

SETTLEMENT AND RELEASE AGREEMENT

This Settlement and Release Agreement (“Agreement”) is made by, between, and among the following undersigned parties:

The Plaintiff Federal Deposit Insurance Corporation as Receiver for Sterling Bank (“FDIC-R”), David Albright, Thomas Copulos, Peter Clarkson, Craig Crombie, S. Daniel Economos, David Eiler, Moyle Fritz, Jr., Jeffrey Ostrow, George L. Sigalos, Thomas Vogel, and Alexandra Yessios (collectively the “Settling Individuals”), and George Bavelis (“Bavelis”) (individually, the FDIC-R, the Settling Individuals, and Bavelis may be referred to herein as “Party” and collectively as the “Parties”).

RECITALS

WHEREAS:

Prior to July 23, 2010, Sterling Bank (“Bank”) was a depository institution organized and existing under the laws of Florida;

On July 23, 2010, the Florida Office of Financial Regulation closed the Bank and pursuant to 12 U.S.C. § 1821(c), the Federal Deposit Insurance Corporation was appointed Receiver. In accordance with 12 U.S.C. § 1821(d), the FDIC-R succeeded to all rights, titles, powers and privileges of the Bank, including those with respect to its assets.

Among the assets to which the FDIC-R succeeded were all of the Bank’s claims, demands, and causes of actions against its former directors, officers, and employees arising from the performance, nonperformance, and manner of performance of their respective functions, duties and acts as directors, officers, and employees of the Bank. The FDIC filed a proof of claim in Bavelis’ chapter 11 bankruptcy proceeding styled In re. George A. Bavelis, Case No. 2:10-bk-58583, United States Bankruptcy Court, Southern District of Ohio (the “Bankruptcy Court”).

The Settling Individuals and Bavelis deny liability for the claims.

The Bank carried a directors' and officers' liability policy for the period May 7, 2008, through May 7, 2011 (the "Policy"), by which the insurer ("Insurer"), insured the directors and officers of the Bank according to the terms, provisions, and conditions of the Policy. The Settling Individuals and Bavelis asserted claims for coverage under the Policy.

The undersigned Parties deem it in their best interests to enter into this Agreement to avoid the uncertainty and expense of litigation.

NOW, THEREFORE, in consideration of the promises, undertakings, payments, and releases stated herein, the sufficiency of which consideration is hereby acknowledged, the undersigned Parties agree, each with the other, as follows:

SECTION I: Payments to FDIC-R

A. The Settling Individuals jointly and severally agree to cause the Insurer to pay the FDIC-R the sum of \$3,200,000 (the "Settlement Payment"). The Settlement Payment shall be made to the FDIC-R within fourteen (14) business days after the Bankruptcy Court issues a final order approving this Agreement, if a final order is issued prior to June 15, 2014. If the Bankruptcy Court does not issue a final order approving this Agreement by June 15, 2014, the Settling Individuals agree to cause the Insurer to place the Settlement Payment in the trust account of Johnson & Cassidy, P.A., counsel for certain of the Settling Individuals, by June 30, 2014, with the Settlement Payment to be released from the trust account and paid to the FDIC-R within two (2) business days after the Bankruptcy Court issues a final order approving this Agreement. If the Bankruptcy Court does not issue a final order approving this Agreement by July 21, 2014, then the Settlement Payment shall be returned from the trust account of Johnson &

Cassidy, P.A. to the Insurer; this Settlement Agreement shall be null and void; and the Parties shall return to the same positions they held prior to signing this Settlement Agreement.

B. The Settlement Payment to the FDIC-R shall be made by direct wire transfer into an account designated by FDIC-R by notice to the attorneys for the Settling Individuals and Insurer. The FDIC-R shall provide all necessary payment instructions no later than five days after full execution of the Agreement.

C. Subject to and without waiving the requirements set forth in subsection A above regarding the Bankruptcy Court's approval of this Agreement, if the FDIC-R does not receive the Settlement Payment in full on or before the date determined by subsection A above, then the FDIC-R, in its sole discretion, shall have the right at any time prior to receipt of the Settlement Payment in full to:

1. Extend the period of time for the Settlement Payment; or
2. Enforce this Agreement, in which event the Settling Individuals agree to jurisdiction in United States District Court for the Southern District of Florida and to pay all of the FDIC-R's reasonable attorney's fees and costs expended in enforcing the terms of this Agreement; or
3. Terminate the Agreement against the Party or Parties who have failed to make payment and institute an action on the FDIC-R's claims. The Settling Individuals further: (1) agree to waive all objections, defenses, claims or counterclaims regarding any statute of limitations that would bar any of the FDIC-R's claims; and (2) covenant and agree not to assert any objections, defenses, claims or counterclaims that did not exist or were otherwise unavailable as of the date this Agreement was fully executed; and/or
4. Seek any other relief available to it in law or equity.

Any extension of time under Section I.C.1 for delivery of the Settlement Payments or acceptance of a portion of the Settlement Payment shall not prejudice the FDIC-R's rights to take any of the actions set forth in Section I.C.2 through I.C.4 at any time prior to receipt of Settlement Payment in full.

SECTION II: Withdrawal of Bankruptcy Claim

Within five business days after the latter of (1) receipt of the Settlement Payment, and (2) approval of this Agreement by the Bankruptcy Court in *In re: George A. Bavelis*, Case No. 2:10-bk-58583 (S.D. Ohio) ("Bavelis Bankruptcy Case"), the FDIC-R shall withdraw any and all claims filed in the Bavelis Bankruptcy Case, with prejudice, including but not limited to Proof of Claim No. 52, as subsequently amended.

SECTION III: Releases

A. The FDIC-R's Releases.

1. Upon receipt of the Settlement Payment in full as provided in Section I, and except as provided in Section III.D., the FDIC-R, for itself and its successors and assigns, hereby releases and discharges the Settling Individuals, other than Bavelis, and their respective heirs, executors, trustees, administrators, representatives, successors and assigns, from any and all claims, demands, obligations, damages, actions, and causes of action, direct or indirect, in law or in equity, belonging to the FDIC-R, that arise from or relate to, the performance, nonperformance, or manner of performance of the Settling Individuals' respective functions, duties and actions as officers and/or directors of the Bank.

2. Effective simultaneously with the withdrawal of the claim in Section II above, the FDIC-R, for itself and its successors and assigns, hereby release and discharge Bavelis, his bankruptcy estate, and his respective heirs, executors, trustees, administrators, representatives, successors and assigns, from any and all claims, demands, obligations, damages, actions, and

causes of action, direct or indirect, in law or in equity, belonging to the FDIC-R, that arise from or relate to, the performance, nonperformance, or manner of performance of Bavelis' respective functions, duties and actions as an officer and/or director of the Bank.

B. The Settling Individuals' Release.

Effective simultaneously with the release granted in Section III.A. above, the Settling Individuals, on behalf of themselves individually, and their respective heirs, executors, administrators, agents, representatives, attorneys, successors, and assigns, hereby release and discharge the FDIC-R, and its employees, officers, directors, representatives, successors and assigns, from any and all claims, demands, obligations, damages, actions, and causes of action, direct or indirect, in law or in equity, belonging to the Settling Individuals, that arise from or relate to, the Bank or to the performance, nonperformance, or manner of performance of the Settling Individuals' respective functions, duties and actions as officers and/or directors of the Bank.

C. Bavelis's Release.

Effective simultaneously with the withdrawal of the claim in Section II above, Bavelis, on behalf of himself individually, his bankruptcy estate, and his respective heirs, executors, administrators, agents, representatives, attorneys, successors, and assigns, hereby releases and discharges the FDIC-R, and its employees, officers, directors, representatives, successors and assigns, from any and all claims, demands, obligations, damages, actions, and causes of action, direct or indirect, in law or in equity, belonging to Bavelis, that arise from or relate to, the Bank or to the performance, nonperformance, or manner of performance of Bavelis's respective functions, duties and actions as an officer and/or director of the Bank.

D. Exceptions from Releases By FDIC-R.

1. Notwithstanding any other provision of this Agreement, the FDIC-R does not release, and expressly preserves fully and to the same extent as if this Agreement had not been executed, any claims or causes of action:

a. against the Settling Individuals, Bavelis, or any other person or entity for liability, if any, incurred as the maker, endorser or guarantor of any promissory note or indebtedness payable or owed by them to FDIC-R, the Bank, other financial institutions, or any other person or entity, including without limitation any such claims acquired by FDIC-R as successor in interest to the Bank or any person or entity other than the Bank; and

b. against any person or entity not expressly released by the FDIC-R in this Agreement.

2. Notwithstanding any other provision of this Agreement, nothing in this Agreement shall be construed or interpreted as limiting, waiving, releasing, or compromising the jurisdiction and authority of the Federal Deposit Insurance Corporation in the exercise of its supervisory or regulatory authority or to diminish its ability to institute administrative enforcement or other proceedings seeking removal, prohibition, or any other relief it is authorized to seek pursuant to its supervisory or regulatory authority against any person.

3. Notwithstanding any other provision of this Agreement, this Agreement does not purport to waive, or intend to waive, any claims that could be brought by the United States through the Department of Justice, the United States Attorney's Office for any federal judicial district, or any other department or agency of the United States as defined by 18 U.S.C. § 6. In addition, the FDIC-R specifically reserves the right to seek court-ordered restitution pursuant to

the relevant provisions of the Victim and Witness Protection Act, 18 U.S. C. § 3663, et seq., if appropriate.

SECTION IV: Waiver of Dividends and Proceeds from Litigation

To the extent, if any, that Settling Individuals are or were shareholders of the Bank or its holding company and by virtue thereof are or may be entitled to a dividend, payment, or other distribution upon resolution of the receivership of the Bank or proceeds in any litigation that has been or could be brought against the United States based on or arising out of, in whole or in part, the closing of the Bank, or any alleged acts or omissions by the Federal Deposit Insurance Corporation, the FDIC-R, the United States government, or any agency or department of the United States government in connection with the Bank, its conservatorship, or receivership, Settling Individuals hereby knowingly assign to the FDIC-R any and all rights, titles, and interest in and to any and all such dividends, payments, or other distributions, or proceeds.

Upon withdrawal of the claim in Section II above, to the extent, if any, that Bavelis is or was a shareholder of the Bank or its holding company and by virtue thereof is or may be entitled to a dividend, payment, or other distribution upon resolution of the receivership of the Bank or proceeds in any litigation that has been or could be brought against the United States based on or arising out of, in whole or in part, the closing of the Bank, or any alleged acts or omissions by the Federal Deposit Insurance Corporation, the FDIC-R, the United States government, or any agency or department of the United States government in connection with the Bank, its conservatorship, or receivership, Bavelis hereby knowingly assigns to the FDIC-R any and all rights, titles, and interest in and to any and all such dividends, payments, or other distributions, or proceeds.

SECTION V: Representations and Acknowledgement

A. Authorized Signatories. All of the undersigned persons represent and warrant that they are Parties hereto or are authorized to sign this Agreement on behalf of the respective Party, and that they have the full power and authority to bind such Party to each and every provision of this Agreement, except for Bavelis, whose authority is subject to bankruptcy court approval. This Agreement shall be binding upon and inure to the benefit of the undersigned Parties and their respective heirs, executors, administrators, representatives, successors and assigns.

B. Advice of Counsel. Each Party hereby acknowledges that he, she, or it has consulted with and obtained the advice of counsel prior to executing this Agreement, and that this Agreement has been explained to that Party by his or her counsel.

SECTION VI: Reasonable Cooperation

The Parties agree to cooperate in good faith to effectuate all the terms and conditions of this Agreement, including doing, or causing their agents and attorneys to do, whatever is reasonably necessary to effectuate the signing, delivery, execution, filing, recording, and entry, of any documents necessary to perform the terms of this Agreement.

SECTION VII: Other Matters

A. No Admission of Liability. The undersigned Parties each acknowledge and agree that the matters set forth in this Agreement constitute the settlement and compromise of disputed claims and defenses, that this Agreement is not an admission or evidence of liability or infirmity by any of them regarding any claim or defense, that the undersigned parties expressly deny any such liability or infirmity, and that the Agreement shall not be offered or received in evidence by or against any Party except to enforce its terms.

B. Execution in Counterparts. This Agreement may be executed in counterparts by one or more of the Parties and all such counterparts when so executed shall together constitute

the final Agreement, as if one document had been signed by all Parties; and each such counterpart, upon execution and delivery, shall be deemed a complete original, binding the Parties subscribed thereto upon the execution by all Parties to this Agreement.

C. Choice of Law. This Agreement shall be interpreted, construed and enforced according to applicable federal law, or in its absence, the laws of the State of Florida.

D. Notices. Any notices required hereunder shall be sent by registered mail, first class, return receipt requested, and by email, to the following:

If to the FDIC-R:

Christine P. Hsu
Counsel, Federal Deposit Insurance Corporation
3501 Fairfax Drive, # B-7054
Arlington, Virginia 22226

and

John Gibbons
Saxon, Gilmore, Carraway & Gibbons, P.A.
201 E. Kennedy Blvd., Suite 600
Tampa, Florida 33602

If to the Settling Individuals:

Rudolph Aragon, Esq.
White & Case, LLP
Southeast Financial Center
200 South Biscayne Boulevard, Suite 4900
Miami, Florida

and

John E. Johnson, Esq. of
Johnson & Cassidy, P.A.
324 South Hyde Park Avenue
Tampa, FL 33604

If to George Bavelis:

Richard K. Stovall

Allen Kuehnle Stovall & Neuman LLP
17 S. High Street, Suite 1220
Columbus, OH 43215-3441

E. Entire Agreement and Amendments. This Agreement constitutes the entire agreement and understanding between and among the undersigned parties concerning the matters set forth herein and supersedes any prior agreements or understandings. This Agreement may not be amended or modified, nor may any of its provisions be waived, except in writing signed by the Parties bound thereby, or by their respective authorized attorney(s), or other representative(s).

F. Titles and Captions. All section titles and captions contained in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by each of them or their duly authorized representatives on the dates hereinafter subscribed.

FEDERAL DEPOSIT INSURANCE CORPORATION AS RECEIVER FOR STERLING BANK

Date: 5/28/14

BY: (b)(6)

TITLE: Counsel

PRINT NAME: Christine P. Hsu

Date: _____

DAVID ALBRIGHT, INDIVIDUALLY

Date: _____

GEORGE BAVELIS, INDIVIDUALLY

Date: _____

PETER CLARKSON, INDIVIDUALLY

Date: _____

THOMAS COPULOS, INDIVIDUALLY

Date: _____

S. DANIEL ECONOMOS, INDIVIDUALLY

Date: _____

DAVID EILER, INDIVIDUALLY

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FEDERAL DEPOSIT INSURANCE CORPORATION AS RECEIVER FOR STERLING BANK

Date: _____

BY: _____

TITLE: Counsel

PRINT NAME: Christine P. Hsu

Date: 5/22/14

~~DAVID A. BRIGHT, INDIVIDUALLY~~

[Redacted Signature]

(b)(6)

Date: _____

GEORGE BAVELIS, INDIVIDUALLY

Date: _____

PETER CLARKSON, INDIVIDUALLY

Date: _____

THOMAS COPULOS, INDIVIDUALLY

Date: _____

S. DANIEL ECONOMOS, INDIVIDUALLY

Date: _____

DAVID EILER, INDIVIDUALLY

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Date: _____

BY: _____

TITLE: Counsel

PRINT NAME: Christine P. Hsu

Date: _____

DAVID ALBRIGHT, INDIVIDUALLY

Date: 5-22-14

GEORGE BAVELIS, INDIVIDUALLY

(b)(6)

Date: _____

PETER CLARKSON, INDIVIDUALLY

Date: _____

THOMAS COPULOS, INDIVIDUALLY

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S. DANIEL ECONOMOS, INDIVIDUALLY

Date: _____

DAVID EILER, INDIVIDUALLY

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Date: _____

BY: _____

TITLE: Counsel

PRINT NAME: Christine P. Hsu

Date: _____

DAVID ALBRIGHT, INDIVIDUALLY

Date: _____

GEORGE BAVELIS, INDIVIDUALLY

Date: 5/21/2014

PETER CLARKSON, INDIVIDUALLY

(b)(6)

Date: _____

THOMAS COPULOS, INDIVIDUALLY

Date: _____

S. DANIEL ECONOMOS, INDIVIDUALLY

Date: _____

DAVID EILER, INDIVIDUALLY

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FEDERAL DEPOSIT INSURANCE
CORPORATION AS RECEIVER FOR
STERLING BANK

Date: _____

BY: _____

TITLE: Counsel

PRINT NAME: Christine P. Hsu

Date: _____

DAVID ALBRIGHT, INDIVIDUALLY

Date: _____

GEORGE BAVELIS, INDIVIDUALLY

Date: _____

PETER CLARKSON, INDIVIDUALLY

Date: 5/27/14

THOMAS COPULOS, INDIVIDUALLY



(b)(6)

Date: _____

S. DANIEL ECONOMOS, INDIVIDUALLY

Date: _____

DAVID EILER, INDIVIDUALLY

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FEDERAL DEPOSIT INSURANCE CORPORATION AS RECEIVER FOR STERLING BANK

Date: _____

BY: _____

TITLE: Counsel

PRINT NAME: Christine P. Hsu

Date: _____

DAVID ALBRIGHT, INDIVIDUALLY

Date: _____

GEORGE BAVELIS, INDIVIDUALLY

Date: _____

PETER CLARKSON, INDIVIDUALLY

Date: _____

THOMAS COPULOS, INDIVIDUALLY

Date: 5/22/14

S. DANIEL ECONOMOS, INDIVIDUALLY

[Redacted Signature]

(b)(6)

Date: _____

DAVID EILER, INDIVIDUALLY

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by each of them or their duly authorized representatives on the dates hereinafter subscribed.

FEDERAL DEPOSIT INSURANCE CORPORATION AS RECEIVER FOR STERLING BANK

Date: _____

BY: _____

TITLE: Counsel

PRINT NAME: Christine P. Hsu

Date: _____

DAVID ALBRIGHT, INDIVIDUALLY

Date: _____

GEORGE BAVELIS, INDIVIDUALLY

Date: _____

PETER CLARKSON, INDIVIDUALLY

Date: _____

THOMAS COPULOS, INDIVIDUALLY

Date: _____

S. DANIEL ECONOMOS, INDIVIDUALLY

Date: 5/20/2014

DAVID EHLER, INDIVIDUALLY

[Redacted Signature]

(b)(6)

Date: 5/21/14

CRAIG CROMBIE, INDIVIDUALLY
[REDACTED] CRAIG A. CROMBIE (b)(6)

Date: _____

MOYLE FRITZ, JR., INDIVIDUALLY

Date: _____

JEFFREY OSTROW, INDIVIDUALLY

Date: _____

GEORGE L. SIGALOS, INDIVIDUALLY

Date: _____

THOMAS VOGEL, INDIVIDUALLY

Date: _____

ALEXANDRA YESSIOS, INDIVIDUALLY

Fax 813 235 0907

Date: _____

CRAIG CROMBIE, INDIVIDUALLY

Date: 5/27/14

MOYLERITZ, JR. INDIVIDUALLY



(b)(6)

Date: _____

JEFFREY OSTROW, INDIVIDUALLY

Date: _____

GEORGE L. SIGALOS, INDIVIDUALLY

Date: _____

THOMAS VOGEL, INDIVIDUALLY

Date: _____

ALEXANDRA YESSIOS, INDIVIDUALLY

Date: _____

CRAIG CROMBIE, INDIVIDUALLY

Date: _____

MOYLE FRITZ, JR., INDIVIDUALLY

Date: 5-23-14

JEFFREY OSTROW, INDIVIDUALLY



(b)(6)

Date: _____

GEORGE L. SIGALOS, INDIVIDUALLY

Date: _____

THOMAS VOGEL, INDIVIDUALLY

Date: _____

ALEXANDRA YESSIOS, INDIVIDUALLY

Date: _____

CRAIG CROMBIE, INDIVIDUALLY

Date: _____

MOYLE FRITZ, JR., INDIVIDUALLY

Date: _____

JEFFREY OSTROW, INDIVIDUALLY

Date: 5/23/14

GEORGE L. SIGALOS, INDIVIDUALLY



(b)(6)

Date: _____

THOMAS VOGEL, INDIVIDUALLY

Date: _____

ALEXANDRA YESSIOS, INDIVIDUALLY

Date: _____

CRAIG CROMBIE, INDIVIDUALLY

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MOYLE FRITZ, JR., INDIVIDUALLY

Date: _____

JEFFREY OSTROW, INDIVIDUALLY

Date: _____

GEORGE L. SIGALOS, INDIVIDUALLY

Date: 5/22/14

THOMAS VOGEL, INDIVIDUALLY



(b)(6)

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Date: _____

THOMAS VOGEL, INDIVIDUALLY

Date: 5/27/2014

ALEXANDRA YESSIOS, INDIVIDUALLY

(b)(6)
