Stipulation”);

26 WHEREAS, Plaintiffs and Defendant enter into this Stipulated Judgment and  
27 Permanent Injunction (“Judgment”) as part of a full and final settlement of all claims  
28 that were raised in the Action, or which could have been raised in the Action, arising

1 out of the facts and conduct alleged therein. The Judgment is entered into for the  
2 purpose of resolving issues disputed in this Action only; and

3 This Court, having considered the pleadings and Stipulation, and good cause  
4 appearing therefrom,

5 IT IS ORDERED, ADJUDGED, AND DECREED THAT:

6 1. The Order shall remain in full force and effect as the Order of this Court,  
7 and is incorporated into this Judgment.

8 2. Defendant, and its agents, servants, employees, officers, dbas, successors,  
9 licensees and assigns, and all persons acting in concert or participation with each and  
10 any of them, shall be, and hereby are, forever restrained and enjoined from directly or  
11 indirectly using or including any horseraces run at any of the horserace tracks operated  
12 by any of the Plaintiffs in any of Defendant's Contests, without the prior written  
13 consent of Plaintiffs.

14 3. Plaintiffs shall recover from Defendant the sum of \$1,000,000.00, subject  
15 to the following:

16 a. On the latter of three business days after notice of entry of this Judgment  
17 or three business days after Plaintiffs provide written wiring instructions as to payment  
18 to Defendant, Defendant shall pay to Plaintiff the sum of \$250,000.00;

19 b. On the fifteenth day of each succeeding month (subject to a grace period  
20 of five business days), for the next thirty-six months, Defendant shall pay to Plaintiff  
21 the sum of \$20,833.00 per month, provided that if Defendant makes the initial  
22 payment pursuant to subsection (a) above and the first twelve monthly payments  
23 pursuant to this subsection (b) in full and on time as required herein, the monetary  
24 obligations set forth in Paragraphs 3 and 4 shall be deemed satisfied in full. Nothing  
25 in this Paragraph 3 shall prevent Defendant from making an earlier lump sum payment  
26 equal to the balance of the first twelve (12) months payments, in which case Defendant  
27 shall be excused from making any further payments, and the monetary obligations set  
28 forth in this Paragraphs 3 and 4 shall be deemed satisfied in full.

