

**IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF GEORGIA
SAVANNAH DIVISION**

In Re:

MASTER LENDING GROUP, LLC,

Debtors.

CASE NO. 23-40569-EJC

CHAPTER 7

LIMITED OBJECTION TO 2004 EXAMINATION OF WORKMENS CIRCLE CREDIT UNION, WILLIAM WILSON RIDDLE, JR., ROBIN DEANNE RIDDLE, AND TRUIST BANK, OR IN THE ALTERNATIVE, MOTION TO MODIFY SCOPE OF 2004 EXAMINATION WORKMENS CIRCLE CREDIT UNION, WILLIAM WILSON RIDDLE, JR., ROBIN DEANNE RIDDLE, AND TRUIST BANK

COMES NOW, the undersigned counsel of Gregory M. Hirsch (“Mr. Hirsch”), a non-debtor to the above captioned matter, and files this Limited Objection to 2004 Examination of Workmen’s Circle Credit Union, William Wilson Riddle, Jr., Robin DeAnne Riddle Robertson, and Truist Bank, or in the Alternative Motion to Modify Scope of 2004 Examination of Workmen’s Circle Credit Union (the “Credit Union”), William Wilson Riddle, Jr. (“Mr. Riddle”), Robin DeAnne Riddle Robertson (“Ms. Robertson”), and Truist Bank (“Truist”).

FACTS:

1.

On July 6, 2023, Master Lending Group, LLC (“Debtor”) filed a voluntary petition for relief under Chapter 7 (the “Petition”) of 11 U.S.C. sec. 101 *et seq.* (the “Bankruptcy Code”), case number 23-40569. (Doc. 1).

2.

Upon the filing of the Petition, Tiffany E. Caron was appointed as the trustee in the case (the “Chapter 7 Trustee”). (Doc. 6).

3.

Mr. Hirsch was the owner of Debtor. (Doc. 1, p.3).

4.

Mr. Hirsch died on Friday, August 4, 2023, after battling advanced stages of amyotrophic lateral sclerosis (“ALS”).

5.

The Chapter 7 Trustee sought and obtained before and after Mr. Hirsch’s death five (5) orders granting the Chapter 7 Trustee’s respective Rule 2004 motions.

6.

The first order instructed Hirsch & Tucker, LLC to appear for examination on August 14, 2023, and produce certain documents on August 4, 2023. (Doc. 62). The undersigned counsel filed a *limited objection* to the Chapter 7 Trustee’s 2004 examination of Hirsch & Tucker, LLC. (Doc. 97). That objection is set for hearing on September 12, 2023, at 10:00. (Doc. 99).¹

7.

The Chapter 7 Trustee also sought and obtained orders for 2004 examinations from (i) the Credit Union to appear for examination and produce certain documents on September 7, 2023, and from Mr. Riddle, and Ms. Robertson, and Truist to all appear for examination and produce certain documents on September 8, 2023 (collectively, the “2004 Orders”). (Doc. 62, 74, 75, 76, 78).

¹ The Court has also set a hearing on the undersigned’s motion to quash the United States Trustee’s subpoena to Truist (Doc. 67) for September 12, 2023. (Doc. 82).

8.

The 2004 Orders, in part, seek information that is directly related to the Debtor and the administration of the Debtor's estate. However, the Chapter 7 Trustee's requests in the 2004 Orders also seek and implicate information and documents that are personal, confidential, and privileged in nature to Gregory Hirsch – a non-debtor.

DISCUSSION:

Mr. Hirsch, respectfully, moves the Court to limit the scope of the 2004 examinations permitted by the 2004 Orders as they are outside of the scope of Rule 2004. The scope of a Rule 2004 examination is “to the acts, conduct, or property or to the liabilities and financial condition of the debtor, or to any matter which may affect the administration of the debtor's estate, or to the debtor's right to a discharge.” Fed. R. Bankr. P. 2004(b); *In re No Rust Rebar, Inc.*, 21-12188-PDR, 2022 WL 17365810, at *2 (Bankr. S.D. Fla. Dec. 1, 2022). “The purpose of a Rule 2004 examination is to discover the nature and extent of the bankruptcy estate in order to distribute debtor's assets for the benefit of its creditors,” so “[l]egitimate goals of Rule 2004 examinations include discovering assets, examining transactions, and determining whether wrongdoing has occurred.” *In re No Rust Rebar, Inc.*, 2022 WL 17365810, at *2 (quoting *In re Millennium Lab Holdings II, LLC*, 562 B.R. 614, 626 (Bankr. D. Del. 2016) (citations omitted).

Although the scope of Rule 2004 examinations is broad, it is not unlimited. These examinations cannot be used for harassment nor stray into matters which are not relevant to the basic inquiry. *In re No Rust Rebar, Inc.*, 2022 WL 17365810, at *2. The party seeking the 2004 discovery bears the burden of proving good cause for it. *In re Defoor Centre, LLC*, 634 B.R. 630, 638 (Bankr. M.D. Fla. 2021); *see also In re Wilcher*, 56 B.R. 428, 434 (Bankr. N.D. Ill. 1985). Good cause can be established by showing that the “discovery is needed to establish a claim or

that denial of the Rule 2004 discovery would cause undue hardship or injustice.” *In re Defoor Centre*, 634 B.R. at 638. Ultimately, the granting of a 2004 examination is in the discretion of the Court which requires a balancing of the competing interests of the parties, weighing the relevance and necessity of the information sought. *In re Millennium*, 562 B.R. at 626 (citations omitted).

Mr. Hirsch does not seek to quash or object to the entire Rule 2004 examinations of the Credit Union, Mr. Riddle, Ms. Robertson, or Truist. Some of the requests included in the Rule 2004 examination are clearly within the scope of Rule 2004. (Doc. 55). However, some of the requests sought by these examinations are outside of the scope of Rule 2004, and the Chapter 7 Trustee has not established good cause to seek the information or testimony. Each of the requested information from the respective 2004 examinations are discussed in turn:

2004 Exam of Workmen’s Circle Credit Union (Doc. 58):

Among other requests to the Credit Union, the Chapter 7 Trustee requests:

“All email, Outlook files, and Documents sent to Gregory Hirsch at the email address greg@cpaht.com or other email address in connection with investments in MLG.”

(Doc. 58, p. 7).

This request does, generally, relate to the Debtor. However, such request is broad in that there is no definition of “connection”. Based on the best information and belief at hand, Gregory Hirsch had other accounts and business with the Credit Union. Again, based on the best information and belief at hand, Gregory Hirsch used his greg@cpaht.com email address to communicate with the Credit Union for these and other non-Debtor related topics. Without parameters established by the Court regarding the scope of the Chapter 7 Trustee’s request of the Credit Union, the Credit Union could produce items that are of a personal, confidential, and privilege nature to Mr. Hirsch that is unrelated to the Debtor.

2004 Exam of William Riddle, Jr. (Doc. 59):

Among other requests to Mr. Riddle, the Chapter 7 Trustee requests:

“All email, Outlook files, and Documents sent to Gregory Hirsch at the email address greg@cpaht.com or any other Gregory Hirsh email address in connection with loans from and repayment to MLG or other Gregory Hirsch entity.”

(Doc. 59, p. 5).

This request expressly expands the scope from solely being related to the Debtor, to “other Gregory Hirsch entit[ies]”. Furthermore, the Chapter 7 Trustee requests summaries of any and all payments by Mr. Riddle to Mr. Hirsch personally. The Chapter 7 Trustee has not established good cause to warrant these requests, and these requests are outside of the scope of Rule 2004.

2004 Exam of Robin DeAnne Riddle Robertson (Doc. 60):

Among other requests to Ms. Robertson, the Chapter 7 Trustee requests:

“All email, Outlook files, and Documents sent to Gregory Hirsch at the email address greg@cpaht.com or any other Gregory Hirsh email address in connection with loans from and repayment to MLG or other Gregory Hirsch entity.”

(Doc. 60, p. 5).

This request expressly expands the scope from solely being related to the Debtor, to “other Gregory Hirsch entit[ies]”. Furthermore, the Chapter 7 Trustee requests summaries of any and all payments by Mr. Riddle to Mr. Hirsch personally. The Chapter 7 Trustee has not established good cause to warrant these requests, and these requests are outside of the scope of Rule 2004.

2004 Exam of Truist Bank (Doc. 63):

Among other requests to Truist, the Chapter 7 Trustee requests:

“All email, Outlook files, and Documents sent to Gregory Hirsch at the email address greg@cpaht.com or other email address in connection with Master Lending Group, LLC.”

(Doc. 63, p. 5).

This request does, generally, relate to the Debtor. However, such request is broad in that there is no definition of “connection”. Based on the best information and belief at hand, Gregory Hirsch had other accounts and business with Truist. Again, based on the best information and belief at hand, Gregory Hirsch used his greg@cpaht.com email address to communicate with Truist for these and other non-Debtor related topics. Without parameters established by the Court regarding the scope of the Chapter 7 Trustee’s request of Truist, Truist could produce items that are of a personal, confidential, and privilege nature to Mr. Hirsch that is unrelated to the Debtor.

Ultimately, these above objections are premised on the fact that Mr. Hirsch is not the debtor that is the subject of the Petition – only MLG is the debtor listed in the Petition. (*See* Doc. 1). An individual is not the same as a company, and Mr. Hirsch is not liable or responsible for any debts, obligations, or liability of MLG. *See* O.C.G.A. § 14-11-303(a) (“A person who is a member, manager, agent, or employee of a limited liability company is not liable, solely by reason of being a member, manager, agent, or employee of the limited liability company ... for a debt, obligation, or liability of the limited liability company.”).

To the extent that these Rule 2004 examinations seeks any of Mr. Hirsch’s personal, confidential, or privileged information, such information is separate and apart from MLG and is not relevant to the Petition.² The scope of these Rule 2004 examinations should be limited to exclude such information and testimony, and should only be permitted to seek the information and

² A party has standing to move to quash a subpoena served on a non-party if that subpoena requests documents of the party’s “personal right or privilege with respect to the materials subpoenaed.” *Collins-Williams v. Contour Eastwyck LLC*, 2021 WL 2476470, at *3 (N.D. Ga. May 14, 2021); *Cellairis Franchise, Inc. v. Duarte*, 193 F. Supp. 3d 1379, 1381 (N.D. Ga. 2016) (citations omitted). Additionally, parties “clearly have standing to move for a protective order if the subpoenas seek irrelevant information or if they create an undue burden.” *Collins-Williams*, 2021 WL 2476470, at *3; *Ballard v. Wilshire Ins. Co.*, No. 1:17-CV-02316-CAP, 2018 WL 6164333, at *1 (N.D. Ga. Mar. 29, 2018).

testimony from the respective entities that may affect the administration of the debtor's estate, or to the debtor's right to a discharge.

Counsel for the undersigned is working to develop a protocol concerning the potential scope of these Rule 2004 examinations. The intent of this protocol is to address the concerns of Mr. Hirsh's personal, confidential, and privilege protections.

However, if the counsel for the respective interested parties are unable to resolve these concerns, protection from the Court will be needed to modify and limit the scope of these Rule 2004 examinations. Out of an abundance of caution, and in light of the Court's fourteen (14) day period to object/appeal the Order on these 2004 Orders, Mr. Hirsch files this motion to modify the scope of the Chapter 7 Trustee's Rule 2004 examinations as a placeholder objection. This is further filed now in light of Mr. Hirsch's recent passing, to further preserve any and all rights of Hirsch pending the establishment of Hirsch's estate and the appointment of an executor.

WHEREFORE, the undersigned as counsel for Mr. Hirsch respectfully requests that the Court enter an order providing the relief requested herein and order such other and further relief as is just and proper.

Respectfully submitted this 21st day of August, 2023.

/s/ S. Elizabeth Hall
S. ELIZABETH HALL
Georgia Bar No. 141718
JAMES F. BANTER
Georgia Bar No. 581797
DOROTEYA N. WOZNIAK
Georgia Bar No. 627491
Counsel for Gregory Hirsch

JAMES-BATES-BRANNAN-GROOVER-LLP
231 Riverside Drive, Suite 100
P. O. Box 4283

Macon, GA 31208-4283
ehall@jamesbatesllp.com
jbanter@jamesbatesllp.com
dwozniak@jamesbatesllp.com
Telephone: 478-742-4280
Facsimile: 478-742-8720

**IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF GEORGIA
SAVANNAH DIVISION**

In Re:

MASTER LENDING GROUP, LLC,

Debtors.

CASE NO. 23-40569-EJC

CHAPTER 7

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing **MOTION TO MODIFY SCOPE OF 2004 EXAMINATION WORKMENS CIRCLE CREDIT UNION, WILLIAM WILSON RIDDLE, DR., ROBIN DEANNE RIDDLE, TRUIST BANK** by filing the foregoing pleading with the Clerk of Court using the CM/ECF System:

Matthew E. Mills
Office of the U.S. Trustee
33 Bull Street, Suite 400
Savannah, GA 31401
Neil C. Gordon, I
Taylor English Duma
1600 Parkwood Circle SE, Suite 200
Atlanta, GA 30339

Judson C. Hill
Gastin & Hill
1020 Drayton Street, Ste. 201
Savannah, GA 31401

John K. Rezac
Taylor English Duma
1600 Parkwood Circle SE, Suite 200
Atlanta, GA 30339

Daniel Weigel
Taylor English Duma
1600 Parkwood Circle SE, Suite 200
Atlanta, GA 30339

Tiffany E. Caron
P.O. Box 711
West Palm Beach, FL 33402

Master Lending Group, LLC
308 Megan Court
Savannah, GA 31405

Jason L. Pettie
Taylor English Duma
1600 Parkwood Circle SE, Suite 200
Atlanta, GA 30339

Natalie Rowland
Taylor English Duma
1600 Parkwood Circle SE, Suite 200
Atlanta, GA 30339

TRUIST BANK
214 N. Tryon St.
Charlotte, NC 28202

Workmen's Circle Credit Union
527 Stephenson Avenue, Suite 2
Savannah, GA, 31405

William Wilson Riddle, Jr.
6405 Ladbrook Ct.
Plano, TX, 75024

Robin DeAnne Riddle Robertson
3791 Broadmoor Way
Frisco, TX, 75033

(a) by first class mail by depositing same in the United States mail, with adequate first-class postage affixed thereon, property addressed to the following parties:

and

(b) through the Case Management/Electronic Case Filing System automatically generated by the United States Bankruptcy Court for the Northern District of Georgia on the parties registered with the Court's CM/ECF system.

This 21st day of August, 2023.

/s/ S. Elizabeth Hall
S. ELIZABETH HALL
Georgia Bar No. 141718
JAMES F. BANTER
Georgia Bar No. 581797
DOROTEYA N. WOZNIAK
Georgia Bar No. 627491
Counsel for Gregory Hirsch

JAMES-BATES-BRANNAN-GROOVER-LLP
231 Riverside Drive, Suite 100
P. O. Box 4283
Macon, GA 31208-4283
ehall@jamesbatesllp.com
jbaxter@jamesbatesllp.com
dwozniak@jamesbatesllp.com
Telephone: 478-742-4280
Facsimile: 478-742-8720