

CAUSE NO.2014-20261

500 N. WATER STREET PROPERTY I, LLC
(also known as 500 N. Water Street Property,
LLC), 500 N. WATER ST. PROPERTY LP,
5262 STAPLES II LTD., 5262 STAPLES
GP II LLC, BNP COMMERCIAL
PROPERTIES, LTD., BNP HOLDINGS,
LTD., TSE EQUITIES I. LLC, TSE
EQUITIES COMPANY, LTD, PBF
IVESTMENTS, LTD., BNP MANAGEMENT,
LLC, PAUL BLACK and WENDY
BENNETT BLACK

vs.

TOBY SHOR, INDIVIDUALLY AND AS
TRUSTEE SEASHORE INVESTMENTS
MANAGEMENT TRUST, TOBY SHOR
AS TRUSTEE OF THE TOBY SHOR
2004 GRAT TRUST, RICHARD DALY
and DOUGLAS ALLISON

IN THE DISTRICT COURT OF

HARRIS COUNTY, TEXAS

269th JUDICIAL DISTRICT

CAUSE NO. 2014-06785

LAND AND BAY GAUGING, LLC; 5302
MANDELL PROPERTY, LP; 5302
MANDELL PROPERTY I LLC; BNP
NETWORKS, LLC; 5262 STAPLES
LTD., 5262 STAPLES GP LLC; BISTRO CP,
LLC; BLACK COMMERCIAL HOLDINGS,
LLC; BLACK ENERGY RESOURCES CO.;
BNP EXPLORATION CO.; CCEX LLC;
INTREPID OIL AND GAS CORP., RPH
FINANCIAL INVESTMENTS CORP.; HBP
LTD. (also known as HBP Partners, Ltd.); and
BNP HOLDINGS III, LTD.

Plaintiffs,

vs.

TOBY SHOR, INDIVIDUALLY AND AS
TRUSTEE OF SEASHORE INVESTMENTS
MANAGEMENT TRUST; TOBY SHOR AS
TRUSTEE OF THE TOBY SHOR 2004
GRAT TRUST; and RICHARD DALY

Defendants.

IN THE DISTRICT COURT

215TH JUDICIAL DISTRICT

HARRIS COUNTY, TEXAS

SETTLEMENT AGREEMENT

The parties hereto agree that this lawsuit and all related claims and controversies between them are hereby settled in accordance with the following terms of this Settlement Agreement.

1. The parties acknowledge that bona fide disputes and controversies exist between them, both as to liability and the amount thereof, if any, and by reason of such disputes and controversies they desire to compromise and settle all claims and causes of action of any kind whatsoever which the parties have or may have arising out of the transaction or occurrence which is the subject of this litigation and all other related litigation. It is further understood and agreed that this is a compromise of a disputed claim, and nothing contained herein shall be construed as an admission of liability by any party, all such liability being expressly denied.
2. Each signatory hereto hereby warrants and represents that:
 - a. such person has authority to bind the party or parties for whom such person acts.
 - b. the claims, suits, rights, and/or interests which are the subject matter hereto and all other litigation between the parties or entities related to them are owned by the party asserting same, have not been assigned, transferred or sold, and are free of any encumbrance.
 - c. Paul Black is authorized to sign on behalf of each of the Plaintiffs named above and has the authority to dismiss the cause of action in Grimes County identified in paragraph 3 below.
3. The parties will execute and file an Agreed Order dismissing all claims in the above-styled and numbered cases with prejudice. All claims in all courts, including but not limited to Harris, Nueces, and Grimes Counties, and all federal courts, including bankruptcy courts, will be dismissed. Without limiting the foregoing, Paul Black will also dismiss Cause No. 32190, *Pelican Oil & Gas et al. v. Toby Shor*, in the District Court of Grimes County, 12th Judicial District.
4. Paul Black, individually, will pay Defendant, Toby Shor, Individually, as Trustee of Seashore Investments Management Trust and as Trustee of Toby Shore 2004 Grat Trust as set forth on Exhibit "A."
5. Defendant, Richard D. Daly, will be dismissed without payment.
6. All taxable costs are to be borne by the party incurring same.
7. Except for the agreements set forth herein, the parties hereby agree to release, discharge, and forever hold the other harmless from any and all claims, demand, or suits, known or unknown, fixed or contingent, liquidated or unliquidated, whether or not asserted in the above case, as of this date, arising from or related to the events and transactions which are the subject matter of this cause. This mutual release runs to the benefit of all attorneys, agents, employees, officers, directors, shareholders, partners, heirs, assigns, and legal representatives of the parties hereto.
8. Counsel for Defendants shall deliver drafts of any further documents to be executed in connection with this settlement to counsel for the other parties hereto within 14 days from the date hereof. All documents will be completed and executed within 14 days of the receipt of the draft by counsel for Plaintiffs. The parties and their counsel agree to cooperate with each other in the drafting and execution of such additional documents as are reasonably requested or required to implement the provisions and spirit of this Settlement Agreement, but notwithstanding such additional documents the

parties confirm that this is a written settlement agreement as contemplated by Section 154.071 of the Texas Civil Practice and Remedies Code.

9. This Settlement Agreement is made and performable in Nueces County, Texas, shall be construed in accordance with the laws of the State of Texas, and Nueces County shall be the exclusive venue for all disputes arising out of or relating to this Settlement Agreement.
10. If one or more disputes arise with regard to the interpretation and/or performance of this Agreement or any of its provisions, the parties agree to attempt to resolve same with DAVID G. MATTHIESEN, the Mediator, who facilitated this settlement.
11. Although the mediator has provided a basic outline of this Settlement Agreement to the parties' counsel as a courtesy to facilitate the final resolution of this dispute, the parties and their counsel have thoroughly reviewed such outline and have, where necessary, modified it to conform to the requirements of their agreement. All signatories to this Settlement Agreement hereby release the Mediator from any and all responsibility arising from the drafting of this Settlement Agreement, and by signing this Settlement Agreement acknowledge that they, or their attorneys, have been advised by the mediator in writing that this Settlement Agreement should be independently reviewed by counsel before executing the Agreement.
12. This Settlement Agreement does not include Douglas Allison.
13. Within 30 days of the execution of this Settlement Agreement, Paul Black will deliver to Richard Daly, Daly & Black P.C., 2211 Norfolk St., Houston, Texas 77098, a sworn financial statement for himself individually and each of the Plaintiff entities.
14. Paul Black represents that as of today's date, exclusive of the judgment that is the basis of this dispute, each of the Plaintiffs has assets with a total value of less than \$100,000.
15. Paul Black represents that the Paul Black Heritage Trust does not hold and has not held assets traceable to BNP Petroleum or BNP Oil and Gas or Toby Shor.
16. To the extent Toby Shor or Seashore owns or claims any interest in the subject plaintiff entities, Shor agrees to execute the necessary documents to convey all of her interests in such entities to Paul Black.

Agreed, this 23^d day of Dec, 2016.

PLAINTIFFS:

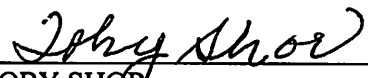


PAUL BLACK

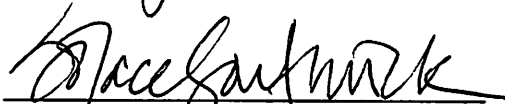


ATTORNEY FOR PLAINTIFFS

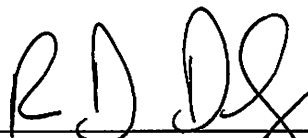
DEFENDANTS:



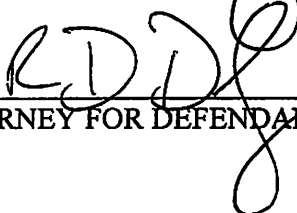
TOBY SHOR



ATTORNEY FOR DEFENDANT



RICHARD D. DALY



ATTORNEY FOR DEFENDANT

Exhibit "A"

Paul Black will make payments of \$7500 on or before the 5th of January 2017 and every month thereafter on or before the 5th of that month for 120 total payments. Time is of the essence of this agreement.

Paul Black will make 5 payments of \$400,000 each. The first such payment will be made on or before December 31, 2018; the second on or before December 31, 2020; the third on or before December 31, 2022; the fourth on or before December 31, 2024; and the fifth on or before December 31, 2026. Time is of the essence of this agreement.

The payments set forth above will be secured by the existing judgment against Paul Black as modified to reflect a non-dischargeable judgment for \$10 million.

In the event that any payment is not timely made, and such failure to make timely payment remains uncured for 2 banking days, the full amount of the \$10 million judgment, less any amounts paid under this Exhibit A, will become immediately due and execution may immediately issue.

Payments under this Exhibit A will be made payable to Toby Shor and delivered to: Richard Daly, Daly & Black PC, 2211 Norfolk St., Suite 800, Houston, Texas 77098.