

**Chazen v Ma**

2025 NY Slip Op 34463(U)

November 20, 2025

Supreme Court, New York County

Docket Number: Index No. 656954/2022

Judge: Arlene P. Bluth

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This opinion is uncorrected and not selected for official publication.

**SUPREME COURT OF THE STATE OF NEW YORK  
NEW YORK COUNTY**

**PRESENT:** HON. ARLENE P. BLUTH **PART** **14**

*Justice*

-----X

LOUISE CHAZEN, CHAIM EDELSTEIN,  
Plaintiffs,

- v -

MAX MA, NANCY YAO MAASBACH, SAMAN HONG, DAN  
YIN, 7THONLINE, INC. AS NOMINAL DEFENDANT

Defendants.

-----X

**INDEX NO.** 656954/2022

**MOTION DATE** N/A

**MOTION SEQ. NO.** 004

**DECISION + ORDER ON  
MOTION**

The following e-filed documents, listed by NYSCEF document number (Motion 004) 91, 92, 93, 94, 95, 96, 97, 100, 101, 102, 103, 104, 106

were read on this motion to/for ENFORCEMENT.

Plaintiffs’ motion to enforce a settlement agreement is denied.

**Background**

In this derivative action, plaintiffs (on behalf of the company and its shareholders) seek damages related to defendants’ purported mismanagement of the company. They contend that defendant Ma is the CEO and that he engaged in numerous acts of misconduct, including making over \$750,000 in unauthorized payments to defendant Dan Yin (his wife) who was not working for the company at the time of the transfers. Plaintiffs also argue that Ma transferred the company’s subsidiary (7thonline China) to his brother for little or no consideration, that he made unauthorized payments to this subsidiary and made many unauthorized disbursements to third parties exceeding \$1,000.

In this motion, plaintiffs seek to enforce the parties’ purported settlement agreement. They insist that the parties first agreed to settlement in principle on April 21, 2025 and then, over

the course of the next several months, worked with a court-appointed mediator to finalize the language in the settlement agreement. Plaintiffs claim that the parties reached a “final agreement” with respect to the language to be included in the settlement on September 3, 2025 and plaintiff signed it on September 7, 2025. They observe that on September 12, 2025, counsel for defendants claimed that defendants did not have the funds necessary to comply with the terms of the settlement.

Plaintiffs demand that the settlement agreement be enforced and that defendants’ ability obtain financing was not a condition precedent in order to effectuate the agreement. They claim that there was mutual assent on the essential terms of the agreement and so defendants should be bound by it. Plaintiffs add that they relied on defendants’ willingness to enter into the settlement to their detriment in that plaintiff Chazen settled a different case for less, thinking that this case was also settled.

In opposition, defendants emphasize that there was no firm agreement on all material terms. They point out that defendant Yin was away most of the summer 2025 and was not part of the negotiations although her signature is required to formally settle the case. Defendants claim that she objected to a specific term in the proposed settlement agreement that was never changed and therefore shows all material terms were not finalized.

In reply, plaintiffs insist that counsel for defendants was authorized to consent to the settlement on behalf of their clients and they did so on September 3, 2025. They claim that the single issue about which Yin raised objections—this issue concerns a redemption agreement—is not a basis to find that the agreement is somehow unfair or should not be enforced.

## Discussion

While it is true than even emails can constitute a settlement agreement (*see Phila. Ins. Indem. Co. v Kendall*, 197 AD3d 75, 82, 151 NYS3d 392 [1st Dept 2021]), the problem here is that the parties reduced their agreement to a writing and there is no indisputable evidence that all of the defendants agreed to the terms in that document. In fact, the affirmation submitted by counsel for plaintiffs suggests that the attorneys in this matter specifically contemplated that they needed their clients' signatures in order for the settlement to take effect (NYSCEF Doc. No. 92, ¶ 20 ["we agreed to obtain our respective clients' signatures on the Settlement Agreement"]). Therefore, this is not a case where the defendants' attorneys were acting with apparent or actual authority to settle the case on behalf of their clients (*c.f. Nash v Walker Mem. Baptist Church, Inc.*, 220 AD3d 595, 595, 198 NYS3d 338 [1st Dept 2023]). Rather, the only logical inference from this record is that the signatures of the parties were required.

Moreover, the settlement agreement itself states that "This Agreement shall become effective upon the date on which a copy of this Agreement, executed by all Parties, is approved by the Court" (NYSCEF Doc. No. 95 at 1). That provides another reason for the Court to deny the motion (*In re Morse Hill Assoc., LLC*, 50 AD3d 906, 907, 855 NYS2d 652 [2d Dept 2008] [holding that a settlement agreement was not enforceable where it specifically provided that it would not be effective unless executed by all parties]). The Court cannot enforce a written agreement not signed by all parties where its own terms require it to be signed by everyone.

The Court recognizes that plaintiffs spent many months trying, in good faith, to settle this case and hammering out what they thought were the specific terms. Defendants' apparent last-minute refusal to sign the agreement raises questions about their willingness to actually settle this

case and why they engaged in settlement negotiations for so long. But it does not require the Court to force them to abide by terms to which they never agreed.

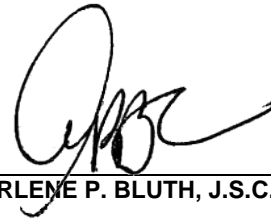
Accordingly, it is hereby

ORDERED that plaintiffs' motion to enforce the settlement agreement is denied.

See NYSCEF Doc. No. 99 concerning the next conference.

11/20/2025

DATE

  
ARLENE P. BLUTH, J.S.C.

CHECK ONE:

CASE DISPOSED

NON-FINAL DISPOSITION

GRANTED

DENIED

GRANTED IN PART

OTHER

APPLICATION:

SETTLE ORDER

SUBMIT ORDER

CHECK IF APPROPRIATE:

INCLUDES TRANSFER/REASSIGN

FIDUCIARY APPOINTMENT

REFERENCE