

IT IS ORDERED as set forth below:



Date: December 5, 2024

Edward J. Coleman, III
United States Bankruptcy Court Judge

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

In re: §
MASTER LENDING GROUP, LLC, § **Chapter 7**
§ **Case No. 23-40569-EJC**
§
Debtor. §

AMENDMENT TO ORDER ON MOTION TO COMPROMISE

Before the Court is the Motion for Authority to Compromise Pursuant to Bankruptcy Rule 9019 (the “**Motion**”) (Dckt, 269) filed by the Chapter 7 Trustee, Tiffany E. Caron (“**Trustee**”) to compromise claims by the Trustee against Judith Hirsch (“**Mrs. Hirsch**”) (together, the “**Parties**”). After proper notice, a hearing was held on July 30, 2024, and an Order (the “**Compromise Order**”) was entered approving the settlement (the “**Settlement Agreement**”) as set forth in the Motion (Dckt. 280).

As set forth in the Compromise Order, under the terms of the Settlement Agreement, Mrs. Hirsch agreed to pay \$7,000,000.00 (the “**Settlement Amount**”) to the bankruptcy estate in exchange for a release of all of the bankruptcy estate’s possible claims against her and her children.

(Dckt. 269, pp. 5, 14). The settlement was contingent upon Mrs. Hirsch receiving releases of all possible claims against her and her children from every Required Creditor of Master Lending Group (the “**Releases**”). (Dckt. 269. [p. 11, ¶ 11). In an effort to obtain all Required Releases and effectuate the consummation of the Settlement Agreement, Mrs. Hirsch has entered into a Compromise Agreement with certain outstanding creditors whereby she has agreed to increase the Settlement Amount from \$7,000,000.00 to \$9,000,000.00 (the “**Modified Settlement Amount**”) in exchange for receiving all Required Releases. The Compromise Agreement is attached as Addendum A to the Amendment to the Settlement Agreement which is Exhibit A to this filing.

It appearing that there is a good cause for amendment of the Compromise Order; it is therefore,

ORDERED, ADJUDGED, and DECREED that the Compromise Order is hereby amended to increase the Settlement Amount provided for in the Compromise Order to \$9,000,000.00 (the “**Modified Settlement Amount**”) as set forth in the attached Amendment to the Settlement Agreement.

END OF DOCUMENT

PREPARED BY:

/s/ Tiffany E. Caron
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Attorney for Chapter 7 Trustee

CONSENTED TO BY:

JONES & WALDEN LLC

/s/ Leon S. Jones

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Attorney for Judith Hirsch

AMENDMENT TO SETTLEMENT AGREEMENT

This Amendment to Settlement Agreement (the “**Amendment**”) is made and entered into as of this 2nd day of December, 2024, by and between Judith Hirsch, an individual domiciled in Georgia, (“**Mrs. Hirsch**”) and the Bankruptcy Estate of Master Lending Group, LLC (the “**Bankruptcy Estate**”), by and through Tiffany E. Caron in her capacity as Chapter 7 Trustee, (the “**Trustee**”) (collectively, the “**Parties**”, and each individually a “**Party**”) and recite as follows:

Defined terms which are used throughout this Amendment are initially shown in bold for easy reference, and thereafter the terms are shown with initial capitals. All capitalized terms not otherwise defined in this Amendment shall have the meanings attributed to them in the Settlement Agreement.

RECITALS

WHEREAS, on July 6, 2023, Master Lending Group LLC (“**Master Lending Group**”) filed a Chapter 7 bankruptcy case in the Bankruptcy Court for the Southern District of Georgia (the “**Bankruptcy Court**”), Case No. 23-40569 (the “**Bankruptcy Case**”);

WHEREAS, Mrs. Hirsch and the Trustee executed a Settlement Agreement dated June 29, 2024 (the “**Settlement Agreement**”) to resolve and settle all claims, disputes, and differences that may exist between them arising out of or in relation to the Bankruptcy Case;

WHEREAS, on July 1, 2024, the Trustee filed a *Motion for Authority to Compromise Claims of the Estate Pursuant to Bankruptcy Rule 9019* (Doc. No. 269), which included the Settlement Agreement as Exhibit A;

WHEREAS, the Bankruptcy Court approved the Settlement Agreement by order entered August 12, 2024 (the “**Settlement Order**”);

WHEREAS, pursuant to the Settlement Agreement, Mrs. Hirsch would contribute the gross amount of \$7,000,000 (“**Settlement Amount**”) to the Bankruptcy Estate and, in consideration of Mrs. Hirsch’s contribution of the Settlement Amount, the Trustee agreed to release all possible claims of the Bankruptcy Estate against Mrs. Hirsch or her children, as well as to release any and all avoidance claims, including preference claims, against any creditor of Master Lending Group that elects to sign a release of any claims the creditor holds, may hold, or may assert against Mrs. Hirsch (the “**Creditor Release**”)¹;

WHEREAS, the Settlement Agreement is contingent on upon Mrs. Hirsch receiving Creditor Releases from every Required Creditor of Master Lending Group, as defined in the Settlement Agreement (the “**Required Creditor Releases**”);

WHEREAS, certain creditors of Master Lending Group (the “**Dissenting Creditors**”) have declined to execute the Creditor Release for the Settlement Amount agreed to in the Settlement

¹ The Creditor Release is attached as Addendum A to the Settlement Agreement which is Exhibit A to the Trustee’s *Motion for Authority to Compromise Claims of the Estate Pursuant to Bankruptcy Rule 9019* (Doc. No. 269).

Agreement and have expressed their intention to engage in continued litigation against Mrs. Hirsch;

WHEREAS, Mrs. Hirsch wishes to resolve and settle all claims, disputes, and differences that may exist between herself and any creditor, including the Dissenting Creditors, arising out of or in relation to Master Lending Group;

WHEREAS, on or about _____, 2024, Mrs. Hirsch and the Dissenting Creditors entered into a Compromise Agreement (the “**Compromise Agreement**”) which is attached hereto as Addendum A;

WHEREAS, pursuant to the Compromise Agreement, all Dissenting Creditors will execute Creditor Releases in exchange for Mrs. Hirsch’s payment of an additional \$2,000,000 (the “**Supplemental Payment**”) to the Bankruptcy Estate, in addition to the original \$7,000,000 Settlement Amount provided for in the Settlement Agreement, for a total contribution of \$9,000,000 (the “**Modified Settlement Amount**”);

WHEREAS, the Supplemental Payment is contingent on Mrs. Hirsch receiving Creditor Releases from all Dissenting Creditors² as well as all Required Creditors under the Settlement Agreement;

WHEREAS, the Trustee and Mrs. Hirsch wish to amend the Settlement Agreement to reflect certain provisions included in the Compromise Agreement;

AGREEMENTS

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound, the Parties do hereby agree and stipulate as follows:

1. **Recitals Incorporated.** The foregoing recitals are confirmed by the Parties as true and correct and are incorporated herein by reference and made a part of this Amendment.
2. **Settlement Agreement Incorporated.** The Settlement Agreement is confirmed by the Parties as valid and binding and is incorporated herein by reference. All capitalized terms not otherwise defined in this Release shall have the meanings attributed to them in the Settlement Agreement.
3. **Compromise Agreement Incorporated.** The Compromise Agreement is acknowledged by the Parties as valid and binding and is incorporated herein by reference. All capitalized terms not otherwise defined in this Release or the Settlement Agreement shall have the meanings attributed to them in the Compromise Agreement.
4. **Supplemental Payment.** In the event that Mrs. Hirsch receives all Required Releases, as defined in the Settlement Agreement, and all Subject Creditor Releases, as defined in the Compromise Agreement, Mrs. Hirsch will pay an additional \$2,000,000 (as defined above, the “**Supplemental Payment**”) to the Bankruptcy Estate. Payment of the Supplemental

² Dissenting Creditors are those defined as “Subject Creditors” in the Compromise Agreement attached hereto as Addendum A.

Payment shall be made in the same manner as the payment of the Cash Balance which is provided for in Paragraph 22 of the Settlement Agreement.

5. **Allocation of Modified Settlement Amount.** Mrs. Hirsch's contribution of the Modified Settlement Amount in the gross valuation of \$9,000,000.00 shall constitute full and final payment of all funds received, directly or indirectly, from Master Lending Group by Mrs. Hirsch and her children. Mrs. Hirsch's contribution of the Modified Settlement Amount shall also be considered as full and complete satisfaction for any and all assets, properties, or other benefits that Mrs. Hirsch and her children may have acquired or derived through or in relation to with Master Lending Group. This includes any funds or assets of Mrs. Hirsch or her children that are derivative of or traceable to Master Lending Group. By making the payment of the Modified Settlement Amount, Mrs. Hirsch and her children acknowledge that no further payments or compensation shall be due to or from any of them in connection to Master Lending Group. This payment and the Settlement Agreement satisfies any claims, demands, or liabilities related to Master Lending Group.
6. **Tax Liability.** The Trustee shall be solely responsible for, and shall indemnify and hold harmless Mrs. Hirsch from, any and all tax consequences, liabilities, costs, or expenses arising from the payment or receipt of the Modified Settlement Amount, including but not limited to income taxes, penalties, interest, and any other taxes of any kind, whether federal, state, local, or foreign, related to the payment of the Modified Settlement Amount.
6. **Liability Denied.** Mrs. Hirsch denies any liability to the Bankruptcy Estate or the Creditors, and nothing herein shall constitute an admission by Mrs. Hirsch of any such liability.
7. **Voluntary Execution of Amendment.** The parties mutually acknowledge, represent, and warrant that they have been fully advised by their respective legal counsel of their rights and responsibilities pursuant to this Amendment or that they have had ample opportunity to consult with counsel of their choosing; that they read, know, and understand completely the contents of this Amendment; and that they have voluntarily executed the Amendment.
8. **Counterparts and Electronic Signatures.** This Amendment may be executed in any number of counterparts, each of which will be deemed an original, but all of which, taken together, will constitute one and the same agreement. Execution by facsimile, by scanned attachments, or by electronic signature has the same force and effect as an original. The parties agree that, in accordance with the Electronic Signature in Global National Commerce Act (15 U.S.C. § 7000, et seq.) and the Georgia Uniform Electronic Transactions Act, (O.C.G.A. § 10-12-1- et seq.), emailed electronic pdf and/or fax transmissions of signatures of the parties delivered by and between them and/or their legal counsel shall be effective to the fullest extent allowed by law and shall be enforced as if such signatures were originals and physically delivered as between the parties, their attorneys or agents.
9. **Authority of Parties.** The persons executing this Amendment represent and warrant that they have the legal and institutional authority to do so on behalf of the person or legal entity for which they are signing.

10. **Trustee's Right to Object to Proofs of Claim.** The Trustee reserves and shall retain her right to object to any and all proofs of claim filed in the case.
11. **Construction.** This Amendment may not be construed more strictly against one Party merely by virtue of the fact that the same has been prepared by that party or its counsel, it being recognized that all parties contributed substantially and materially to the preparation of this Amendment. This Amendment is the product of arm's-length negotiations and joint draftsmanship. All parties acknowledge and waive any claim contesting the existence and adequacy of the consideration given under this Amendment. This Amendment, together with the Settlement Agreement, constitutes the Parties' entire agreement respecting the matters set forth herein and shall supersede all negotiations and prior agreements respecting the matters covered hereby.

WITNESS the hand and seal of each of the undersigned as of the date first written above.

The Bankruptcy Estate of Master Lending Group, LLC:

Tiffany Caron

Tiffany Caron, in her capacity as Chapter 7 Trustee
for Master Lending Group, LLC.

Mrs. Hirsch:

Judith D. Hirsch

Judith D. Hirsch

COMPROMISE AGREEMENT

This Compromise Agreement (this “**Agreement**”) is entered into this ___ day of November, 2024, between Judith D. Hirsch (“**Mrs. Hirsch**”), an individual domiciled in Georgia, and Adam Jacobowitz, Alan Lipsitz, Albert Jacobowitz Irrevocable Trust, Albert Jacobowitz Living Trust, Alter Yeshaya Slatu, Aronson Family Residence Trust, Avigail Slatu, Baila Simcha, Barbara Aronson, Barbara Aronson IRA, BB Jacob R.D.F., Catherine Royal, Colonial Shoe Co. Profit Sharing Plan, Danny Kaminsky, Elizabeth M. Jones, Estate of Dr. Leon Aronson, Frederick M. Halperin IRA, Harriet Simowitz, I.L. Aronson P.C. Employee Pension Plan, I.L. Aronson Pension Plan, James E. Jones, JEJ, Inc., Jeremy Slatu, JGJ, Inc., Jones on 17th, LLC, Joseph Slatu, Katherine Royal, Lisa Gay, Lisa Kaminsky, Louise Howard, Marshall Jacobowitz, Matel Simcha, Matti Slatu, Michelle Jacobowitz, Mordecai Simcha, Moshe Simcha, Philip Rosenbaum Trust, Rabbi Avigdor Slatu, Renie Halperin, Rita Slatu, Sarah Simcha, Shlomo Slatu, Terry Jones, Tzvi Slatu, Vanessa Jones, Yaakov Slatu, and Yehudis Simcha (collectively, the “**Subject Creditors**”, and each individually a “**Subject Creditor**”) (collectively with Mrs. Hirsch, the “**Parties**”).

Defined terms which are used throughout this Agreement are initially shown in bold for easy reference, and thereafter the terms are shown with initial capitals.

RECITALS

WHEREAS, on July 6, 2023, Master Lending Group, LLC (“**Master Lending Group**”) filed a Chapter 7 bankruptcy case in the Bankruptcy Court for the Southern District of Georgia (the “**Bankruptcy Court**”), Case No. 23-40569 (the “**Bankruptcy Case**”);

WHEREAS, Mrs. Hirsch is the widow of Gregory Hirsch (“**Mr. Hirsch**”), who was the 100% owner of Master Lending Group;

WHEREAS, Tiffany E. Caron (the “**Trustee**”) was appointed as Chapter 7 Trustee for the Bankruptcy Estate of Master Lending Group (the “**Bankruptcy Estate**”);

WHEREAS, the Subject Creditors hold, may hold or may assert claims against Master Lending Group or the Bankruptcy Estate;

WHEREAS, the Trustee, on behalf of the Bankruptcy Estate, holds, may hold, or may assert claims against the Subject Creditors in relation to payments received from Master Lending Group or otherwise related to the activities of Master Lending Group;

WHEREAS, the Trustee, on behalf of the Bankruptcy Estate, holds, may hold, may assert, or has asserted a claim against Mrs. Hirsch in relation to Master Lending Group;

WHEREAS, the Subject Creditors may have a right to assert claims against Mrs. Hirsch in relation to the activities of Master Lending Group;

WHEREAS, Mrs. Hirsch and the Trustee executed a Settlement Agreement dated June 29, 2024 (the “**Settlement Agreement**”) to resolve and settle all claims, disputes, and differences that may exist between them arising out of or in relation to Master Lending Group;

WHEREAS, the Bankruptcy Court approved the Settlement Agreement by order entered August 12, 2024 (the “**Settlement Order**”);

WHEREAS, pursuant to the Settlement Agreement, Mrs. Hirsch would contribute the gross amount of \$7,000,000 (“**Settlement Amount**”) to the Bankruptcy Estate and, in consideration of Mrs. Hirsch’s contribution of the Settlement Amount, the Trustee agreed to release all possible claims of the Bankruptcy Estate against Mrs. Hirsch or her children, as well as to release any and all avoidance claims, including preference claims, against any creditor of Master Lending Group who elects to sign a release of any claims the creditor holds, may hold, or may assert against Mrs. Hirsch (the “**Creditor Release**”)¹;

WHEREAS, the Settlement Agreement is contingent on upon Mrs. Hirsch receiving Creditor Releases from every Required Creditor of Master Lending Group, as defined in the Settlement Agreement (the “**Required Creditor Releases**”);

WHEREAS, pursuant to the Settlement Agreement, the deadline to obtain Creditor Releases is November 26, 2024 (the “**Release Solicitation Deadline**”);

WHEREAS, in the event Creditor Releases are not obtained from all Required Creditors by the Release Solicitation Deadline, Mrs. Hirsch has the option:

- (1) to proceed with the consummation of the Settlement Agreement notwithstanding the failure to obtain Releases from every Required Creditor and file a Notice of Consummation with the Bankruptcy Court; or
- (2) to terminate the Settlement Agreement and file a Notice of Cancellation with the Bankruptcy Court, upon the filing of which all Creditor Releases and the Settlement Agreement shall be terminated and deemed void;

WHEREAS, to date, the Subject Creditors have not executed Creditor Releases;

WHEREAS, Mrs. Hirsch and the Subject Creditors have agreed to resolve and settle all claims, disputes, and differences that may exist between them arising out of or in relation to Master Lending Group;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound, the Parties do hereby agree and stipulate as follows:

AGREEMENTS

1. **Recitals Incorporated.** The foregoing recitals are confirmed by the Parties as true and correct and are incorporated herein by reference and made a part of this Agreement.

¹ The Creditor Release is attached as Addendum A to Exhibit A of the Trustee’s *Motion for Authority to Compromise Claims of the Estate Pursuant to Bankruptcy Rule 9019* (Doc. No. 269).

2. **Settlement Agreement Incorporated.** The Settlement Agreement is confirmed by the Parties as valid and binding and is incorporated herein by reference. All capitalized terms not otherwise defined in this Release shall have the meanings attributed to them in the Settlement Agreement.
3. **The Subject Creditors' Consideration.** Within three (3) days of the execution of this Agreement, each and every Subject Creditor, or such individual empowered to act on behalf of said Subject Creditor, shall execute the Creditor Release, releasing, acquitting, forever discharging, and holding harmless Mrs. Hirsch from all claims, demands, actions, liens, causes of action, charges, and liabilities of any kind whatsoever, by reason of any and all acts, omissions, events, circumstances, or facts existing or occurring up to the date of the Creditor Release. Every Subject Creditor, regardless of whether said creditor is a Required Creditor under the terms of the Settlement Agreement, must execute a Creditor Release (the "**Subject Creditor Releases**"). Further, the Subject Creditors shall obtain all outstanding Required Creditor Releases from every Required Creditor under the Settlement Agreement. Mrs. Hirsch shall provide a list of the outstanding Required Creditor Releases upon execution of this Agreement by every Subject Creditor. Mrs. Hirsch shall not incur any obligation to pay the Supplemental Payment discussed in paragraph 4 if all Required Releases, as well as all Subject Creditor Releases are not obtained.
4. **Mrs. Hirsch's Consideration.** In consideration of this Agreement, the execution of Creditor Releases by all Subject Creditors, and the receipt of all Required Releases under the Settlement Agreement, Mrs. Hirsch will contribute an additional \$2,000,000 (the "**Supplemental Payment**") to the Bankruptcy Estate. This Supplemental Payment shall be made in addition to the Settlement Amount under the Settlement Agreement for a total contribution of \$9,000,000 (the "**Modified Settlement Amount**"). The payment of the initial Settlement Amount shall occur and be allocated as set forth in the Settlement Agreement. The Supplemental Payment of \$2,000,000 shall be made in conjunction with the Payment of the Cash Balance as outlined in the Settlement Agreement. In the event all Required Releases and Subject Creditor Releases are not obtained, Mrs. Hirsch will not be obligated to pay the Supplemental Payment.
5. **Contingent on All Required Releases.** Mrs. Hirsch's obligation to pay the Supplemental Payment, shall be contingent on receiving all Subject Creditor Releases and all Required Releases, as defined in the Settlement Agreement. In the event all Required Creditor Releases are not obtained by the Release Solicitation Deadline, Mrs. Hirsch remains entitled to file a Notice of Cancellation with the Bankruptcy Court, terminating the Settlement Agreement, all Creditor Releases, and this Agreement. The Release Solicitation Deadline is subject to extension upon the agreement of Mrs. Hirsch and the Trustee.
6. **Good Faith.** The Subject Creditors and Mrs. Hirsch shall work to the best of their ability and operate in good faith toward the goal of receiving all Creditor Releases.

7. **Liability Denied.** Mrs. Hirsch denies any liability to the Bankruptcy Estate or the Subject Creditors, and nothing herein shall constitute an admission by Mrs. Hirsch of any such liability.
8. **Governing Law.** This Agreement and all claims or causes of action based on, arising out of, or relating to this Agreement will be governed by and construed in accordance with the laws of the State of Georgia without regard to any other jurisdiction's choice-of-law and conflict-of-law principles.
9. **Entire Agreement; Modification.** The Settlement Agreement, the Settlement Order, the Creditor Release, and this Agreement contain the entire agreement of the parties with respect to the subject matter discussed in the recitals. All prior and contemporaneous representations, promises, and inducements are null and void. No modification of this Agreement will be effective or binding unless and until such modification is memorialized in a writing signed by the parties to be bound thereby.
10. **Voluntary Execution of Agreement.** The parties mutually acknowledge, represent, and warrant that they have been fully advised by their respective legal counsel of their rights and responsibilities under this Agreement or that they have had ample opportunity to consult with counsel of their choosing; that they read, know, and understand completely the contents of this Agreement; and that they have voluntarily executed the Agreement.
11. **Counterparts and Electronic Signatures.** This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which, taken together, will constitute one and the same agreement. Execution by facsimile, by scanned attachments, or by electronic signature has the same force and effect as an original. The parties agree that, in accordance with the Electronic Signature in Global National Commerce Act (15 U.S.C. § 7000, *et seq.*) and the Georgia Uniform Electronic Transactions Act, (O.C.G.A. § 10-12-1- *et seq.*), emailed electronic pdf and/or fax transmissions of signatures of the parties delivered by and between them and/or their legal counsel shall be effective to the fullest extent allowed by law and shall be enforced as if such signatures were originals and physically delivered as between the parties, their attorneys or agents.
12. **Authority of Parties.** The persons executing this Agreement represent and warrant that they have the legal and institutional authority to do so on behalf of the person or legal entity for which they are signing.
13. **Severability.** The invalidity or unenforceability of any Subject Creditor's execution of this Agreement shall not affect the validity and enforceability of this Agreement as to all Subject Creditors having executed this Agreement. Without limitation, each of the Subject Creditors agrees to the terms of this Agreement and to be bound hereto regardless of its application as to any other Subject Creditor.

14. **Construction.** This Agreement may not be construed more strictly against one party merely by virtue of the fact that the same has been prepared by that party or its counsel, it being recognized that all parties contributed substantially and materially to the preparation of this Agreement. All parties acknowledge and waive any claim contesting the existence and adequacy of the consideration given under this Agreement.

WITNESS the hand and seal of each of the undersigned as of the date first written above.

Subject Creditors:

Mrs. Hirsch:

Adam Jacobowitz

Judith D. Hirsch

Alan Lipsitz

Albert Jacobowitz Irrevocable Trust

By:

As:

Albert Jacobowitz Living Trust

By:

As:

Alter Yeshaya Slatius

Aronson Family Residence Trust

By:

As:

Avigail Slatius

SIGNATURES CONTINUE ON FOLLOWING PAGE