



Oklahoma High School
Mock Trial Program
2025-2026 Case Materials

Tony Shapiro
v.
Blackstone Insurance Company

Written by: OBA Mock Trial Committee,
adapted from case materials originally authored by
the Arkansas Bar Association

The Mock Trial Committee thanks our dedicated members for this exciting case. We hope you find these materials educational and interesting. This is a work of fiction. All names, characters, events, and incidents are used in a fictitious manner. Any resemblance to actual persons, living or dead, or actual events is purely coincidental.



**OKLAHOMA
BAR FOUNDATION**
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Statement of the Case

This case is set in Smokehouse, a small town in rural Oklahoma. On August 14, 2024, Big Tony's BBQ Restaurant, owned by Tony Shapiro, burned and was completely destroyed. Tony Shapiro claims that an intruder charged into the restaurant after hours and demanded money from the register. In the ensuing struggle, Tony claims that the restaurant burned down. Tony filed a claim with his insurance company, Blackstone Insurance Group, or B.I.G. B.I.G. denied the claim, stating essentially that it believes the fire was set by Tony. They claim that, when a local automobile plant closed, the restaurant lost a significant amount of business, and Tony burned the restaurant down to claim the insurance proceeds and defraud B.I.G.

The witnesses for the plaintiff are:

1. **Tony Shapiro.** Known as "Little Tony," Shapiro is the former owner of Big Tony's BBQ Restaurant and is suing for the insurance proceeds.
2. **Pat "Smokes" McCaffrey.** McCaffrey is the local arson investigator who works for the Smokehouse Fire Department. McCaffrey conducted an investigation and concluded that the fire was an accident.
3. **Chase Kimoto.** Kimoto works for the First National Bank of Smokehouse and is a longtime friend of Shapiro. Kimoto will describe the business arrangements between Shapiro and the Bank, and will describe the Bank's analysis of Shapiro's finances.

The witnesses for the defense are:

1. **Drew Emmanuel.** Emmanuel is the local agent for B.I.G. Emmanuel met with Tony to discuss his insurance policy, and will describe the policy and why B.I.G. chose to deny payment.

2. **Alex Paddington.** Paddington is a fire investigator from Chevy Chase, MD. Paddington was hired by B.I.G. to review McCaffrey's investigations, and concluded that the fire was likely arson started by Tony Shapiro. Paddington advised B.I.G. to deny the claim.
3. **Shannon Sanchez.** Sanchez is the former assistant manager of Big Tony's BBQ, and was formerly married to Tony's child, Cory. Sanchez will discuss the history of the restaurant, the problems with cash flow, and observations made on the night of the fire.

**IN THE DISTRICT COURT IN AND FOR SMOKEHOUSE COUNTY
STATE OF OKLAHOMA**

TONY SHAPIRO,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. CJ-2025-101
	)	
BLACKSTONE INSURANCE GROUP, a	)	
foreign for-profit corporation,	)	
	)	
Defendant.	)	

PETITION

COMES NOW the Plaintiff, Tony Shapiro (hereinafter “Shapiro”), and pursuant to the laws of the State of Oklahoma, states the following causes of action against the Defendant, Blackstone Insurance Group (hereinafter “B.I.G.” or “the company”):

PARTIES

1. Shapiro is a resident of Smokehouse County, Oklahoma.
2. B.I.G. is a Delaware insurance corporation licensed to conduct business in the State of Oklahoma. B.I.G.’s corporate headquarters are located at 12321 Fifth Avenue, New York, NY 10034.

JURISDICTION AND VENUE

3. Jurisdiction and venue are proper pursuant to 12 O.S. § 131 and § 137.

GENERAL ALLEGATIONS

4. On December 12, 2023, Shapiro purchased Commercial Property Insurance Policy GH-90178 (“Policy”) from B.I.G.
5. The Policy insured Big Tony’s BBQ Restaurant, which is located at 713 Rebel Drive, Smokehouse, Oklahoma 73111.

6. The Policy contained the following provision:

B. In the event that the Property Damage to the Insured Location is so extensive that the Business can no longer gainfully operate, then the Covered Loss shall be considered a Total Loss. If satisfactory proof of a Total Loss is provided to B.I.G., the company will provide the Total Coverage Amount to you. Whether a Covered Loss qualifies as a Total Loss is determined by B.I.G. in its sole discretion.

7. The Policy also contained the following definitions:

“Property Damage” shall mean and refer to any destruction of tangible property, including the resulting loss of use of the Insured Location.

“Total Loss” shall mean and refer to Property Damage that is, in B.I.G.'s sole discretion, so extensive that the Insured Location is no longer suitable for the Business.

“Total Coverage Amount” shall mean and refer to the Coverage Amount listed on the cover page.

“Covered Loss” shall mean and refer to sudden, accidental, direct physical damage to the Insured Location that is a direct result of a peril that the property is insured against.

8. Under Section 2.1, the Policy insured against Property Damage caused by fire.

9. On August 14, 2024, a fire destroyed Big Tony’s BBQ Restaurant.

10. At the time of the fire, the Policy was in effect and Shapiro had paid all of the premiums due.

11. On August 15, 2024, Shapiro reported the loss to Drew Emmanuel, a B.I.G. agent.

12. Shapiro completed the paperwork required to file a claim on or about August 17, 2024.

13. Shapiro has complied with all of the terms and conditions of the Policy.

COUNT I: BREACH OF CONTRACT

14. Shapiro hereby incorporates Paragraphs 1 through 13 as if fully stated herein.

15. The Policy was in full force and effect on August 14, 2024, when an accidental fire

destroyed Big Tony's BBQ Restaurant.

16. Shapiro complied with all of the terms and conditions of the Policy by immediately reporting the loss to B.I.G. and subsequently completing all necessary paperwork.
17. Further, the fire completely destroyed Big Tony's BBQ Restaurant. The restaurant has since been torn down. Consequently, the fire at Big Tony's BBQ Restaurant resulted in a Total Loss as defined by the Policy.
18. The express terms of the Policy require B.I.G. to provide Shapiro with the Total Coverage Amount of Two Million Dollars (\$2,000,000.00) because the fire caused a Total Loss.
19. The Smokehouse Fire Department investigated the fire and ruled it accidental. A copy of the resulting Incident Report was provided to B.I.G. The company's decision to disregard those findings was improper.
20. B.I.G. denied Shapiro's claim on January 1, 2025. This denial was wrongful and in direct contravention of the express terms and conditions of the Policy.
21. As a result of B.I.G.'s wrongful denial, Shapiro has not been able to rebuild Big Tony's BBQ Restaurant.

COUNT II: BAD FAITH

22. Shapiro hereby incorporates Paragraphs 1 through 13 and Paragraphs 15 through 21 as if fully stated herein.
23. B.I.G. refuses to pay Shapiro's claim on the basis of malicious, dishonest and oppressive accusations.
24. These false, unjust, and hurtful accusations against Shapiro constitute aggressive, abusive, and coercive conduct on the part of B.I.G.'s representatives.
25. While Shapiro's claim was pending investigation for several months, he received dishonest and misleading communications from B.I.G.'s agent, Drew Emmanuel, which led him to

believe his claim would eventually be approved.

26. These dishonest and misleading communications inappropriately induced Shapiro to waste a significant amount of valuable time during which his business and livelihood languished.
27. B.I.G. has failed to provide Shapiro with a temporary location for his business or pay his ongoing business costs.
28. B.I.G.'s failure has rendered the operation of Shapiro's business and the maintenance of his livelihood impossible.
29. B.I.G. excessively and unnecessarily delayed payment of Shapiro's claim through oppressive paperwork and other malicious, overtly bureaucratic tactics characterized by a lack of appreciation for Shapiro's loss and a total disregard for Shapiro's inability to maintain his livelihood while his claim was pending.
30. B.I.G affirmatively engaged in dishonest, malicious, and oppressive conduct, carried out with a state of mind characterized by hatred, ill will, and a spirit of revenge, in order to avoid a just obligation to Shapiro.

WHEREFORE, the Plaintiff Tony Shapiro hereby requests that the Court enter judgment in Plaintiff's favor and against Defendant Blackstone Insurance Group in the amount of two million dollars (\$2,000,000.00), plus all applicable interest, attorney's fees and costs, and for whatever further relief this Court deems just and appropriate.

JURY TRIAL DEMANDED.

Respectfully submitted,

By: Mr. Thomas W. Windtwiler

Mr. Thomas W. Windtwiler, OBA No. 20101

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Smokehouse, Oklahoma 73111

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**IN THE DISTRICT COURT IN AND FOR SMOKEHOUSE COUNTY
STATE OF OKLAHOMA**

TONY SHAPIRO,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. CJ-2025-101
	)	
BLACKSTONE INSURANCE GROUP, a	)	
foreign for-profit corporation,	)	
	)	
Defendant.	)	

ANSWER

COMES NOW the Defendant, Blackstone Insurance Group (hereinafter “Defendant”), and pursuant to the laws of the State of Oklahoma, for its Answer to Plaintiff’s Petition and states as follows:

PARTIES

1. Defendant admits the allegations in paragraph 1 of the complaint.
2. Defendant admits the allegations in paragraph 2 of the complaint.

JURISDICTION AND VENUE

3. Defendant admits the allegations in paragraph 3 of the complaint.
4. Defendant admits the allegations in paragraph 4 of the complaint.

GENERAL ALLEGATIONS

5. Defendant admits the allegations in paragraph 5 of the complaint.
6. Defendant admits the allegations in paragraph 6 of the complaint.
7. Defendant admits the allegations in paragraph 7 of the complaint.
8. Defendant admits the allegations in paragraph 8 of the complaint.
9. Defendant admits the allegations in paragraph 9 of the complaint.

10. Defendant admits the allegations in paragraph 10 of the complaint.
11. Defendant admits the allegations in paragraph 11 of the complaint.
12. Defendant admits the allegations in paragraph 12 of the complaint.
13. Defendant denies the allegations in paragraph 13 of the complaint.

COUNT I: BREACH OF CONTRACT

14. Defendant incorporates the admissions and denials regarding paragraphs 1 through 13 of the complaint as if fully stated herein.
15. Defendant admits that the policy was in full force and effect on August 14, 2009, but denies all other allegations in paragraph 15 of the complaint.
16. Defendant admits that Shapiro reported that a fire burned down his restaurant, but denies all other allegations in paragraph 16 of the complaint.
17. Defendant admits that a fire burned down Plaintiff's restaurant, but denies all other allegations in paragraph 17 of the complaint.
18. Defendant denies the allegations in paragraph 18 of the complaint.
19. Defendant admits that the Smokehouse Fire Department investigated the fire and ruled it accidental, but denies all other allegations in paragraph 19 of the complaint.
20. Defendant admits that it denied plaintiff's claim, but denies all other allegations in paragraph 20 of the complaint.
21. Defendant denies the allegations in paragraph 21 of the complaint.

COUNT II: BAD FAITH

22. Defendant incorporates the admissions and denials regarding paragraphs 1 through 13 and paragraphs 15 through 21 of the complaint as if fully stated herein.

23. Defendant denies the allegations in paragraph 23 of the complaint.
24. Defendant denies the allegations in paragraph 24 of the complaint.
25. Defendant denies the allegations in paragraph 25 of the complaint.
26. Defendant denies the allegations in paragraph 26 of the complaint.
27. Defendant denies the allegations in paragraph 27 of the complaint.
28. Defendant denies the allegations in paragraph 28 of the complaint.
29. Defendant denies the allegations in paragraph 29 of the complaint.
30. Defendant denies the allegations in paragraph 30 of the complaint.

AFFIRMATIVE DEFENSES

31. Pleading affirmatively, the Plaintiff's loss was the result of an intentional act, and such losses are not covered under the policy.

PREMISES CONSIDERED, the Defendant prays for judgment dismissing the complaint and granting such further relief as this Court deems just and proper.

Respectfully submitted,

Christopher Green

Mr. Christopher T. Green, OBA No. 18765
14 Center Street
Smokehouse, Oklahoma 73111
(405) 555-1818 (telephone)

STIPULATIONS

Plaintiff and Defendant stipulate to the following:

1. No jurisdiction or venue issues exist in this case.
2. The applicable law is contained in the jury instructions. These may not be read into the record. Pleadings and jury instructions may not be objected to at the trial, should a party choose to reference them.
3. All exhibits and signatures are authentic and accurate. No party may challenge the authenticity of any exhibit or signature. However, this does not constitute a waiver as to the admissibility of any exhibit.
4. The case is to be tried before the jury on the issue of liability only. Damages, if any, will be determined at a separate hearing on another date.
5. The Case Overview is inadmissible and may not be admitted into evidence or referred to in opening statements or closing arguments.
6. No party may conduct a voir dire of any expert witness. All expert witnesses were timely disclosed.
7. The following stipulations are admissible and may be read into evidence by any party at any time:
 - a. All witnesses are precluded from relying on their Fifth Amendment rights against self-incrimination for the purposes of this trial.
8. All relevant provisions in commercial policy GH-90178 have been included in Exhibit No. 5.
9. The Parties agree that a contract for insurance was formed. The Parties disagree on whether that contract was breached and whether there were damages as a result of any breach.

WITNESS LIST

For Plaintiff	For Defendant
Tony Shapiro	Drew Emmanuel
Pat “Smokes” McCaffrey	Alex Paddington
Chase Kimoto	Shannon Sanchez

EXHIBIT LIST

Exhibit No.	Exhibit Title
1	Pat McCaffrey’s Fire Investigation
2	Promissory Note
3	Restaurant Layout Diagram
4	Blackstone Insurance Group Commercial Property Insurance Policy
5	Blackstone Insurance Group Denial Letter
6	Alex Paddington’s Fire Investigation Letter
7	Big Tony’s BBQ Profit and Loss Statements
8	Newspaper Article from The Smokehouse Monitor

LEGAL AUTHORITY

Oklahoma Statutes

Pleading Code:

12 O.S. § 2003 – Commencement of Action.

A civil action is commenced by filing a petition with the court.

12 O.S. § 2012 – Defenses and Objections.

A defendant shall serve an answer within twenty (20) days after service of the petition upon the defendant.

Contract Code:

15 O.S. § 1 – Definition – Contract.

A contract is an agreement to do or not to do a certain thing.

15 O.S. § 58 – Definition of Actual Fraud.

Actual fraud, within the meaning of this chapter, consists in any of the following acts, committed by a party to the contract, or with his connivance, with intent to deceive another party thereto, or to induce him to enter into the contract:

1. The suggestion, as a fact, of that which is not true, by one who does not believe it to be true.
2. The positive assertion in a manner not warranted by the information of the person making it, of that which is not true, though he believe it to be true.
3. The suppression of that which is true, by one having knowledge or belief of the fact.
4. A promise made without any intention of performing it; or,
5. Any other act fitted to deceive.

15 O.S. § 59 – Definition of Constructive Fraud.

Constructive fraud consists:

1. In any breach of duty which, without an actually fraudulent intent, gains an advantage to the person in fault, or any one claiming under him, by misleading another to his prejudice, or to the prejudice of any one claiming under him; or,
2. In any such act or omission as the law specially declares to be fraudulent, without respect to actual fraud.

15 O.S. § 60 – Actual Fraud.

Actual fraud is always a question of fact.

Insurance Code:

36 O.S. § 601 – “Domestic” Insurer Defined.

A “domestic” insurer is one formed under the laws of Oklahoma.

36 O.S. § 602 – “Foreign” Insurer Defined.

A “foreign” insurer is one formed under the laws of another state or government of the United States.

36 O.S. § 606(A) – Authority to Transact Insurance Required.

No person shall act as an insurer and no insurer shall transact insurance in Oklahoma except as authorized by a subsisting authority granted to it by the Insurance Commissioner[.]

36 O.S. § 606.1(A)(1) – Requirements and Procedures for Certain Foreign Insurers to Become Domestic Insurers.

Any foreign or alien insurer which is organized under the laws of any other jurisdiction for the purpose of transacting insurance may become a domestic insurer by complying with all of the requirements of law relative to the organization and licensing of a domestic insurer of the same type and by designating its principal place of business at a location in this state, provided the Insurance Commissioner approves the insurer's application for redomestication. Such domestic insurer will be entitled to like certificates and licenses to transact business in this state and shall be subject to the authority and jurisdiction of this state.

36 O.S. § 704 – “Property Insurance” Defined.

"Property insurance" is insurance on real or personal property of every kind and interest therein, against loss or damage from any or all hazard or cause, and against loss consequential upon such loss or damage, other than noncontractual legal liability for any such loss or damage. Property insurance shall also include miscellaneous insurance as defined in paragraph 11 of section 707 of this article except as to any noncontractual liability coverage includable therein.

36 O.S. § 707 – “Casualty Insurance” Defined.

“Casualty insurance”...includes:

11. Miscellaneous insurance, which is insurance against any other kind of loss, damage, or liability properly a subject of insurance and not within any other kind of insurance as defined in this article, if such insurance is not disapproved by the Insurance Commissioner as being contrary to law or public policy.

36 O.S. § 1250.1 – Short Title.

Sections 1250.1 through 1250.16 of this title shall constitute a part of the Oklahoma Insurance Code and shall be known and may be cited as the “Unfair Claims Settlement Practices Act.”

36 O.S. § 1250.2 – Definitions.

As used in the Unfair Claims Settlement Practices Act:

1. "Agent" means any individual, corporation, association, partnership, or other legal entity authorized to represent an insurer with respect to a claim;
2. "Claimant" means either a first party claimant, a third party claimant, or both, and includes such claimant's designated legal representatives and includes a member of the claimant's immediate family designated by the claimant;
3. "Commissioner" means the Insurance Commissioner;
4. "First-party claimant" means an individual, corporation, association, partnership, or other legal entity, including a subscriber under any plan providing health services, asserting a right to payment

pursuant to an insurance policy or insurance contract for an occurrence of contingency or loss covered by such policy or contract;

...

6. "Insurance policy or insurance contract" means any contract of insurance, certificate, indemnity, medical or hospital service, suretyship, annuity, subscriber certificate or any evidence of coverage of a health maintenance organization issued, proposed for issuance, or intended for issuance by any entity subject to this Code;

7. "Insurer" means a person licensed by the Commissioner to issue or who issues any insurance policy or insurance contract in this state and also includes health maintenance organizations. Provided that, for the purposes of paragraphs 15 and 16 of Section 1250.5 of this title, "insurer" shall include the State and Education Employees Group Insurance Board;

8. "Investigation" means all activities of an insurer directly or indirectly related to the determination of liabilities under coverages afforded by an insurance policy or insurance contract;

9. "Notification of claim" means any notification, whether in writing or other means acceptable under the terms of an insurance policy or insurance contract, to an insurer or its agent, by a claimant, which reasonably apprises the insurer of the facts pertinent to a claim;

36 O.S. § 1250.3 – Applicability of Act – Nature of Violating Act.

A. The provisions of the Unfair Claims Settlement Practices Act shall apply to all claims arising under an insurance policy or insurance contract issued by any insurer.

B. It is an unfair claim settlement practice for any insurer to commit any act set out in Section 1250.5 of this title, or to commit a violation of any other provision of the Unfair Claims Settlement Practices Act, if:

1. It is committed flagrantly and in conscious disregard of this act or any rules promulgated hereunder; or
2. It has been committed with such frequency as to indicate a general business practice to engage in that type of conduct.

36 O.S. § 1250.5 – Acts by an Insurer Constituting an Unfair Claim Settlement Practice

Any of the following acts by an insurer, if committed in violation of [Section 1250.3](#) of this title, constitutes an unfair claim settlement practice...:

1. Failing to fully disclose to first-party claimants, benefits, coverages, or other provisions of any insurance policy or insurance contract when the benefits, coverages or other provisions are pertinent to a claim;

2. Knowingly misrepresenting to claimants pertinent facts or policy provisions relating to coverages at issue;

3. Failing to adopt and implement reasonable standards for prompt investigations of claims arising under its insurance policies or insurance contracts;

4. Not attempting in good faith to effectuate prompt, fair and equitable settlement of claims submitted in which liability has become reasonably clear;

...

6. Denying a claim for failure to exhibit the property without proof of demand and unfounded refusal by a claimant to do so;

7. Except where there is a time limit specified in the policy, making statements, written or otherwise, which require a claimant to give written notice of loss or proof of loss within a specified time limit and which seek to relieve the company of its obligations if the time limit is not complied

with unless the failure to comply with the time limit prejudices the rights of an insurer. Any policy that specifies a time limit covering damage to a roof due to wind or hail must allow the filing of claims after the first anniversary but no later than twenty-four (24) months after the date of the loss, if the damage is not evident without inspection;

8. Requesting a claimant to sign a release that extends beyond the subject matter that gave rise to the claim payment;

...

13. Compelling, without just cause, policyholders to institute suits to recover amounts due under its insurance policies or insurance contracts by offering substantially less than the amounts ultimately recovered in suits brought by them, when the policyholders have made claims for amounts reasonably similar to the amounts ultimately recovered[.]

36 O.S. § 3602 – “Policy” Defined.

"Policy" means contract of or agreement for effecting insurance, or the certificate thereof, by whatever name called, and includes all clauses, riders, endorsements and papers attached thereto and a part thereof.

36 O.S. § 3605 – Insurable Interest with Respect to Property Insurance.

A. No insurance contract on property or of any interest therein or arising therefrom shall be enforceable as to the insurance except for the benefit of persons having an insurable interest in the things insured.

B. "Insurable interest" as used in this section means any actual, lawful, and substantial economic interest in the safety or preservation of the subject of the insurance free from loss, destruction, or pecuniary damage or impairment.

C. The measure of an insurable interest in property is the extent to which the insured might be damnified by loss, injury, or impairment thereof.

Jury Instructions

Instruction No. 2.1 – Issues In The Case – No Counterclaim

The Parties in this case are the Plaintiff, Tony Shapiro, and the Defendant, Blackstone Insurance Group. The Parties admit there was a contract for insurance. Plaintiff claims that Defendant breached this contract because Defendant did not provide benefits after a fire at Big Tony’s BBQ on August 14, 2024.

Instruction No. 3.1 – Burden of Proof – Greater Weight of the Evidence

In a civil lawsuit, such as this one, the law provides which party is to prove certain things to you. This is called "Burden of Proof." When I say that a party has the burden of proof on any proposition by the greater weight of the evidence, or use the expression "if you find," or "if you decide", I mean you must be persuaded, considering all the evidence in the case, that the proposition on which such party has the burden of proof is more probably true than not true. The greater weight of the evidence does not mean the greater number of witnesses testifying to a fact,

but means what seems to you more convincing and more probably true. A party who seeks to recover on a claim, or a party who raises an affirmative defense has the burden to prove all the elements of the claim or defense. In deciding whether a party has met the burden of proof, you are to take into account all the evidence, whether offered by that party or any other party.

Instruction No. 3.3 No Speculation

Your decision must be based upon probabilities, not possibilities. It may not be based upon speculation or guesswork.

Instruction No. 3.21 – Expert Witness

There has been introduced the testimony of witnesses who are represented to be skilled in certain areas. Such witnesses are known in law as expert witnesses. You may consider the testimony of these witnesses and give it such weight as you think it should have, but the value to be given their testimony is for you to determine. You are not required to surrender your own judgment to that of any person testifying as an expert or otherwise. The testimony of an expert, like that of any other witness, is to be given such value as you think it is entitled to receive.

Instruction No. 3.25 – Direct And Indirect [Circumstantial] Evidence - Defined - Use

"Direct evidence" is the testimony of a person who asserts actual, personal knowledge of a fact, such as the testimony of an eyewitness. "Direct evidence" may also be an exhibit such as a photograph which demonstrates the existence of a fact. It is proof which points immediately to a question at issue and which proves the existence of a fact without inference or presumption.

"Circumstantial evidence" is the proof of facts or circumstances which gives rise to a reasonable inference of other connected facts.

The law makes no distinction between the weight to be given to either direct or circumstantial evidence. You should consider circumstantial evidence together with all the other evidence in the case in arriving at your verdict.

Instruction No. 22.1 – Insurance Company's Obligation of Good Faith and Fair Dealing

An insurance company has a duty to deal fairly and act in good faith with its insureds.

Instruction No. 22.2 – Bad Faith - First Party Insurance - Failure To Pay Claim Of Insured

Plaintiff claims that Defendant violated its duty of good faith and fair dealing by unreasonably, and in bad faith, refusing to pay Plaintiff the proper amount for a valid claim under the insurance policy. In order for Plaintiff to recover damages in this case, [he/she] must show by the greater

weight of the evidence that:

1. Defendant was required under the insurance policy to pay Plaintiff's claim;
2. Defendant's refusal to pay the claim in full was unreasonable under the circumstances, because 1) it did not perform a proper investigation, 2) it did not evaluate the results of the investigation properly, and/or 3) it had no reasonable basis for the refusal;
3. Defendant did not deal fairly and in good faith with Plaintiff; and
4. The violation by Defendant of its duty of good faith and fair dealing was the direct cause of the injury sustained by Plaintiff.

Instruction No. 23.1 – Elements Of A Claim For Breach Of Contract

Plaintiff is required to prove by the greater weight of the evidence the following in order to recover on the claim for breach of contract against Defendant:

1. Formation of a contract between Plaintiff and Defendant;
2. Defendant breached the contract by not paying insurance benefits for the August 14, 2024, fire; and
3. Plaintiff suffered damages as a direct result of the breach.

Instruction No. 23.21 – Breach Of Contract

A contract is breached or broken when a party does not do what [he/she/it] promised to do in the contract.

Statement of Plaintiff Tony Shapiro

1 My name is Tony Shapiro and I am 50 years old. My whole life people have called me
2 “Little Tony.” My dad “Big Tony” was a Smokehouse institution because he opened and ran
3 Tony’s BBQ Hut for 31 years. Most people might be offended by the nickname, but I love it. My
4 dad was a great man. I even named my restaurant after him—Big Tony’s BBQ Restaurant. But I
5 guess if I’m honest, it was never really *my* restaurant. A part of it will always belong to my dad.
6 Of course, now it doesn’t belong to anyone since Blackstone Insurance Group refuses to pay me
7 on my policy. Not only is the company not paying out, they are claiming that I burned down my
8 own place. Burned down my dad’s legacy. I get boiling mad just thinking about it.
9

10 If you want to understand me and my family, you need to understand how much barbecue
11 means to us. My pop loved it so much he opened up his own place in 1982. Up until then my dad
12 just sort of ran errands for our family, but then he decided that he wanted to do something
13 respectable on his own. Something where he could be the boss. Don’t get me wrong, my dad
14 always gave the family their meals on the house, but he called the shots at Tony’s BBQ Hut and
15 the town loved him.
16

17 The restaurant was never much to look at, but why spend a bunch of money on fancy
18 tablecloths when the Hut was always packed and had the best food in town? An Italian barbecue
19 place might seem strange to you, but just like when you make spaghetti, the secret is the sauce. I
20 grew up in the restaurant, busing tables when I was ten, waiting on customers by 15 and learning
21 my way around the kitchen before I even left for college.
22

23 The Hut kept our family fed and clothed and put me through school. I’ll admit it. I always
24 wanted to see the Hut be bigger and better. Dad never wanted to change a thing. We fought about
25 it sometimes, but what family gets along all the time? In the end, it was Dad’s dream and so he
26 made the big decisions.
27

28 I graduated from Pickett University with a degree in restaurant and hotel management.
29 There was never a doubt I’d go to work for my father full time when I graduated. I jumped right
30 back into the swing of things. While my dad kept on serving the same barbecue to the same
31 folks, I tried to come up with ways to capitalize on his great reputation. I worked up proposals to
32 bottle up our sauce and sell it to local grocery stores. I traveled to nearby towns, like Quantrill, to
33 scout out locations for new restaurant space. My dad just sort of shook his head. He never really
34 said yes or no to anything, just kept treading water.
35

36 Then Dad died in 2013 of a massive heart attack. It didn’t really surprise anyone who
37 knew him. He ate the secret sauce until the day he kicked. We buried him with a jar of that
38 sauce. As Dad’s only kid, I took over the BBQ Hut. My mom, who’d worked on and off in the
39 Hut for years, was there to offer me advice. Sort of like my own consigliere.
40

41 I was so torn up by Dad’s death that I threw myself into work. I decided it was time to
42 move the Hut to a new location. The Andorra Auto Company, a joint venture between French
43 and Spanish automakers tired of years of German and Italian dominance, had built a factory in
44 Smokehouse in 2009. The executives that came to visit were some of our best customers. They

45 always ate dinner around 10. That seemed late, but we were open and they were always nice.
46 Too bad about the cars though. Turns out Andorra should have paid more attention to German
47 engineering because their cars were, well let's just say, not very reliable.
48

49 Anyway, since the plant was built, Smokehouse had really expanded at that end of town.
50 I decided it was time to move the Hut out near the factory. I found the perfect plot of land and
51 got in touch with an old college buddy of mine, Chase Kimoto. Chase and I met as freshmen at
52 Pickett. College was a crazy time and we both tried to live up every minute of it. Sometimes, I
53 can't believe that the two of us survived. That time we stole, I mean "borrowed," the Sheridan
54 College Conference Championship trophy, was probably our best prank. Regardless, I knew that
55 Chase could be counted on to help me get a loan.
56

57 I can't even really remember how much the original loan was for, but it got the restaurant
58 built. I decided it was time to class up the joint and named the new place "Big Tony's BBQ
59 Restaurant" in honor of my dad. Where the Hut had been small with run down tables and
60 mismatched chairs, Big Tony's was bigger and nicer. We had tablecloths, real silverware and a
61 full bar. We even added candles throughout the bar for ambience. Plus, Smokehouse hadn't gone
62 smoke free yet, so it helped with the smoke at the bar. But the one thing we didn't touch was the
63 sauce. And that old family recipe kept 'em coming through the door.
64

65 Along with the new location, we decided to advertise, something my dad never wanted to
66 do. He thought it was a waste of money. We launched an aggressive television and print
67 campaign with our new slogan: "Big Tony's: Come for the Sauce, Stay for a Lifetime." I became
68 the face of the restaurant. I was in all of the ads dressed as a rib in a ten gallon cowboy hat. It
69 really worked. I would walk down the sidewalk and people would yell "Hey Little Tony, love
70 that sauce!"
71

72 Business was booming. We paid off our loan ahead of schedule and I moved my spouse
73 and three kids, Cory, Christopher and Adrianna, into the nicest part of Smokehouse, Hickory
74 Heights. I bought myself a Ferrari. I mean, I know those Andorrans were bringing me a lot of
75 business, but you just can't replace fine Italian machinery. Around this time I also commissioned
76 a portrait of my father, Big Tony, to hang in the restaurant. It burned up with everything else. I'll
77 never see that smiling painted face again.
78

79 Big Tony's BBQ was doing so well that I decided it was time to make the place even
80 bigger and better. Something that Smokehouse sorely needed was a full sports bar. I mean, every
81 year the Blue and Grey Classic, the huge basketball rivalry game between Pickett and Sheridan
82 that is so intense that a referee was murdered a few years ago, would sell out, leaving tons of
83 townspeople with nowhere to watch the game. The money I would make on that night alone
84 made the idea worthwhile. I even decided to make Big Tony's non-partisan and let Sheridan fans
85 in.
86

87 I started chatting with Chase about a new loan in 2020. I made up my mind pretty quickly
88 to move forward. We broke ground on the expansion in early 2021. From the very beginning, we
89 had problems. There were all sorts of construction delays, zoning issues, easement problems. It
90 was incredibly frustrating. I had to buy more insurance to cover the expansion. It was a good

91 thing that I was dealing with Chase because I kept needing more and more money. By the time
92 everything was finished it was September 2021 and I'd borrowed \$900,000 from the First
93 National Bank of Smokehouse.

94
95 But I quickly forgot about all of the problems when the new and improved Big Tony's
96 BBQ opened for business in October 2021. The public couldn't get enough. We were packed
97 every day for lunch, every night for dinner and most evenings well into the night with college
98 students and sports fans. I thought that nothing could go wrong. We shot more TV ads and
99 bought two specially crafted Italian pool tables. I decided to outfit my waitstaff in Italian silk
100 shirts. I mean, those look good on everybody, right?

101
102 In June 2022, I heard that the AAC plant was closing. At first I hoped it was a rumor, but
103 it wasn't. I literally remember the day they shackled up the front gates. Business took a turn for
104 the worse almost immediately. The steady lunch crowd from the factory disappeared and foot
105 traffic in that part of town fell off. Our dinner business held out for a while, but pretty soon the
106 whole town was hurting. People just couldn't afford to eat out anymore.

107
108 I'd worked too hard to just let Big Tony's die along with the factory, so I decided to fight
109 back. We went back to what had always worked—advertising. But this time, instead of just
110 doing commercials, we also used coupons, two for one deals and even bigger happy hour
111 specials. And you know what? It was working. Business was starting to come back. We weren't
112 raking in money like before, but we were holding steady. I was also looking at ways to diversify
113 a little. Instead of relying just on the restaurant, I was thinking of bottling up our sauce for
114 distribution or turning Big Tony's BBQ into a franchise. I thought some of those ideas could
115 really pay off. I'd always dreamed big and it had always worked out. I had no reason to think this
116 time would be any different.

117
118 Now, I know you're going to hear some bad stuff about those lean months after the AAC
119 factory closed. It's true, we did struggle. I did some fancy footwork with the books to make loan
120 payments and payroll every month. Sure, I missed a few loan payments. Sometimes I cut things a
121 little too close and couldn't make a full loan payment or had to deal with a bounced check. But
122 all of that was ending—we were on the road to recovery. Chase would work with me and I
123 turned over my balance sheets to First National. The Bank was fully aware of our finances and
124 everything we did to come out of the downturn. The Profit & Loss Standard Chase Kimoto
125 reviewed is accurate.

126
127 Then, on August 14, 2024, my lifelong dream came crashing down. It had been a slow
128 night, so I sent most of the staff home early. The last person from the staff to leave before me
129 was Shannon Sanchez, my assistant manager. Shannon was actually my kid's ex. It made things
130 a little awkward sometimes, but Shannon had been at Big Tony's a long time and really knew the
131 business. I wouldn't be much of a businessperson if I fired someone just because they were mean
132 to my kid, right? Chase Kimoto was visiting to talk business and stuck around to finish her/his
133 ribs.

134
135 Anyway, I was getting ready to close up after Chase left when I heard a strange noise
136 from the back. There'd been a bunch of burglaries in town, so I was on my guard. Then, before I

137 knew it, some guy dressed all in black came flying out of the kitchen door. He demanded
138 everything from the register and when I hesitated, he came at me. Now, I've had a rough couple
139 of months and I was not about to let some idiot steal what little profit I was pulling in. I fought
140 back and we crashed into the bar. We must have hit one of the candles and a couple of liquor
141 bottles. That would explain how the fire started. Next thing I knew, the guy was running out the
142 door and I was chasing him. When he got away and I turned back around to the restaurant, the
143 whole place had gone up in flames. Frankly, a lot of it is fuzzy. I told everything to Smokes
144 McCaffrey, an old friend and longtime customer. When I finally got home that night, I tried to
145 write down everything that I could remember.

146
147 The next morning I called Drew Emmanuel, the new B.I.G. agent. I told him/her what
148 had happened and made my claim. A few days later, I went to the B.I.G. office to deal with the
149 paperwork. You know how insurance companies love their paperwork. Drew seemed
150 sympathetic and said he/she would try to move things along quickly, but that it might take a little
151 longer than usual since Inspector McCaffrey was investigating. I admit, I lost it a little. I mean,
152 Big Tony's was my life and this agent was acting as if we had all the time in the world to figure
153 something out. At the time, I felt bad about losing my temper. Now, after seeing how B.I.G.
154 treats people, I should have yelled at Drew longer. About a week after the fire I paid a local
155 demolition company to clear the building. My attorney told me that I might be subject to some
156 building ordinance violations if I didn't clear the debris right away.

157
158 For months, I didn't hear a thing. I would call Drew to check on the status and he/she
159 would always say something like "the investigation is coming along." Then, right at the
160 beginning of 2025, Drew called and told me that B.I.G. was denying the claim. I couldn't believe
161 it. Drew said the company had hired some "independent consultant" who said the fire was arson.
162 Arson?!? That restaurant was my life. It was my dad's legacy. We were turning business around,
163 finally getting our feet back underneath us.

164
165 I did not burn down Big Tony's BBQ Restaurant. B.I.G. just doesn't want to pay me the
166 two million dollars that I'm entitled to. I got a formal denial letter a few days after talking with
167 Drew. Seeing it in writing just made me furious. I did the responsible thing. I bought insurance. I
168 paid my premiums. They owe me that money and I intend to get it. My family had to sell our
169 house and move into another part of town. I have taken a job at a local butcher shop to make
170 ends meet, but without the insurance money I will never be able to open my restaurant again.

171
172 This statement was given under oath. I have had an opportunity to read, review, and
173 update this statement, and I attest that this is a true and accurate statement.

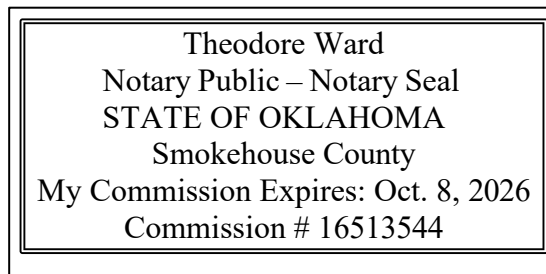
/s/ Tony Shapiro

STATE OF OKLAHOMA)
) SS.
COUNTY OF SMOKEHOUSE)

On this date before me personally appeared Tony Shapiro, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he/she executed the same as his/her free act and deed.

In testimony whereof, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

/s/ Ted Ward
Notary Public



Statement of Pat McCaffrey

1 My name is Pat McCaffrey, but everyone calls me “Smokes.” I am 63 years old and I have
2 lived in Smokehouse my whole life. Currently I work for the Smokehouse Fire Department.

3 When I graduated from high school, I decided to stay in town and went to Pickett
4 University, where I majored in Criminal Justice and Irish Literature. I graduated from Pickett in
5 1980 and decided to join the police department. Those were crazy times – hippies were roaming
6 the streets, talking about peace and love. To me, they all seemed like criminals, and the only
7 thing I wanted to do was put them in jail. I attended the Smokehouse Police Academy in 1981
8 and finished my training in 1982.

9 After graduation from the Academy, I became a patrol officer on the south side of
10 Smokehouse. Those were good times – we spent the days working the streets and just about every
11 night at Seamus McGillicutty’s, the Irish pub on Aussieker Street. Thank heavens for
12 McGillicutty’s, which has been keeping me level for 39 years.

13 My life changed one night in 1985, the night that the old Simpson Department Store
14 burned down. I was working that night and was one of the first officers to arrive on the scene,
15 when the building was still ablaze. The fire was fascinating. I watched it for over an hour as it
16 devoured the building. At that point, I made a decision that I wanted to be an arson investigator. I
17 quit the Police Department and got a job working for the Smokehouse Fire Department.

18 I had to go to training with the Fire Department as well, but before long, I was working at
19 the fire station riding along to scenes and helping extinguish fires. After I learned the basics, they
20 teamed me up with Paddy O’Flanahan, an old Irishman who had been investigating fires since the
21 ‘20s. He taught me almost everything I know – burn patterns, accelerants, incendiary devices, you
22 name it. He was a great man who knew more about fires than anyone. When he died in 1995, it
23 was one of the worst days of my life.

24 Since 1995, I have been the primary arson investigator for Smokehouse. From time to
25 time, I receive additional training on arson investigation from the Oklahoma Highway Patrol –
26 they have a seminar each year at Grand Lake. There are a lot of good golf courses there, you
27 know. But I believe you learn more by doing the job than going to training. I’ve heard some
28 people say that, to really know what to look for, you have to go to training with the ATF or some
29 other fancy national organization, but that is hogwash. I say investigating fires for over 30 years
30 has taught me all I need to know. Real arson investigators don’t rely on textbooks, they feel the
31 fire, and can envision in their mind what happened.

32 I knew “Big” Tony Shapiro well. He opened up Tony’s BBQ Hut when I was a
33 youngster. I loved that place. It had the best barbecue around. I know “Little” Tony even better
34 than his/her father – Little Tony went to school with my younger sister, Margaret. We became
35 good friends when s/he took over his/her Dad’s business, renamed it and moved it over by the
36 AAC factory. Little Tony has always taken care of cops and firefighters – free drinks, discounts
37 on meals, that sort of thing. Little Tony is a good, honest businessperson who has done right by
38 Smokehouse. It’s a real shame that his/her restaurant burned down.

39 I remember the night that Big Tony's burned down very well. It was August 14, 2024,
40 which was a Friday. I was at Seamus McGillicutty's that night, enjoying a few beverages after I
41 got off work. I go there every Friday because it is fish 'n chips night. I was still on call, but I know
42 my limits and there is nothing wrong with a beer or two after work. I got a call on my cell phone
43 at about 11 p.m., with a message from the 911 dispatcher that Big Tony's was burning down.
44 Fortunately, Big Tony's is right around the corner from Seamus McGillicutty's, so I was able to
45 finish my drink and get over there quickly. By the time I got there at about 11:15, the restaurant
46 was in bad shape – most of the interior of the structure had already been destroyed and flames had
47 engulfed pretty much the entire building. Firefighters were already there trying to stop the blaze,
48 and I decided that the first thing I should do was try to locate any witnesses who may have been
49 there when the fire started and interview them.

50 The most logical place to start was to interview Tony. I saw him/her standing off on the
51 other side of the street watching the fire. S/He did not appear to be very emotional, just sort of
52 watching the fire with a detached look on his/her face. I went up to him/her and asked if I could
53 speak to him/her. S/He said OK, and I asked him/her what happened. S/He looked at me and told
54 me someone came into the bar to rob the place. S/He said there was a struggle, and the next thing
55 s/he knew the whole place went up in flames. I asked him/her what caused the fire to start, and
56 s/he looked at me for a minute and didn't say anything. I then asked whether it was started by one
57 of the candles that s/he keeps on the tables in the restaurant, and s/he replied, "Yeah, that's right, it
58 was one of the candles." I asked him/her if s/he knew who came in to rob the restaurant and
59 whether they had a gun, and s/he looked at me again for a second and said, "I'm not sure, I...",
60 and then s/he broke down and said that s/he couldn't talk to me anymore. I saw that s/he was in
61 real pain over losing his/her business, so I let him/her go and told him I would contact him/her the
62 next day.

63 Next, I spoke with Shannon Sanchez, the individual who initially called the police and
64 reported the fire. Shannon told me that s/he worked at Big Tony's and had left work earlier in the
65 evening. Shortly before 11 p.m., she realized that s/he left her keys at the restaurant, and walked
66 back over to get them. When s/he got to the restaurant, s/he saw that it was on fire and saw Tony
67 standing in front of the restaurant. S/he immediately called 911. S/he told me that Tony told
68 him/her that someone had come in to rob the place, and suddenly the building caught on fire.

69 I canvassed the scene looking for other witnesses, but could not find anyone else that had
70 anything relevant to say. I could not find anyone at the scene that had seen the potential robber
71 enter the establishment, and nobody there had seen the fire start. By this point, at about 1:00 a.m.,
72 the Fire Department had put out the blaze. However, it was late and very dark outside, and not
73 knowing what condition the building was in, I decided not to inspect the restaurant at that
74 moment but to wait until the morning.

75 I woke up at about 8 a.m. the next day and went with my assistant down to Big Tony's to
76 do a physical investigation of the premises. To assist in my investigation, I went to City Hall and
77 obtained copies of the blueprint for the restaurant, which are labeled "Restaurant Layout." The
78 keys to any investigation are to locate the origin of the fire, determine what type of incendiary
79 device started the fire, and look for any accelerants that may have fed the fire. The fire had done a
80 significant amount of damage to the building, and, as with all arson investigations, this made

81 the process very difficult. The building was completely gutted, and I started my investigation in
82 the kitchen, as that is a very common place to find the origin of a fire, and which is labeled on the
83 Restaurant Layout with the letter “A”. However, there was no physical evidence that the fire
84 started in the kitchen. Next, I moved into the main dining room and bar in the restaurant. By
85 examining the burn patterns in that room, it became obvious that this is where the fire started.
86 The floor and the bar in this room were made of wood, so I decided to do a char depth analysis to
87 locate the origin of the fire. Char depth is a measurement of how deeply into a wood floor or wood
88 joist there is noticeable burning. Obviously, the wood which is at the origin of a fire is likely to
89 have a much deeper char than the rest of the wood in the building, because it likely burned for the
90 longest amount of time.

91 A char depth analysis in the main dining room of Big Tony’s led to a determination that
92 there were two likely places of origin of the fire. The first was on the wood bar located in the
93 dining room, which I have labeled with the letter “B” on the Restaurant Layout. Towards one end
94 of the bar, the burn and thermal patterns were very intense, and the measurable char depth was
95 significantly greater in this area than any other in the near vicinity. The other likely place of origin
96 was on the floor of the main dining area, approximately four feet away from the bar, a spot which I
97 have labeled with the letter “C”. Again, the burn and thermal patterns were very intense in this
98 area. And the char depth was significant – the charring stretched through the floor of the room and
99 burned through the joists holding the floor from below. Based on these physical findings, there is
100 no doubt that the fire started in the main dining room.

101 The next step in the investigation was to attempt to determine what type of incendiary
102 device started the fire. There are many possibilities in arson investigations – fires may be started
103 by matches or lighters, explosives, an electrical source, or something else. In this case, there was
104 no evidence of the use of any explosives. Furthermore, neither potential origin point for the fire
105 was located near any kind of electrical device that may have contributed to the origin of the fire.
106 There was no electrical equipment or outlets located near the origin points. Based on the burn
107 patterns and the damage done, it is my opinion that the incendiary device that started the fire was
108 likely an open flame of some type. It is impossible to determine whether this flame was from a
109 match, a lighter, a candle or something else.

110 Finally, I set about looking for evidence of accelerants that may have contributed to the
111 fire. When volatile vapors burn above a flammable or combustible liquid-accelerant pool, they
112 leave distinct burn patterns unlike other combustible products normally found in a structure. The
113 earlier a fire is extinguished, the more obvious these patterns will be. Accelerants are easiest to
114 notice on a carpeted floor – the liquid will soak into the carpet and make a distinct burn pattern.
115 Unfortunately, the floors of Big Tony’s BBQ were made of wood. Liquid accelerants poured onto
116 wood or other hard surfaces tend to flow, and therefore the presence of liquid accelerants creates a
117 “flowing” burn pattern. Examining the bar and the floor in the restaurant showed an extensive,
118 flowing burn pattern on both the bar and the floor. This indicates that there was a significant
119 amount of liquid accelerant in the restaurant at the time the fire started. The flowing burn pattern
120 on the bar was approximately 2 feet wide by 4 feet long, and the flowing burn pattern on the floor
121 was approximately 4 feet wide by 5 feet long. It is difficult, if not impossible, to tell exactly what
122 kind of liquid accelerant was present, but, given that this was a bar, it is likely that it was alcohol.

123 The next step in my investigation was to return to the fire station to do a more thorough
124 interview of Tony Shapiro. S/He met me at the station at approximately 11 a.m. S/He arrived with
125 some notes s/he had taken. S/He told me that the night before when s/he calmed down s/he
126 decided to write down some notes of what s/he remembered so s/he would not forget anything,
127 which I thought was a good idea. Tony told me that s/he had sent his/her staff home early that
128 night, and was cleaning up the bar when someone in a black ski mask and a black outfit charged
129 through the kitchen door. The robber demanded money from the cash register. Tony then said the
130 robber crashed into him/her, they wrestled and next thing s/he knew, everything was on fire and
131 the robber was gone. S/He said s/he thinks they broke at least one of the liquor bottles, and s/he
132 believed that the small, scented candles on the bar probably started the blaze. When I told him/her
133 that I found two points of origin, one on the bar and one on the floor near the bar, Tony said that
134 s/he thinks s/he knocked one of the candles onto the floor as s/he ran out of the building. S/He
135 watched the blaze until his/her assistant manager, Sanchez, came up and called the police. Tony's
136 story made a lot of sense given the recent events in Smokehouse. There had been multiple
137 robberies in the town with a similar pattern – a robber in a dark outfit coming in after hours and
138 demanding money. It was all over the local newspaper, *The Smokehouse Monitor*.
139 Unfortunately, the robber was never caught.

140 The final step of my investigation was to compare the physical evidence that I examined to
141 the explanation given by Tony. In doing this analysis, the statements made by Tony matched the
142 physical evidence. The liquid accelerant found at the scene was consistent with alcohol spilling.
143 There was no evidence of an incendiary device other than a simple open flame, and that is
144 consistent with the candles that were located in the restaurant. Nothing about Tony's demeanor or
145 anything I know about him/her indicated that s/he was lying. There was also no evidence of a
146 foreign substance like an explosive or gasoline in the restaurant that would indicate this was arson.
147 In my opinion, the cause of the fire in the case was simply an accident related to the attempted
148 robbery. It is a shame that the robber was never caught and that we were unable to find any other
149 witnesses who saw the robber flee the premises. Unfortunately, since the AAC plant closed down,
150 that part of town is usually pretty empty. I recommended to the local prosecuting attorney that no
151 charges be filed against Tony. As usual, they took my recommendation.

152 It is true that I didn't do an investigation into whether there was any insurance on the
153 property or whether Tony owed any money on the property. In my opinion, based on over 30 years
154 of experience investigating fires, this was unnecessary. All of the physical evidence and the
155 statements from the witnesses were consistent with an accidental fire. I do know Alex Paddington,
156 as s/he has done some work in our area in the past. S/he likes to talk about his/her fancy training
157 and time with the ATF, but nothing replaces my experience in the field investigating fires. In my
158 opinion, Paddington is more interested in writing his/her crime novels and getting his/her reality
159 TV show than actually investigating fires. Sometimes, fires are just accidents, and not full of crazy
160 conspiracies. S/He should keep the conspiracy theories to his/her books. To claim that Tony
161 intentionally started this fire is mere speculation.

162 This statement was given under oath. I have had an opportunity to read, review, and
163 update this statement, and I attest that this is a true and accurate statement.

/s/ Pat McCaffrey

STATE OF OKLAHOMA)
) SS.
COUNTY OF SMOKEHOUSE)

On this date before me personally appeared Pat McCaffrey, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he/she executed the same as his/her free act and deed.

In testimony whereof, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

/s/ Ted Ward
Notary Public

Theodore Ward
Notary Public – Notary Seal
STATE OF OKLAHOMA
Smokehouse County
My Commission Expires: Oct. 8, 2026
Commission # 16513544

Statement of Chase Kimoto

1 My name is Chase Kimoto and I am a Senior Loan Officer for the First National Bank of
2 Smokehouse. I am 50 years old.

3
4 I grew up in the suburbs of San Francisco and moved to Smokehouse when I enrolled in
5 Pickett University's prestigious Adler School of Finance in 1994. I was valedictorian of my high
6 school graduating class and the Adler School recruited me pretty heavily. Plus, I was a huge
7 sports fan and the Blue & Grey Classic between Sheridan and Pickett was then and still is the
8 biggest rivalry in college sports. I just could not pass up the chance to live it for four years.

9
10 I vividly remember that first day on campus when I moved here back in September 1994.
11 I moved into Lee Hall right off the quad we called "Battlefield Square." Lee had a reputation for
12 being a party dorm and that first night was no exception. Within an hour of all the parents
13 leaving, the residents met in the lounge and the party began. Leading the way was "Little Tony"
14 Shapiro. S/He was cocky, loud and certainly knew how to throw a party. Everyone knew Tony
15 and his/her family. That night, Big Tony showed up with a van full of barbecue. It was an
16 amazing spread of ribs, pulled pork, chicken and easily the best sauce I had ever had. Trust me
17 when I say that the Bay Area does not have anything like Oklahoma barbecue. That year,
18 we took many trips to Tony's BBQ Hut.

19
20 It was tough meeting people at Pickett that first year. Little Tony lived down the hall, but
21 always made sure I was invited out to every party, late night food run, or even the day we
22 "borrowed" Sheridan College's Conference Championship Trophy from 1988. I mean, allegedly,
23 "borrowed" that trophy. But over that year, I appreciated Little Tony and had the time of my life.

24
25 But I also studied hard, maintained a 4.0 and graduated with honors with a degree in
26 Economics in 1998. Little Tony majored in Hotel & Restaurant Management and did well in that
27 major. Tony and I were part of a group from Lee Hall who stayed friends throughout the four
28 years of school. Over the years, Tony and I have tried to catch up once a month for a drink or
29 lunch.

30
31 I started at First National while at Pickett through Adler's competitive internship
32 program. It was a rotational study through different aspects of banking that lasted two semesters.
33 I performed well enough in the program that First National offered me a part-time job during my
34 junior and senior years as a teller. Upon graduation, I was extended a full-time job offer and
35 moved up the ranks of the bank. First National even paid for me to attend Pickett University's
36 MBA program, and I finished that degree in 2002.

37
38 I became a loan officer in 192004 and focused my work on residential loans. My timing
39 could not have been better because the auto plant opened soon after. With new house
40 construction and families moving to town, my loan applications were through the roof. I was a
41 little bitter because I missed out on the commercial side of the auto plant's development. As one
42 of the younger loan officers, I wasn't able to cash in on the development.

44 That all changed in 2013. Soon after Tony's father passed away, we met at the Hut to
45 discuss a business proposal. Little Tony was hoping there was time to cash in on the auto plant
46 development and was worried it may be too late. We put together a plan for a new \$400,000
47 building out just down the street from the auto plant and it would be called Big Tony's. I put
48 together the financing deal and received approval from First National's loan committee fairly
49 quickly. I had Little Tony cater the meeting and I am pretty confident that that amazing sauce
50 helped close the deal.

51
52 The new building was a great restaurant and thrived with huge lunch crowds, and even
53 bigger dinner crowds after the auto plant's day shift ended. Since we were friends, I struck a deal
54 with Tony that I would have dinner at Big Tony's the second Friday of every month and pick up
55 his loan payment. It was really an excuse for me to take a break from my diet.

56
57 Big Tony's success was remarkable. In 2019, I remember when Tony handed me a check
58 for the remaining balance of the loan. The remaining balance wasn't due for another several years.
59 The success of this loan meant a lot to me professionally and I was promoted to Senior Loan
60 Officer in the Commercial Division of First National.

61
62 Little Tony approached me in 2020 about a plan to build on to the existing building and
63 expand out the bar area. Big Tony's has always been a family friendly restaurant. Little Tony felt
64 s/he was watching the post work bar business pass up his restaurant for other places down the
65 street. Little Tony's vision was an expanded kitchen, more menu items and a large sports bar
66 area. Tony wanted to draw from the plant, but also for the big games on the weekend.
67 Smokehouse, for all its college sports tradition, really lacked a quality sports bar. I was
68 immediately excited about this new venture.

69
70 I presented Little Tony's plan to the loan committee. Of course, we had Big Tony's cater
71 lunch to help the committee make their decision. Based on the success of the previous loan, the
72 committee approved a \$750,000 expansion of the property. Construction on the expansion took
73 almost a year and a half. Unlike the prior deal, this deal was full of issues and problems. There
74 were extensive construction delays and the original expansion plan crossed an easement that
75 forced some legal work to clear up the title issues. Little Tony asked twice for me to approach
76 the committee for more financing and the final loan amount was \$900,000.

77
78 The loan was structured at a 30 year fixed rate at 6.0 percent based on Little Tony's past
79 success with our bank. We, of course, secured the loan with the existing building, all of its
80 improvements and the equipment utilized in the business. Little Tony's monthly payment was
81 \$5,396.00. Since First National had to increase the amount of loan proceeds for disbursement
82 during the construction process, the committee required Little Tony to sign a personal guarantee
83 for the loan. As with all of our commercial finance agreements, if the borrower defaults on the
84 loan, we have an acceleration clause. This clause allows the bank to demand the full value of the
85 loan due upon request. Should a borrower fail to comply with the bank and enter default status,
86 First National reserves the right to foreclose on the property.

87
88 But we were not concerned about Big Tony's. When it opened in October 2021, its sports
89 bar was hopping with business during football season. The post work bar crowd spilled onto their

new patio area and it was the big new spot in Smokehouse. Big Tony's was popular among the college students and the autoworkers. For fun, Tony even set up a Sheridan side and a Pickett side to the bar so that rivals wouldn't co-mingle. I continued my monthly tradition of stopping in the second Friday of each month for the loan payment and dinner. Of course, I sat on the Pickett side.

In the summer of 2022, the AAC Plant closed down. It was a rough year for Smokehouse. First National saw its residential loans default at record numbers. All of the commercial development around the plant struggled to draw customers to the outskirts of town. Most of our clients were having trouble, and Big Tony's was no exception. I visited the restaurant in August of 2022 to pick up the payment and see Tony right after the plant closed. The restaurant was quiet, with only a few people in the bar. Four months before, I wouldn't have been able to find a seat. Tony was only able to pay half the loan payment that month. I told Tony that I would see what the bank could do to work with him/her. I just asked Tony to be honest about the restaurant's problems. Tony had always been there for me. I couldn't abandon him/her now. Plus, if this loan went under, it was my job on the line considering the losses the bank was taking in this down market.

I pulled some strings on the committee and allowed Tony to enter into a program to cure any loan deficiencies without any repercussions from the bank. Part of the program let me look into Tony's bank statements and serve as an advisor to find ways to make her/his business more profitable and make timely bank payments. S/he missed some months, made partial payments, and wasn't bringing enough money in to cover the expenses. Tony went so far as to not even pay her/himself to make sure the bills got paid. So we worked with Tony to get the balance sheets in line.

While I worked with Tony, it appeared s/he was able to right the ship. Tony would pay a few days late, but was still able to make part of the payments. May, June, and July 2023 were trending back up and the new advertising work was paying off. S/he started a shuttle service between the campuses and brought the students back into the fold. I reviewed the balance sheets and there were obvious signs of improvement.

I remember August 14, 2024 very well. I went in for my monthly meal and to visit with Tony. It was really quiet that night, and there were only a few people working when I arrived at 9:30 p.m. It was a little later than normal, but it's a tradition. Tony decided to close up early and sent everyone home around 10:20 p.m. I waved to Shannon Sanchez when s/he left. Shannon was a fantastic manager and certainly knew how to run the business. I know Tony and Shannon didn't get along since the break up, but Tony recognized Shannon was vital to running Big Tony's. I heard Shannon had got into some trouble with alcohol when s/he was younger, but I haven't seen anything since I've known her/him.

Tony and I chatted that night at the bar area of the restaurant. Tony wasn't able to make the loan payment, but promised to have it after the weekend. There was a big Cards-Cubs series that weekend and it was going to bring in huge crowds. Tony was banking on that crowd to put the bar back in the black for the month. While I was frustrated, I told Tony to have the check in my hands by Monday morning. First National just completed a round of layoffs last month, so I

136 didn't want to present a default status again to the loan committee. I told Tony I needed that
137 payment as soon as possible. Tony was confident the upcoming weekend would be lucrative and
138 that making the payment would be no problem. S/he even mentioned that football season was
139 right around the corner and how excited s/he was that the restaurant was getting into the black.
140 Typical Tony. S/he was always thinking that everything was going to be all right and that s/he
141 would finish on top.

142
143 I was putting pressure on Tony that night because sometimes Tony needs a little extra
144 push to finish the job. S/he is a bit of a dreamer, but sometimes a reality check is necessary. That
145 being said, the loan committee did a case study on Tony's loan and we were confident it would
146 not be a concern. With Tony's renewed advertising movement, streamlining of costs, and the
147 overall economic improvement of Smokehouse, First National was not going to accelerate its
148 loan option nor was it going to foreclose. I didn't tell Tony that because I wanted to make sure
149 that the payments kept coming.

150
151 When I left around 10:40 that night, Tony was the only one left in the restaurant. I know I
152 left shortly after Shannon and the rest of the staff left, but I cannot say for certain. Tony was
153 cleaning the bar area and I saw her/him walking around to the tables to blow out the candles on
154 each one. The candles were a new addition since the expansion because the cigarette smoke was
155 so thick. Tony placed votives and candles on each table in the bar area and it helped with the
156 smell. I do recall seeing candles lit on the bar and around the bar area behind the bar. I don't
157 remember how many exactly, maybe 3 or 4 on the bar and 2 or 3 on shelves behind the bar. But I
158 know for sure the candles were lit.

159
160 The door was open when I left, and I asked Tony if s/he wanted me to lock it. Tony said
161 to leave it open and I left. I don't remember seeing any other cars in the parking lot other than
162 Tony's. I met up with some friends at a local bar called Seamus McGillicutty's near the Pickett
163 campus. It's been our neighborhood bar since college and we know everyone there. I got there
164 around 10:45 or so, but I am not for certain. I know we were meeting at 10:45 that night, but I
165 was running a little late. I did not see Shannon at McGillicutty's when I arrived. I did see
166 Smokes McCaffrey at the bar. S/he was sitting in the usual spot holding court for anyone who
167 would listen to his/her stories. But s/he did receive a phone call, finished a Guinness and walked
168 out the door.

169
170 The Big Tony's fire has certainly been fodder for rumors throughout Smokehouse. But I
171 have known Little Tony for years and I believe him/her. Hopefully, this insurance company will
172 actually help someone instead of trying to squeeze out every last nickel. Tony's restaurant was
173 good for Smokehouse and I cannot wait until s/he opens another. I miss that sauce.

174
175 This statement was given under oath. I have had an opportunity to read, review, and
176 update this statement, and I attest that this is a true and accurate statement.

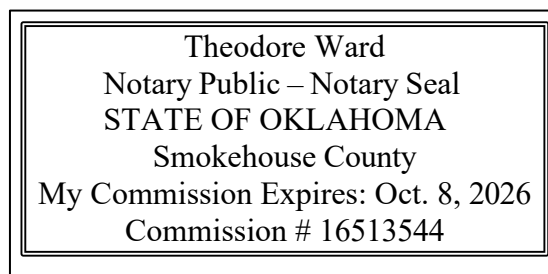
/s/ Chase Kimoto

STATE OF OKLAHOMA)
) SS.
COUNTY OF SMOKEHOUSE)

On this date before me personally appeared Chase Kimoto, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he/she executed the same as his/her free act and deed.

In testimony whereof, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

/s/ Ted Ward
Notary Public



Statement of Drew Emmanuel

1 My name is Drew Emmanuel. I am 35 years old and an employee of the Blackstone
2 Insurance Group, which is called “B.I.G.” for short. Unfortunately, I am pretty accustomed to
3 giving statements because B.I.G. is involved in a lot of litigation. Most people are not happy
4 when their claims are denied. It seems like more and more of them decide to sue us these days. I
5 have to admit, I was surprised when Tony Shapiro filed this lawsuit. After the cops cleared
6 him/her of possible arson charges, I thought he/she would let the whole thing go. I mean, it
7 seems strange that he/she would want to draw attention to the fact that, when you look at all the
8 evidence, it's pretty clear that Tony torched his/her restaurant.
9

10 I came to Smokehouse, Oklahoma a year ago. I used to work in the St. Louis, Missouri
11 office. I've worked for B.I.G. for the past ten years. I started as an hourly employee entering
12 telephone claims. People would call the 1-800 number on their policies when something came up
13 and I would take their basic information—name, policy number, type of claim. I did a great job. I
14 used to take very detailed statements. All of the facts really helped out whatever adjuster was
15 assigned to the claim. I was promoted after only one year to a claim manager myself. I would
16 evaluate claims to see whether, under the terms of the policy, we should pay the claim. I've
17 worked on all kinds of policies—life, disability, auto. I was St. Louis Claim Manager of the Year
18 4 times. You win that award when your paperwork is accurate and you make timely claims
19 decisions. I was always very efficient. You know, I have to say, I think that insurance companies
20 get a bad rep. In my years as a claim manager in St. Louis, I bet I allowed twice as many claims
21 as I denied. You never hear about that. Anyway, the company assigned me to handle higher and
22 higher dollar amount policies.
23

24 Right before I came to Smokehouse, I was working on high value life insurance policies.
25 The last claim I handled was a guy who died skydiving. He owned an accidental death policy. I
26 thought we should pay the claim because his death was pretty obviously accidental. He didn't
27 mean to die when he jumped out of the plane, did he? But my boss, Mr. Mitchell, disagreed. He
28 overruled my recommendation. A few months later, I was transferred to Smokehouse. Mr.
29 Mitchell called it a promotion because now I am in charge of an entire B.I.G. office, but I can't
30 help but think that I was sent away from the St. Louis office because of that disagreement. It
31 seems pretty unfair if you ask me. Smokehouse is okay. I took over a B.I.G. office that used to be
32 owned by a guy named Eustace McGee Sr. One night I was at the grocery store and overheard
33 two guys talking about “poor Eustace.” I couldn't help but listen in and I heard that Eustace's
34 son, a guy called “Slinky,” died a terrible death a few years back. I guess he was a bookie and
35 got shot. I was really surprised that Eustace would have a son into organized crime. Eustace was
36 as mild-mannered as you can get. Which, I have to say, kind of affected his business. His office
37 was really laid-back. Paperwork wasn't organized or turned in on time. Also, I always suspected
38 that Eustace helped out some of the claimants. I mean, I get it, Smokehouse is a small town and
39 these people were his friends. But if someone isn't entitled to get paid, then they shouldn't get
40 paid. When I looked over the files from the past 20 years, I have to admit that some of the
41 paperwork didn't smell right. But what can you do?
42

43 Eustace picked his own successor. The man was named Sonny Francis and had worked
44 for Eustace for 15 years. He did such a terrible job—I mean, this guy paid *every claim*—that the

45 St. Louis office finally took notice. I was sent to replace Sonny. I guess that B.I.G. figured I'd be
46 tougher on claimants and not recommend so many payments.

47
48 Tony bought his/her policy from Eustace in December 2023, when Tony decided to
49 expand his/her place and felt like he/she needed more insurance. The policy that Tony bought,
50 Commercial Property Insurance Policy GH-90178, was very straightforward. The policy
51 replaced Tony's prior insurance policy and took effect in January 2024. Basically, the policy
52 provided that, if anything happened to Big Tony's, we would pay. It's just like a home insurance
53 policy, but for commercial property, like restaurants and other businesses. If Big Tony's was
54 struck by lightning and all the wiring went out, B.I.G. would pay for that. If a huge flood came
55 along and wrecked everything, B.I.G. would pay for that. If a tornado blew through town and
56 knocked the place down, B.I.G. would pay for that. The policy value was two million dollars.

57
58 But the policy contained one big exception. B.I.G. would *not* pay if the damage to the
59 property was caused by the policyholder—in this case, Tony. So the policy wouldn't pay out if
60 Big Tony turned on all the faucets and flooded Big Tony's. Or if he/she set fire to the restaurant,
61 which is what happened here.

62
63 One thing that a lot of people do not understand about insurance policies is that they are
64 not governed by anything except their own terms. What I mean is, just because a fire department
65 says you didn't burn down your restaurant, does not mean that B.I.G. has to reach the same
66 conclusion. B.I.G. is free to do its own investigation and make its own decision. So long as that
67 decision is reasonable in light of the evidence in the claim file, then a court is going to uphold
68 what the company decides. Most people think that if someone like the fire department makes a
69 decision, then B.I.G. has to agree. That's a big mistake. Frankly, B.I.G.'s investigations are
70 generally better than local law enforcement. I do not mean any disrespect, but cops and
71 firefighters are usually overworked and underpaid. B.I.G.'s in-house and hired investigators have
72 nothing to focus on except the case at hand. That allows them to be far more thorough.

73
74 Generally, a person calls in a claim right when it happens, then files a hard copy claim a
75 few days later. After that, I review all of the documentation, for example any local police or fire
76 reports, any policyholder or witness statements and any other key documents, and then make a
77 claim recommendation. That is the process that I followed here.

78
79 Before the fire, I only met Tony once. When I moved to Smokehouse, I tried to get out
80 and meet everyone with a high value policy. Tony's commercial policy was one of the biggest
81 handled by the office, so I arranged to meet with him/her at Big Tony's. Lunch was delicious,
82 but the meeting was a little strange. Most people only ask a few questions about their coverage.
83 The two biggest questions typically are not even questions at all—people just want confirmation
84 that what they think is covered is covered (*i.e.* the homeowner's policy includes the garage) and
85 that their coverage is in the amount that they think it is (*i.e.* my life policy which I think is worth
86 \$100,000 will actually pay \$100,000).

87
88 Tony asked those questions, but he/she also asked several others. For example, Tony
89 asked how claims were investigated. He/she asked how certain terms, like "covered loss" and
90 "property damage," were interpreted by B.I.G. And Tony asked how the company applied the

91 “intentional loss” exclusion—the exclusion that applies if the policyholder inflicts damage to the
92 property. I was a little taken aback by the questions, but figured that Tony was just a
93 businessperson who wanted to make sure that all the bases were covered when it came to Big
94 Tony's. After that first meeting, I never met Tony again until after the fire. His/her premiums
95 were always paid on time. I was just grateful that I knew all about the policy provisions. I could
96 talk about those provisions and what they mean in my sleep.
97

98 Everyone in town knew about the fire at Big Tony's. Tony called me the day after, on
99 August 15, 2024. He/she made a claim by telephone and then came in a few days later to fill out
100 the paperwork. I helped him/her through it. Tony seemed pretty upset. That makes sense, I guess,
101 considering that restaurant was his/her life's work. Every once in a while he/she would stare off
102 into space and I'd have to shake him/her to get an answer to a question on the claim form. Even
103 then, some of his/her answers were unclear or confusing. But Tony clearly told me that a robber
104 had come into the restaurant and that the fire must have started when their fighting caused a
105 candle to tip over on the bar. That story seemed to make sense because there had been a rash of
106 burglaries in Smokehouse in the weeks before the fire. According to the local paper, *The*
107 *Smokehouse Monitor*, the robberies were all identical. A man dressed in dark clothes would
108 come into businesses at or just after closing time and demand money. Most people just paid up.
109 I'll be honest, I always found it a little strange that the cops never found any evidence of a
110 burglar at any of those places, or Big Tony's. But Tony had that restaurant bulldozed so quickly
111 they may not have even had a chance to really look through the place. Still, Smokehouse is a
112 pretty small town and criminals usually get caught quickly.
113

114 I knew that the Fire Department was investigating whether the fire was actually arson, so
115 I told Tony that it might take a little while to make a claim determination. Tony, who is normally
116 a great person, a perfect restaurant owner, didn't take that well. He/she got very angry and yelled
117 at me that he/she didn't need a big time insurance company jerking him/her around. I tried to
118 reason with Tony, but he/she just stormed out. At the time, I chalked it up to Tony wanting to
119 rebuild quickly. Now, after learning a lot more about the financial trouble that Tony was in, I
120 think that he/she really needed the money.
121

122 Regardless, when I heard that the Fire Department had ruled the fire accidental, I gave
123 the claim file one final review. I looked over the report of Smokes McCaffrey, reviewed Tony's
124 statements when he/she filed the claim, and examined the terms of the policy. Based on that, I
125 didn't see any reason why B.I.G. shouldn't pay the claim. I had no reason to think that Tony was
126 lying. I made a recommendation to the main office that we pay the claim.
127

128 A few days later, I got a call from my old boss, Mr. Mitchell. Apparently he'd been
129 transferred to the property claims department. I was not happy to hear from him. Anyway, Mr.
130 Mitchell told me that the main office disagreed with my assessment of the claim. They didn't
131 think that McCaffrey's investigation was anywhere near thorough enough. Mr. Mitchell told me
132 that B.I.G. was hiring its own investigator, some person named Paddington, to conduct an
133 independent investigation. I admit that I was upset at being overruled by Mr. Mitchell, who just
134 seemed to have it in for me. But that's business, right?
135

And wow, when I heard Paddington's assessment, I have to say, it really opened my eyes. I had no idea that Tony was in such major financial trouble. I guess that I should have considered that, maybe made a few inquiries on my own. But I assumed that Smokes had done that as part of his/her investigation. Just goes to show you, you can't trust anybody. When I heard everything that Paddington had to say, I realized that Tony definitely burnt down that building. I recommended, based largely on Paddington's opinion, that we deny the claim. This time, Mr. Mitchell agreed.

I called Tony to give him/her the news, even though I had to send a letter with the formal denial. He/she totally lost it. Just started screaming about how B.I.G. wouldn't mess with him/her and how he/she was going to file suit the very next day. I finally just hung up the phone because you can't reason with someone when they are that upset. I felt pretty bad for Tony, though. You know, I understand why Eustace ran the business the way he did. In a big city like St. Louis, all of your claimants are sort of nameless and faceless. Here, you see the people at the store, the Little League ball games, even the sidewalk. It's harder to discount what you know about a person. And I liked Tony. He/she seemed like an honest person. This whole thing is just a real shame. But I stand by B.I.G.'s decision. No matter what I think of Tony as a person, he/she did not qualify for payment under the policy. It's as simple as that.

This statement was given under oath. I have had an opportunity to read, review, and update this statement, and I attest that this is a true and accurate statement.

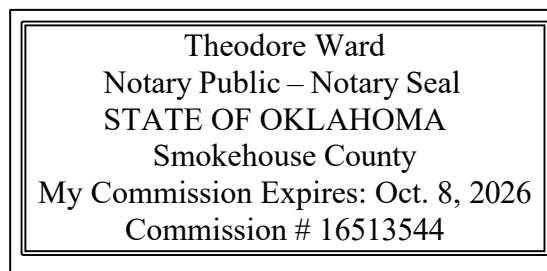
/s/ Drew Emmanuel

STATE OF OKLAHOMA)
) SS.
COUNTY OF SMOKEHOUSE)

On this date before me personally appeared Drew Emmanuel, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he/she executed the same as his/her free act and deed.

In testimony whereof, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

/s/ Ted Ward
Notary Public



Statement of Alex Paddington

1 My name is Alex Paddington and I am 40 years old. I am originally from Tom's River,
2 New Jersey. Currently I am a partner in the firm of Paddington, Winston & Fozwell, LLC,
3 located in Chevy Chase, Maryland. Our firm is a consulting firm that specializes in private
4 investigations, commonly on behalf of insurance companies. My expertise in the firm is in the
5 area of arson investigation.

6
7 I graduated from Princeton in 2007 with a double major in chemistry and criminal justice
8 and a minor in English. After I graduated from college, I took a job with the Bureau of Alcohol,
9 Tobacco and Firearms, or the ATF. After working for the ATF for about three years, I developed
10 an interest in the area of arson investigation. I received extensive training from the ATF, the FBI,
11 and the International Association of Arson Investigators to prepare me to be an investigator.
12 There is no substitute for this training. I went to classes taught by the premier arson investigators
13 in the world.

14
15 After receiving this training, I worked as an investigator for the ATF for about 6 years.
16 My role was to assist local and state investigators on arson cases they were not prepared to
17 handle. For the first 3 years, I was an assistant investigator working with a more experienced
18 investigator, and for the last 3 years, I worked as a lead investigator.

19
20 It was during this time that I developed such an interest in this area that I decided to use
21 that English degree and started writing crime novels. The main character in my novels is Bing
22 Boddington, an arson investigator working in Washington, D.C. The novels are somewhat
23 autobiographical, because some of the best stories come from real life experiences. So far, I have
24 written seven Bing Boddington novels, one of which made it on the New York Times Bestsellers
25 list. Writing novels is a tough job – twice I had to take a two month leave of absence from the
26 ATF to finish and promote my work. I am currently in negotiations with A&E about a possible
27 reality TV show where they follow me around on my investigations which would be titled
28 "Firestorm: Life of an Arson Investigator." I think it would be great PR and, hopefully, you will
29 see it on TV this fall.

30
31 After six years as an investigator for the ATF, I decided it was time to go out on my own,
32 and that is when myself and two colleagues decided to form Paddington, Winston & Fozwell in
33 2016. We do all types of investigations, but primarily arson investigations. Most of the time, we
34 are hired by insurance companies to investigate claims made based on building fires. By far, the
35 biggest insurance company our firm works for is the Blackstone Insurance Group, or B.I.G. Each
36 year, the firm makes approximately \$400,000 in business from B.I.G., which is 75% of the
37 firm's annual income. When I work for B.I.G., I charge my standard rate of \$300 per hour. In
38 most of the cases that I work on for B.I.G., I recommend that the company deny the insurance
39 claim. I do not have any bias in favor of B.I.G. I guess they only hire our firm when they really
40 think there is a problem.

41
42 In the current case, we were contacted by B.I.G. on October 31, 2024, to conduct an
43 investigation related to a fire at Big Tony's BBQ restaurant in Smokehouse, Oklahoma. To
44 prepare for the investigation I reviewed the report by the arson investigator, Smokes McCaffrey,

45 along with his witness statement. I reviewed the Profit and Loss Standard for Big Tony's BBQ,
46 prepared by Shannon Sanchez. I also reviewed the statements of Tony Shapiro, Chase Kimoto and
47 Shannon Sanchez, and relied on these witness statements as part of my expert examination, as is
48 typical of investigations of this sort. Also, due to the nature of my job, I was not able to visit the
49 scene. In this case, the remains of the burned building were cleared within one week of the fire,
50 which was done at the request of the property owner, Tony Shapiro. Since there were no remains
51 to be examined, I did not even travel to Smokehouse.

52
53 Regardless, I was familiar with Smokehouse because I had previously traveled there to
54 investigate a fire at the Sheridan College Civic Center in 2021. During that investigation, I met
55 Smokes McCaffrey. In that case, s/he did a fine job for a small town investigator, but s/he didn't
56 have the training to know exactly what to look for. I was also familiar with Big Tony's BBQ
57 because I had eaten there when in Smokehouse. As I recall, they had outstanding sauce.

58
59 My investigation in this case consisted of two parts. First, I conducted an analysis of the
60 investigation done by the primary arson investigator to determine whether the investigation was
61 adequate. Second, I reviewed all of the evidence and attempted to come to my own conclusion
62 about what caused the fire.

63
64 Reviewing McCaffrey's investigation, there were a number of mistakes that s/he made.
65 First, McCaffrey did not do an adequate job investigating the witnesses at the scene. McCaffrey
66 made a mistake by not questioning Tony Shapiro more on the night of the fire. I understand that
67 Shapiro may have been very emotional at the time, but any observations s/he may have had
68 about how the fire started would have been very important and those details may be lost by the
69 next morning. Furthermore, there is no indication that McCaffrey questioned the fire fighters
70 who battled the blaze. They may have had important information. The size and color of flames
71 and the type and color of the smoke coming from the fire may have been crucial in determining
72 how the fire started, and what type of accelerant may have been used.

73
74 The next major flaw in McCaffrey's investigation has to do with his physical
75 investigation of the burned property. While I agree with McCaffrey's conclusion that the origin
76 of the fire was likely the bar and the floor in the main dining room, McCaffrey did not do enough
77 investigation with regard to the use of an accelerant in the fire. The flowing burn patterns clearly
78 show that there was a large amount of liquid accelerant present at the scene. However,
79 McCaffrey did no tests to determine what type of liquid accelerant was used. McCaffrey could
80 have taken fire debris and done a gas chromatography analysis to determine the liquid's chemical
81 fingerprint. Unfortunately, no such test was done.

82
83 The final, and perhaps most important, flaw in McCaffrey's investigation was his/her
84 failure to look at the possible motives of Shapiro in this case. A good arson investigator knows
85 that physical evidence can only tell you so much, and it's very important to understand why a
86 fire may have been started. In this case, McCaffrey took Shapiro at his/her word that a robber
87 came into the restaurant, that there was a struggle, and that the fire started thereafter. However,
88 when you look at the financial situation that Shapiro was in, it is clear that s/he stood to benefit
89 from the restaurant burning down. Shapiro was in a dire situation with the First National Bank of
90 Smokehouse, and was in danger of defaulting on his/her loan. In fact, s/he did not even have

91 enough money to make a loan payment that night. After reviewing the Profit and Loss Standard,
92 it was clear the restaurant income had consistently been trending downward for a considerable
93 amount of time. Furthermore, Shapiro had signed a personal guarantee on the loan, so s/he stood
94 to lose his home and personal property if s/he defaulted. Taking this in mind, the physical
95 evidence uncovered by McCaffrey is consistent with Shapiro starting the fire using candles and
96 alcohol, and staging the alleged robbery. This possibility is even more likely given the fact that
97 the investigation never uncovered any evidence of this unknown robber. McCaffrey made a huge
98 mistake when s/he failed to consider this possibility and prematurely stopped his/her
99 investigation.

100
101 In my opinion, the fire in this case was likely started by Shapiro in order to defraud
102 B.I.G. I agree with the physical findings made by McCaffrey. The fire did indeed start in the bar
103 and dining area, and there were two initial origins. Also, it is clear that there was a large amount
104 of accelerant. However, based on my review of the case, it is clear that there was a very large
105 amount of accelerant used. To create burn patterns of the size noted by McCaffrey, I believe
106 there must have been 10 to 20 bottles of alcohol broken at the scene. This is inconsistent with
107 what Shapiro has said.

108
109 Furthermore, the way Shapiro describes the fire starting simply does not make sense.
110 According to Shapiro, there was an almost instant blaze while s/he struggled with the robber.
111 Based on my training and experience, a fire started by a candle flame and broken bottles of
112 alcohol would not start so quickly. While alcohol is an accelerant, it is not as potent as other
113 accelerants, like gasoline, and will burn very slowly at first. Many people expect that alcohol will
114 immediately make a fire rage out of control like in the movies, but this is not the case. There is
115 no way that a fire would have started as quickly as described by Shapiro.

116
117 When you look at these factors, Shapiro's story does not match the physical evidence.
118 When you also realize how much Shapiro had to lose due to his/her failing business, the most
119 likely scenario in this case is that Shapiro started the fire. S/He was probably surprised that the
120 fire burned so slowly at first, and poured more and more alcohol on it until it finally blazed out
121 of control. Also suspicious is the fact that Shapiro had the building demolished so soon after the
122 fire, and the fact that s/he took notes to his/her interview with McCaffrey. McCaffrey did a sub-
123 par investigation and misinterpreted the physical evidence. Had a better and more sophisticated
124 arson investigator conducted this investigation, I believe Shapiro would currently be facing
125 criminal charges. The facts of this case would make a good Bing Boddington story.

126
127 This statement was given under oath. I have had an opportunity to read, review, and
128 update this statement, and I attest that this is a true and accurate statement.

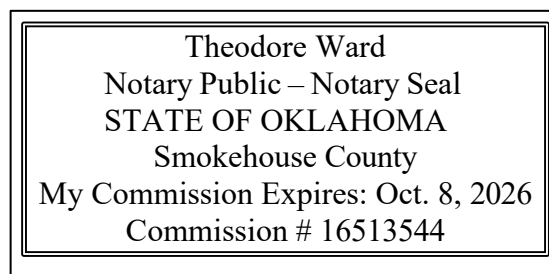
/s/ Alex Paddington

STATE OF OKLAHOMA)
) SS.
COUNTY OF SMOKEHOUSE)

On this date before me personally appeared Alex Paddington, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he/she executed the same as his/her free act and deed.

In testimony whereof, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

/s/ Ted Ward
Notary Public



Statement of Shannon Sanchez

1 My name is Shannon Sanchez, and I am a lifetime resident of Smokehouse. I am 30 years
2 old. I used to work as the Assistant Manager at Big Tony's BBQ before the fire in August of
3 2024. Now I am an Assistant Manager at the Bahama Breeze Restaurant by Sheridan College
4 over on Aly Street.

5
6 I started working part time at Big Tony's when I was a high school senior. I moved on to
7 a full time job there when I graduated high school in 2014. Back in 2017, I worked with Tony's
8 kid, Cory, waiting tables and doing all the random jobs Tony would have us do everything at that
9 place. Cory worked there part time while going to Pickett University. Before long, Cory and I
10 were dating. Tony wasn't too happy about me dating Cory, since I was four years older and
11 didn't go to college. But Cory and Tony didn't always get along, so Tony certainly couldn't stop
12 us from being together.

13
14 Cory graduated from Pickett in 2019 and we eloped that summer. Cory and I drove up to
15 the Grand Lake and were married with our friends at the Bridal Cave. It was very
16 romantic. We spent the rest of the week honeymooning at the Chateau on the Lake.
17 We had a great week at the Titanic exhibit, saw the Dixie Stampede show, and even saw Yakov
18 Smirnoff. It was an amazing week that I still treasure.

19
20 When we returned to Smokehouse, Tony was angry since we didn't tell anyone about the
21 trip. Tony certainly didn't approve of our marriage, but reluctantly accepted me as part of the
22 family. Tony promoted me to Assistant Manager and I helped Tony with staffing and the
23 accounting. Tony had just gotten a big loan to make Big Tony's a sports bar that summer. I was a
24 little surprised s/he wanted to expand that much. It seemed like overkill since we were already
25 doing so well. The restaurant was full, but it wasn't like there was an hour wait every night.

26
27 Around the time Tony broke ground on the expansion, there were rumors all over town
28 that the auto plant was going to close. No one was surprised when they heard about it. Seriously,
29 those AAC cars were terrible. Mine broke down all the time. I traded it in for a German car.
30 Tony didn't like that either.

31
32 So, when we finally opened the expansion in the Fall of 2021, my life was falling apart.
33 Cory and I were having trouble. Cory just didn't want to follow in Tony's footsteps. Cory
34 wanted to move out of Smokehouse and chart his/her own path. Smokehouse was all I knew and
35 I didn't want to leave home. Needless to say, we split up and Cory moved away to pursue his/her
36 dreams in New York City. Tony was devastated. But Tony put all of his/her energy into the
37 expansion and kept putting more responsibility on my shoulders. Tony never fully liked me and I
38 think s/he blamed me for Cory leaving town. But his/her form of punishment was just working
39 me harder. Plus, I knew more about that restaurant than anyone else and I even knew the special
40 recipe for the sauce. Tony only trusted me to make it when s/he wasn't around.

41
42 The expansion opened up to a huge response in October 2021. Tony did commercials and
43 interviews all over the radio and TV. It seemed like you couldn't turn on a TV without seeing
44 Tony in a huge cowboy hat and that rib suit. The billboards all over the highway were a bit

45 crazy, but it certainly worked. We had lines out the door that first October. I was surprised to say
46 that Tony's gamble worked. I knew Tony's nerves were on edge though, because the rumors
47 about the auto plant closing just wouldn't go away.
48

49 Big Tony's was having a great run and Tony was living the high life. S/he moved into the
50 ritzy part of town and was certainly reaping the rewards and capitalizing on the expansion. I saw
51 the books. Tony was paying him/herself a huge salary and was living like the money would
52 never dry up. Every day it seemed like s/he would have a new gadget. New Ferrari, flat screen
53 TVs, trips planned to Cayman Islands, and \$500 bottles of wine. S/he lived it up. But that
54 lifestyle all came to a screeching halt when that plant closed in July of 2023. I remember Tony
55 was beside him/herself when the plant closed. Tony was always optimistic, though, and would
56 say, "The sauce will keep them coming back. You'll see. They will be back."
57

58 Problem was they weren't coming back. Without the plant, there was little traffic on that
59 side of town. The businesses that were built around the plant were closing up left and right. The
60 numbers weren't good. We were barely bringing in enough sales to pay our bills and our
61 employees. I know that Tony even bounced some checks to vendors and even a few payroll
62 checks. For the first time, I saw Tony depressed. S/He put on a face to his/her business partners
63 and customers, but when we were alone, you could tell the pressure was getting to her/him. It
64 was the first time I didn't see that "can do" attitude that s/he always portrayed.
65

66 For the next few months, we were struggling. The bank was putting some pressure on
67 Tony about the loan and s/he was running ideas out left and right to increase advertising. Tony
68 conceived some new plan to bring in the college kids. Big Tony's was never much of a college
69 bar, but Tony was willing to do anything to save the place. Tony ran around campus in the rib
70 outfit with the hat and handed out coupons and flyers. S/he'll deny it, but I saw her/him make a
71 fool of her/himself to get traffic to the bar.
72

73 It seemed to be working. The spring of 2024, we actually saw our sales increasing and the
74 numbers were better. Tony was excited about the uptick and was starting crazy talk about
75 marketing his sauce in grocery stores. We weren't out of the woods, but Big Tony's was coming
76 back.
77

78 The night of August 14, 2024, I worked the closing shift with Tony. It was a slow night,
79 so Tony sent everyone home early. Chase Kimoto was in the bar at her/his usual chair tearing
80 through some ribs and having a conversation with Tony. I was cleaning up in the back. Tony
81 usually works late, but likes the company. I felt it was strange s/he asked me to take off early.
82 But I am not one to complain about getting out of work early, so I took off around 10:30. When I
83 left, Tony and Chase were in a serious conversation and Tony looked upset.
84

85 I walked over to Seamus McGillicutty's to have a nightcap with some friends. I
86 remember being careful and scanning around me since there was this string of robberies around
87 town. I do remember seeing some people I didn't recognize in dark clothing on the street a few
88 blocks from Big Tony's, but I didn't see where they were going.
89

90 I walked into Seamus McGillicutty's to find it a little slow on a Friday night. It was
91 industry night, so it packs them in after midnight. Over in the corner, I saw old Smokes
92 McCaffrey telling stories. It looked like the only person listening was the owner, Steve Scribner.
93 Steve is about as Irish as my dad, Manuel Sanchez. But Steve runs a good bar and Smokes could
94 keep him in business all by him/herself. I remember seeing Smokes there with a drink, but I am
95 not sure how many s/he had. After a drink with my friends, I realized that I had left my keys over
96 at Big Tony's. Since Chase was there, I didn't think to lock up while Tony had a customer.

97
98 Just before 11:00 p.m., I walked up to Big Tony's to pick up my keys and could see a
99 giant glow in the direction of the building. I ran up the street, turned the corner, and found Big
100 Tony's up in flames. Tony was standing outside the building by him/herself and was silent.
101 Tony's face was emotionless and s/he stared blankly into the flames shooting out the windows. I
102 remember Tony smelled like smoke and alcohol. I asked Tony if 911 had been called yet. Tony
103 just mumbled no. Tony then mumbled on about how someone attacked him and the place
104 suddenly caught fire.

105
106 I immediately called 911 and the Fire Department arrived within minutes, but it was too
107 late. The place was destroyed. By then, a crowd had circled around the building as the
108 firefighters doused the flames. Soon after the firefighters arrived, Smokes McCaffrey rolled up
109 and started asking questions of everyone in the area. I told Smokes what I found when I arrived.
110 He even walked into the fire and started his investigation.

111
112 The old Tony never would have set that fire, but with business as bad as it was, you never
113 know. I just can't get the image out of my head of Tony just standing there watching the
114 restaurant burn down. I mean, s/he didn't even call 911 to save the place. If I hadn't come along,
115 I think that s/he would have stood in that spot until nothing was left but ashes. And that just
116 doesn't seem right.

117
118 This statement was given under oath. I have had an opportunity to read, review, and
119 update this statement, and I attest that this is a true and accurate statement.

/s/ Shannon Sanchez

STATE OF OKLAHOMA)
) SS.
COUNTY OF SMOKEHOUSE)

On this date before me personally appeared Shannon Sanchez, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he/she executed the same as his/her free act and deed.

In testimony whereof, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

/s/ Ted Ward
Notary Public

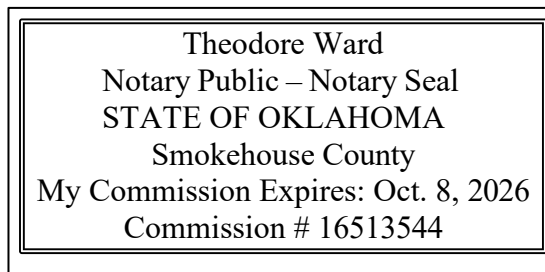


Exhibit One:
Commercial Property
Insurance Policy

EXCERPTS FROM COMMERCIAL INSURANCE POLICY GH-90178



BLACKSTONE INSURANCE GROUP

HELPING BUSINESSES BUILD A SAFER FUTURE

COMMERCIAL PROPERTY INSURANCE POLICY

POLICY HOLDER: BIG TONY'S BBQ RESTAURANT

POLICY NUMBER: GH-90178

PROPERTY INSURED: BIG TONY'S BBQ RESTAURANT
713 REBEL DRIVE
SMOKEHOUSE, OKLAHOMA 73111,

POLICY EFFECTIVE DATE: JANUARY 1, 2024

POLICY END DATE: JANUARY 1, 2025 (RENEWABLE ANNUALLY)

MONTHLY PREMIUM: \$100.00

COVERAGE AMOUNT: \$2,000,000.00

RESPONSIBLE AGENT: EUSTACE MCGEE, SR.

THIS POLICY CONTAINS ALL OF THE TERMS AND CONDITIONS THAT GOVERN THE RELATIONSHIP BETWEEN THE POLICY HOLDER REFERENCED ABOVE AND BLACKSTONE INSURANCE GROUP. NO OTHER RIGHTS OR OBLIGATIONS EXIST BETWEEN THE POLICY HOLDER AND BLACKSTONE INSURANCE GROUP EXCEPT FOR THOSE EXPRESSLY CONTAINED IN THE POLICY REFERENCED ABOVE. BLACKSTONE INSURANCE GROUP EXPRESSLY RESERVES AND DOES NOT WAIVE ITS RIGHT TO ENFORCE EACH AND EVERY TERM AND CONDITION CONTAINED HEREIN.

SECTION 1.1: DEFINITIONS

- A. **"Policy"** shall mean and refer to the Commercial Property Insurance Policy referenced on the cover page.
- B. **"You"** and **"Your"** shall mean and refer to the person or entity listed as the Policy Holder on the cover page.
- C. **"B.I.G."** shall mean and refer to Blackstone Insurance Group.
- D. **"Business"** shall mean and refer to a trade, profession or occupation engaged in on a full-time, part-time or occasional basis or any other activity engaged in for financial compensation, other compensation, or other professional purposes.
- E. **"Insured Location"** means the premises on which the insured Business is operated and/or the Property Insured referenced on the cover page.
- F. **"Property Damage"** shall mean and refer to any destruction of tangible property, including the resulting loss of use of the Insured Location.
- G. **"Total Loss"** shall mean and refer to Property Damage that is, in B.I.G.'s sole discretion, so extensive that the Insured Location is no longer suitable for the Business.
- H. **"Total Coverage Amount"** shall mean and refer to the Coverage Amount listed on the cover page.
- I. **"Covered Loss"** shall mean and refer to sudden, accidental, direct physical damage to the Insured Location that is a direct result of a peril that the property is insured against.
- J. **"Covered Peril"** shall mean and refer to the perils listed in Section 2.1 of the Policy.

SECTION 2.1: COVERED PERILS

- A. As referenced in Section 1.1(I), the Insured Location is insured against the following perils:

- (1) fire;
- (2) lightning;
- (3) windstorm;
- (4) hail;
- (5) explosion;

- (6) riot or civil commotion;
- (7) smoke;
- (8) vandalism and malicious mischief;
- (9) falling objects, including weight of ice, snow or sleet;
- (10) sudden and accidental tearing apart;
- (11) accidental flooding; and
- (12) theft.

B.I.G. will insure the Insured Location against Property Damage caused by the Covered Perils listed above except as excluded under Section 3.4 Exclusions.

In the event that a Covered Peril results in Property Damage to the Insured Location, the resulting Property Damage shall be considered a Covered Loss, up to and including Property Damage resulting in Total Loss, except as excluded under Section 3.4 Exclusions.

SECTION 3.1: COVERED LOSS PAYMENTS; DETERMINATION OF TOTAL LOSS

- A. A Covered Loss to the Insured Location will be settled for replacement cost if you repair or replace the damaged property. Payment will be made for the smaller of the following two items:
 - (1) replacement cost of the damaged property at the time of the loss; or
 - (2) the applicable limit of liability, *i.e.* the specific value of the damaged items as determined from information of record with B.I.G.'s local or regional office before the loss.
- B. In the event that the Property Damage to the Insured Location is so extensive that the Business can no longer gainfully operate, then the Covered Loss shall be considered a Total Loss. If satisfactory proof of a Total Loss is provided to B.I.G. the company will provide the Total Coverage Amount to you. Whether a Covered Loss qualifies as a Total Loss is determined by B.I.G. in its sole discretion.

SECTION 3.4: EXCLUSIONS

B.I.G. does not insure the Insured Location for Property Damage caused by any of the following, regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions are applicable regardless of whether the Property Damage event results in a Covered Loss or a Total Loss.

Excluded losses:

- (1) **building ordinances:** construction, demolition, remodeling, repair, renovation or regulation of the Insured Location mandated by building ordinance;
- (2) **earth movement:** earthquake, landslide, sinkhole or any other earth movement, including fire or explosion caused by such movement;
- (3) **water damage:** flood, surface water, waves, tidal water or spray from any of these sources, whether or not driven by wind;
- (4) **neglect:** neglect to use all reasonable means to save and preserve the Insured Location at and after the time of a loss or when the property is in danger of loss;
- (5) **intentional loss:** any loss arising out of any act you commit or conspire to commit with the intent to cause a Covered Loss, including a Total Loss; notwithstanding any other provisions of this Policy, in the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss;
- (6) **governmental action:** destruction, confiscation or seizure of property by order of any governmental or public authority; and
- (7) **controlled substance:** damage caused by the manufacture or processing by any insured or with any insured's knowledge of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. §§ 811 and 812.

SECTION 5.1: GENERAL POLICY CONDITIONS

- A. **Continuous Renewal Provision.** Subject to B.I.G.'s consent and subject to our premiums, rules and forms in effect, the Policy may be continued in force for each successive policy term. When the Policy is automatically renewed, the premium must be paid by the due date.
- B. **Inspections.** B.I.G. will be permitted to inspect the Insured Location at any time during the Policy period, including during a claims investigation. The Policy Holder identified on the cover page shall cooperate with any and all investigations, inspections and/or inquiries made by B.I.G. during the Policy's effective period, including but not limited to during claims investigations.
- C. **Undefined Terms.** Any word or phrase not specifically defined in the Policy shall be given its general and customary meaning.
- D. **Legal Action.** No legal action, including but not limited to lawsuits, mediations, arbitrations and/or any other form of legal process, may be maintained against B.I.G. unless and until all of the Policy's terms and conditions are complied with by you. B.I.G. expressly reserves and does not waive all available legal defenses, whether at law or in equity, against any form of legal action filed by you.

G.R. Hewitt, President

G.R. Hewitt

President, Blackstone Insurance Group

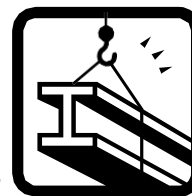
Tony Shapiro

Tony Shapiro

Big Tony's BBQ Restaurant

Exhibit Two:
Blackstone Insurance Group
Denial Letter

BLACKSTONE INSURANCE GROUP



January 1, 2025

Mr. Tony Shapiro
7809 McClellan Avenue
Smokehouse, Oklahoma 73111

Policy Number: GH-90178
Incident Number: 56777980

Dear Mr. Shapiro:

I am writing in regard to your claim for payment under Commercial Property Insurance Policy GH-90178 ("Policy"). I regret to inform you that, after a careful and thorough investigation, we are unable to approve payment at this time.

As you know, the Policy provides for coverage in the event of Property Damage to the Insured Location, as those terms are defined in the Policy. Although Property Damage caused by fire is generally a Covered Loss under the Policy, there is an important exception found in Section 3.4, which identifies excluded events for which coverage will not be provided. That section provides that no coverage will be paid for damages resulting from:

intentional loss: any loss arising out of any act you commit or conspire to commit with the intent to cause a Covered Loss, including a Total Loss; notwithstanding any other provisions of this Policy, in the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss . . .

In conjunction with your claim form, you provided Blackstone Insurance Group ("B.I.G.") with a copy of the Official Incident Report completed by Pat McCaffrey of the Smokehouse Fire Department. This Incident Report was reviewed in its entirety during B.I.G.'s investigation.

B.I.G., however, also retained its own consultant to investigate the fire that occurred at Big Tony's BBQ Restaurant on August 14, 2024. The consultant's report reached a conclusion different than Inspector McCaffrey and concluded that the fire was not the result of an accident. B.I.G.'s consultant stated that the fire which destroyed Big Tony's BBQ Restaurant was intentionally set and that Inspector McCaffrey's report cannot be relied upon due to the inadequacy of his investigation. For these reasons, B.I.G. is denying your claim.

You have the right to appeal B.I.G.'s decision. If you have any questions, please do not hesitate to contact me. I am happy to discuss B.I.G.'s investigation and decision with you at any time.

Regards,

Drew Emmanuel

Claim Manager

Exhibit Three:

Pat McCaffrey's Fire

Investigation

Smokehouse Fire Department

Official Incident Report

August 30, 2024

Investigator: Pat McCaffrey
Supervising Officer: Fred Buckhold

Incident Location: Big Tony's BBQ Restaurant, 713 Rebel Dr.
Incident Date: August 14, 2024, at approximately 10:00 p.m.

Incident Summary

This fire originated at Big Tony's BBQ Restaurant, a restaurant and bar that caters to a local clientele. Tony Shapiro, the owner of the restaurant, is the only known witness to the starting of the fire. Another potential witness is unidentified at this point. Nearly total destruction of building before fire department could respond. Building was immediately condemned and has already been demolished.

Background Interviews

The following individuals were interviewed in connection with the investigation of this case: Tony Shapiro, Shannon Sanchez, Suzanne Brueckmann, Jorge Julio, Harvey Kimoto. The following summarizes each interview.

1. Tony Shapiro

I interviewed Mr/s. Shapiro twice: once at the incident location on the night of the incident, and once the next day in my office at the fire department.

On the night of the incident I interviewed Mr/s. Shapiro at the scene while the building was still burning. At that time s/he told me that someone had come into the restaurant to rob the place. The two of them struggled, and next thing s/he knew the place was up in flames, likely due to the candles in the restaurant. S/He was then unable to speak any longer.

On August 15, 2024, I interviewed Mr/s. Shapiro at my office at the fire station. Mr/s. Shapiro arrived with notes s/he had taken the night before. S/He told me that the staff went home early that night but s/he remained at the bar. A man in a black ski mask and a black outfit came from the kitchen and demanded cash. Mr/s. Shapiro then said that s/he and the robber struggled and everything caught fire and the robber was gone. S/He suspected broken liquor bottles may have contributed to the fire. Mr/s. Shapiro then stated that s/he fled the building and watched the blaze until the assistant manager, Shannon Sanchez, arrived and called the police.

2. Shannon Sanchez

I interviewed Mr/s. Sanchez the night of the incident at the scene of the fire. Mr/s. Sanchez stated that s/he had left work from Big Tony's earlier in the evening. At approximately 11 pm s/he realized that s/he left a personal item at the restaurant, upon returning to the restaurant s/he found it ablaze. Mr/s. Sanchez stated that Mr/s. Shapiro was standing in front of the restaurant. S/he told me that Mr/s. Shapiro stated that someone had come in to rob the place, and the building caught on fire.

3. Suzanne Brueckmann, Jorge Julio, Harvey Kimoto

These three individuals were standing at the scene of the fire. I interviewed each one of them, but did not find anything they had to say to be of note.

Scene Investigation

The scene investigation was conducted on August 15, one day after the fire. I investigated the scene with the assistance of Henry Harrison, a deputy fire inspector for the department.

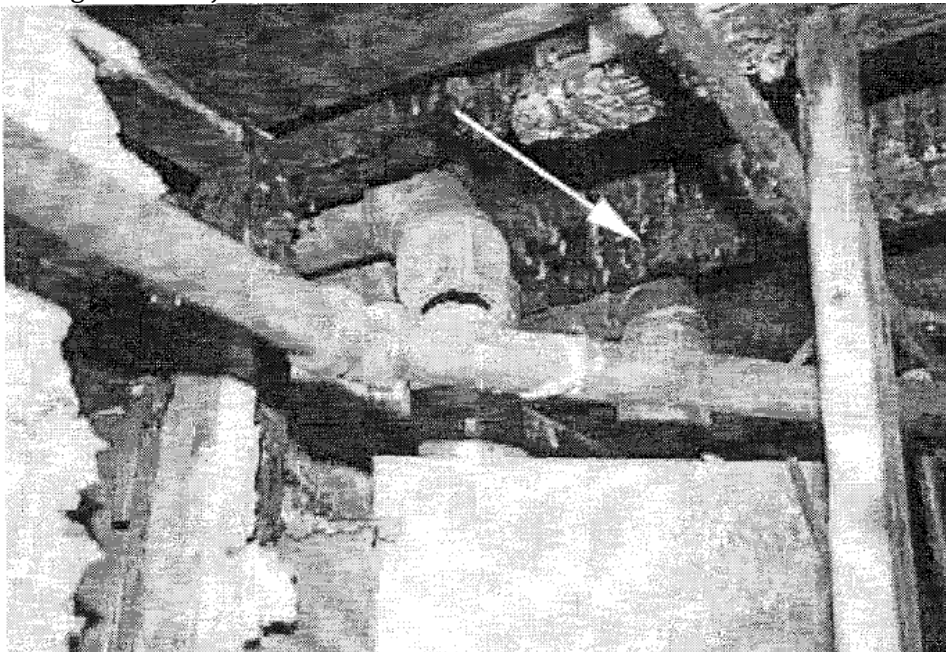
The fire gutted the restaurant. Below is a picture of the damage to the structure:



I first inspected the kitchen. The kitchen was badly damaged, as seen in the following photo:



Despite the extensive damage to the kitchen, I found no evidence of the origin of the fire in this area. I next examined the bar and dining room. Significant burn patterns were detected in this room, particularly at the points labeled "B" and "C". At point "C" the char depth was so significant that the fire had burned through to the joists holding the floor from below. The following picture shows the damage to these joists:



Based on the char depth analysis, there is no doubt that the two origin points for the fire were in the bar/main dining room area - one point on the wooden bar and the other on the floor near the bar.

There were no electrical outlets or other electrical devices located near either origin point. Therefore, it is unlikely that an electrical malfunction started the fire. A review of the damage indicates that some type of open flame started the fire.

The burn patterns on the bar and on the floor indicate that the fire was subjected to an accelerant of some kind. Both areas had a "flowing" burn pattern, indicated the pooling of a liquid accelerant. The flowing burn pattern on the bar was approximately 2 feet wide by 4 feet long, and the pattern on the floor was approximately 4 feet wide by 5 feet long. No determination could be made as to the specific nature of the liquid accelerant.

Final Conclusion

My conclusion in this case is that the fire was an accident. None of the physical evidence indicated arson. The statements made by Mr/s. Shapiro are consistent with the physical findings. Nothing about the physical appearance or demeanor of Mr/s. Shapiro indicates to this investigator that s/he is lying. Mr/s. Shapiro's story is consistent with other robberies that have happened recently in Smokehouse. It is the opinion of this investigator that, during a struggle with this robber, Mr/s. Shapiro broke an alcohol bottle and ignited an accidental blaze that destroyed the restaurant. It is the recommendation of this investigator that no criminal charges be pursued against Mr/s. Shapiro.

Exhibit Four: Restaurant Layout Diagram

RESTAURANT LAYOUT

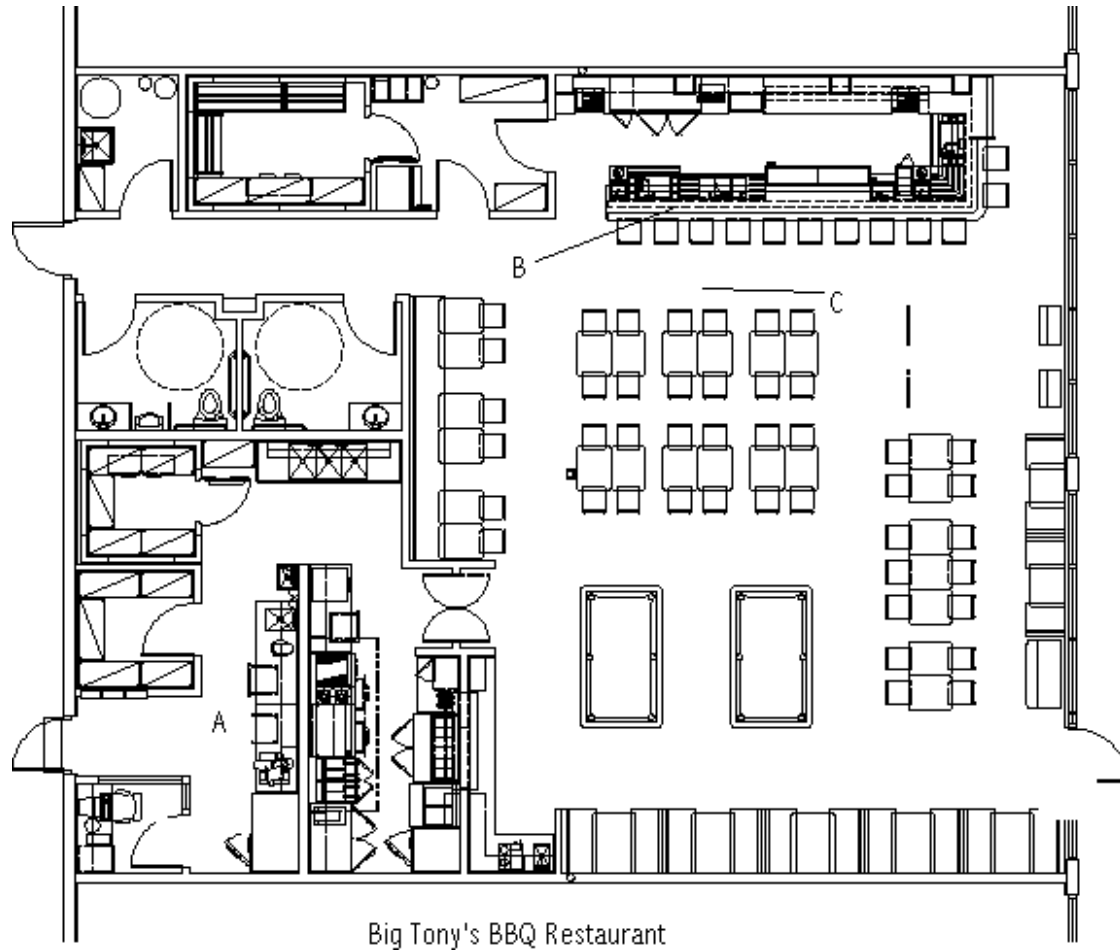


Exhibit Five:
Paddington Letter to
Blackstone Insurance Group

**Paddington, Winston and
Fozwell, L.L.C.**

10013 Roosevelt Avenue
Washington, D.C. 20004

November 1, 2024

Blackstone Insurance Group
Attn: Elizabeth Hockett, General Counsel
12321 5th Ave.
New York, NY 10034

Dear Elizabeth:

This letter is to formalize our previous oral discussions regarding the investigation of a possible arson at 713 Rebel Dr. in Smokehouse, Oklahoma. With regard to this property, it is understood that I will review all of the evidence and come to an independent conclusion regarding the cause of the fire at a restaurant called Big Tony's BBQ, owned and operated by Tony Shapiro of Smokehouse, Oklahoma.

With regard to this investigation, please provide my office with the following:

1. Copies of witness statements from all potential witnesses;
2. Any reports of fire or police agencies regarding the incident; and
3. A copy of the insurance contract.

As with all of our previous engagements, I will bill my time hourly at my standard \$300 per hour rate. I look forward to this project and hope it comes out as successfully as our last project – that home fire in Newport, Rhode Island. It's a good thing you guys did not end up having to pay that claim.

Sincerely,

Alex Paddington
Alex Paddington

Exhibit Six: Promissory Note

PROMISSORY NOTE SECURED BY DEED OF TRUST

\$900,000.00

County of Smokehouse, Oklahoma

FOR VALUE RECEIVED, THE UNDERSIGNED **Tony Shapiro**, (the “**Borrower**”), promises to pay to the order of the First National Bank of Smokehouse, an Oklahoma corporation, its successors and assigns (the “**Lender**”) the principal sum of Nine Hundred Thousand Dollars (\$900,000.00), together with interest and all other sums due hereunder or under the terms of the Deed of Trust made by Borrower for the benefit of Lender of even date herewith (the “**Deed of Trust**”) (which may be collectively referred to herein as the “**Obligations**”), in lawful money of the United States of America. The Obligations shall be payable at the office of Lender at 92907 Jackson Square, Smokehouse, Oklahoma, or at such other address either within or without the State of Oklahoma, as Lender hereof may from time to time designate. Said Obligations shall be paid over a term, at the times, and in the manner set forth below.

1. Interest: This Promissory Note Secured by Deed of Trust (this “**Note**”) shall bear interest at the rate of six percent (6%) per annum.

2. Maturity: The unpaid principal balance of this Note, if not sooner paid, shall be due and payable: (a) in full upon the sale or transfer of the Property (as defined in the Deed of Trust); (b) on the date thirty (30) years from the date of this Note, whichever event occurs earlier (the “**Maturity Date**”).

3. Application of Payments: All payments shall be applied first to any Obligations other than the principal and interest balance of this Note, then to accrued and unpaid interest, and then the balance, if any, to the reduction of the outstanding principal balance of this Note.

4. Prepayment: Borrower shall have the right to prepay all or any part of the Obligations at any time.

5. Additional Conditions:

5.1 This Note is secured by a Deed of Trust of even date herewith encumbering certain real property located in the County of Smokehouse, State of Oklahoma and other property as more particularly described in the Deed of Trust (hereinafter collectively referred to as the “**Property**”). The Deed of Trust contains terms and provisions for acceleration of the indebtedness evidenced by this Note together with additional remedies in the event of any Event of Default hereunder or thereunder. Failure on the part of Lender to exercise any right granted herein or in the Deed of Trust shall not constitute a waiver of such right or preclude the subsequent exercise and enforcement thereof. This Note, the Deed of Trust, and all other documents and instruments executed as further evidence of, as additional security for, or executed in connection with the indebtedness evidenced by this Note are hereinafter collectively referred to as the “**Loan Documents**.”

5.2 Except as herein otherwise provided, all parties to this Note, including endorsers, sureties and guarantors, hereby jointly and severally waive presentment for payment, demand, protest, notice of protest, notice of demand and of nonpayment or dishonor and of protest, and any and all other notices and demands whatsoever, and agree to remain bound hereby until the Obligations are paid in full, notwithstanding any extensions of time for payment which may be granted by Lender, even though the period of extension be indefinite, and notwithstanding any inaction by, or failure to assert any legal rights available to, Lender under this Note.

5.3 If the Obligations, or any part hereof or thereof, are placed in the hands of an attorney for collection, whether by suit or otherwise, at any time, Borrower shall be liable to Lender, in each instance,

for all costs and expenses incurred in connection therewith, including, without limitation, reasonable attorney's fees.

6. Default: If default shall be made in the payment of this Note as stipulated above or in the payment of any other sums due hereunder or under any of the other Loan Documents, or should an event of default occur and not be cured within any applicable cure period under any of the other Loan Documents, then, at the option of the Lender, the entire outstanding principal balance of this Note and all other sums advanced by Lender on behalf of Borrower shall become and be immediately due and payable then or thereafter as Lender may elect, regardless of the Maturity Date hereof. Lender shall have all remedies available as provided by the Deed of Trust. Any notice required hereunder shall be given as provided in the Deed of Trust.

7. Severability: If any clauses or provisions herein operate or would prospectively operate to invalidate this Note, then such clauses or provisions only shall be held for naught, as though not herein contained and the remainder of this Note shall remain operative and in full force and effect.

8. Applicable Law: This Note shall be governed by and construed in accordance with the laws of the State of Oklahoma and shall be binding upon Borrower, its heirs, personal representatives, successors, and assigns and shall inure to the benefit of Lender, its successors and assigns.

IN WITNESS WHEREOF, Borrower has executed this Note on the 23rd day of July 2021.

/s/ Tony Shapiro
Borrower

/s/ Chase Kimoto
Lender

Exhibit Seven:
Big Tony's BBQ Profit &
Loss Standard
(Prepared by Shannon
Sanchez)

BIG TONY'S BBQ PROFIT & LOSS STANDARD							
		Oct. 2022	Nov. 2022	Dec. 2022	Jan. 2023	Feb. 2023	Mar. 2023
	Sales	\$ 92,000.00	\$ 78,000.00	\$ 72,000.00	\$ 72,000.00	\$ 76,000.00	\$ 81,000.00
	Expenses						
	Advertising	\$ 2,500.00	\$ 2,000.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 3,500.00
	B.I.G.	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
	Vendors	\$ 14,000.00	\$ 18,000.00	\$ 22,000.00	\$ 20,000.00	\$ 15,000.00	\$ 22,000.00
	Loan Pmt	\$ 5,396.00	\$ 5,396.00	\$ 5,396.00	\$ 5,396.00	\$ 5,396.00	\$ 5,396.00
	Payroll	\$ 18,500.00	\$ 18,500.00	\$ 22,000.00	\$ 23,000.00	\$ 26,000.00	\$ 25,000.00
	Maintenance	\$ 2,000.00	\$ 2,000.00	\$ 2,500.00	\$ 2,500.00	\$ 3,000.00	\$ 3,000.00
	Tony's Salary	\$ 5,000.00	\$ 10,000.00	\$ 11,000.00	\$ 14,000.00	\$ 18,000.00	\$ 19,000.00
	Total Expenses	\$ 47,496.00	\$ 55,996.00	\$ 65,496.00	\$ 67,496.00	\$ 69,996.00	\$ 77,996.00
	Net Profit	\$ 44,504.00	\$ 22,004.00	\$ 6,504.00	\$ 4,504.00	\$ 6,004.00	\$ 3,004.00

BIG TONY'S BBQ PROFIT & LOSS STANDARD							
		Apr. 2023	May 2023	June 2023	July. 2023	Aug. 2023	Sep. 2023
	Sales	\$ 84,000.00	\$ 92,000.00	\$ 102,000.00	\$ 46,000.00	\$ 33,000.00	\$ 28,000.00
	Expense						
	Advertising	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 1,500.00	\$ 1,000.00	\$ 500.00
	B.I.G.	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
	Vendors	\$ 23,000.00	\$ 21,000.00	\$ 25,000.00	\$ 21,000.00	\$ 21,000.00	\$ 14,000.00
	Loan Pmt	\$ 5,396.00	\$ 5,396.00	\$ 5,396.00	\$ 5,396.00	\$ 2,700.00	\$ -
	Payroll	\$ 28,000.00	\$ 28,000.00	\$ 28,000.00	\$ 27,000.00	\$ 22,000.00	\$ 22,000.00
	Maintenance	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
	Tony's Salary	\$ 20,000.00	\$ 24,000.00	\$ 30,000.00	\$ 19,000.00	\$ 10,000.00	\$ 3,000.00
	Total Expenses	\$ 81,996.00	\$ 83,996.00	\$ 93,996.00	\$ 76,996.00	\$ 59,800.00	\$ 42,600.00
	Net Profit	\$ 2,004.00	\$ 8,004.00	\$ 8,004.00	\$ (30,996.00)	\$ (26,800.00)	\$ (14,600.00)

BIG TONY'S BBQ PROFIT & LOSS STANDARD						
	Oct. 2023	Nov. 2023	Dec. 2023	Jan. 2024	Feb. 2024	Mar. 2024
Sales	\$ 26,000.00	\$ 25,000.00	\$ 22,000.00	\$ 35,000.00	\$ 26,000.00	\$ 28,000.00
Expense						
Advertising	\$ 500.00	\$ 200.00	\$ -	\$ 200.00	\$ 800.00	\$ 1,800.00
B.I.G.	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Vendors	\$ 11,000.00	\$ 8,000.00	\$ 6,000.00	\$ 10,000.00	\$ 10,000.00	\$ 11,000.00
Loan Pmt	\$ -	\$ 2,700.00	\$ 2,700.00	\$ 5,396.00	\$ -	\$ 2,700.00
Payroll	\$ 15,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 13,000.00	\$ 14,000.00
Maintenance	\$ 2,000.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Tony's Salary	\$ -	\$ 2,500.00	\$ -	\$ 4,000.00	\$ 3,000.00	\$ -
Total Expenses	\$ 28,600.00	\$ 27,000.00	\$ 22,300.00	\$ 33,196.00	\$ 28,400.00	\$ 31,100.00
Net Profit	\$ (2,600.00)	\$ (2,000.00)	\$ (300.00)	\$ 1,804.00	\$ (2,400.00)	\$ (3,100.00)

BIG TONY'S BBQ PROFIT & LOSS STANDARD						
	Apr. 2024	May 2024	June 2024	July 2024		TOTAL
Sales	\$ 33,000.00	\$ 35,000.00	\$ 36,000.00	\$ 45,000.00		\$ 1,167,000.00
Expense						
Advertising	\$ 3,000.00	\$ 3,000.00	\$ 2,000.00	\$ 2,500.00		\$ 40,000.00
B.I.G.	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00		\$ 2,200.00
Vendors	\$ 12,000.00	\$ 11,000.00	\$ 12,500.00	\$ 13,000.00		\$ 340,500.00
Loan Pmt	\$ 2,700.00	\$ 2,700.00	\$ 5,396.00	\$ 5,396.00		\$ 86,348.00
Payroll	\$ 13,000.00	\$ 12,000.00	\$ 13,000.00	\$ 13,500.00		\$ 417,500.00
Maintenance	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 2,500.00		\$ 49,500.00
Tony's Salary	\$ -	\$ 2,000.00	\$ -	\$ -		\$ 194,500.00
Total Expenses	\$ 32,300.00	\$ 32,300.00	\$ 34,496.00	\$ 36,996.00		\$ 1,130,548.00
Net Profit	\$ 700.00	\$ 2,700.00	\$ 1,504.00	\$ 8,004.00		\$ 36,452.00

Exhibit Eight:
Article from The Smokehouse
Monitor

Police Still Searching for "The Smokey Bandit" Following Series of Robberies

By Clara Jennings | Staff Writer | Friday, August 9, 2024

SMOKEHOUSE, Okla. — A string of late-night robberies has left Smokehouse police scrambling for answers — and local shop owners on edge — after a mysterious masked suspect struck multiple businesses throughout July and August. Residents have begun dubbing the suspect *The Smokey Bandit*.

Authorities say the robberies followed a chillingly similar pattern. Each incident occurred just after closing time, when employees were locking up for the night. The suspect, dressed entirely in black and wearing a ski mask, reportedly entered through unlocked or rear doors, demanding cash from the register.

The first robbery took place on July 3rd at the Smokehouse QuickMart on East Main Street. Over the next several weeks, similar robberies were reported at three additional locations — including a diner, a convenience store, and a small liquor shop.

In each case, the suspect fled the scene on foot before police arrived. Surveillance footage has been limited due to poor lighting and camera quality, and officers admit they have “no solid leads” at this time.

“We’re doing everything we can to identify this individual,” said Police Chief Marty Kline in a statement Thursday. “We believe the suspect may be familiar with local business hours and routines. We urge anyone with information to come forward.”

Thankfully, no one was injured in any of the incidents, though police say several employees were shaken by the encounters. Still, the town’s small business community remains rattled. “We’ve started locking up in pairs and double-checking every door,” said Linda Perez, owner of Smokehouse Diner. “It’s a small town — we never thought something like this would happen here. We’re all nervous. Folks just want to feel safe again.”

Anyone with information regarding the robberies is urged to contact the Smokehouse Police Department at (405) 555-2941.

Have a tip or story idea? Email the newsroom at newsdesk@smokehousemonitor.ok.us.

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