

FILED

APR 13 2023

Clerk, U.S. District and
Bankruptcy Courts

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA

v.

DAVID MARESCA,
SCOTT MARINELLI,
TERRYLLE BLACKSTONE, and
SAM BABBS III,

Defendants

CRIMINAL NO. _____

VIOLATIONS:

18 U.S.C. § 1349 (Conspiracy);
18 U.S.C. § 1343 (Wire Fraud);
18 U.S.C. § 1341 (Mail Fraud);
18 U.S.C. § 1957 (Monetary Transactions
in Criminally-Derived Proceeds); and
18 U.S.C. § 1519 (Falsification of Records
in Bankruptcy)

FORFEITURE ALLEGATION:

18 U.S.C. § 981(a)(1)(C), 982(a)(1),
and 982(a)(8)(B);
28 U.S.C. § 2461(c); and
21 U.S.C. § 853(p)

INDICTMENT

The Grand Jury for the District of Columbia charges:

Background

At all times material herein:

1. Defendant DAVID MARESCA was a resident of the Commonwealth of Virginia. In approximately 2016, MARESCA formed Synergy Law LLC ("Synergy Law") in the District of Columbia. MARESCA owned 90 percent of Synergy Law. In approximately June 2019, MARESCA formed Themis Law PLLC ("Themis Law") in the District of Columbia. MARESCA owned 90 percent of Themis Law.

2. Defendant SCOTT MARINELLI was a resident of the State of New Jersey. MARINELLI owned 10 percent of Synergy Law. MARINELLI was licensed to practice law in the State of New Jersey and the District of Columbia. On or about August 25, 2017,

MARINELLI's license to practice law was suspended in New Jersey for a period of two years. On or about May 29, 2018, MARINELLI's license to practice law was suspended in the District of Columbia. MARINELLI was incarcerated in Pennsylvania from in or about January 2019 until in or about June 2019.

3. Defendant SAM BABBS III was a resident of the State of Florida. BABBS was licensed to practice law in Florida and the District of Columbia. BABBS owned 10 percent of Themis Law. BABBS also owned Babbs Law Firm, P.L. ("Babbs Law Firm") which was registered in Florida.

4. Defendant TERRYLLÉ BLACKSTONE was a resident of the Commonwealth of Virginia. From in or about January 2018 until in or about February 2021, BLACKSTONE worked for Synergy Law, Themis Law, and Babbs Law Firm.

COUNT ONE
(Conspiracy to Commit Wire Fraud and Mail Fraud)

5. Paragraphs 1 through 4 are re-alleged.

6. From in or about 2017 and continuing until at least in or about 2022, defendants MARESCA, MARINELLI, BABBS, and BLACKSTONE, together with others known and unknown to the grand jury, did knowingly conspire, combine, confederate, and agree with each other to violate 18 U.S.C. § 1343, Wire Fraud, and 18 U.S.C. § 1341, Mail Fraud, by, having devised and intending to devise any scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, (a) transmitting and causing to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce any writings, signs, signals, pictures, and sounds, and (b) placing and causing to be placed in any post office and authorized depository for mail matter, any matter and thing whatever to be sent and delivered by the Postal Service, and

any private and commercial interstate carrier, all for the purpose of executing such scheme and artifice, and attempting to do so.

7. The defendants designed and participated in a nationwide scheme to defraud distressed homeowners by falsely representing that they would provide legal services that would help the homeowners save their homes. In truth and in fact, the defendants did not provide legal services as promised and used monies fraudulently received from the victim homeowners for their own personal enrichment and benefit.

8. The defendants and others working at the defendants' direction told homeowners that the defendants operated a "national law firm" based in Washington, D.C.; that attorneys would review the homeowner's file and provide legal representation to the homeowners; that an attorney in the homeowner's local area would be assigned to assist them; that the homeowner could meet and consult with those attorneys about the case; and that attorneys in their law firm could help the homeowner, if necessary, file for bankruptcy. Based on those false and fraudulent representations, pretenses, and promises, the defendants collected legal fees from the homeowners but knew that their promises to provide legal services were false and fraudulent.

Purpose of the Conspiracy

9. The purpose of the conspiracy was for the defendants and other co-conspirators to enrich themselves, and each other, by persuading victims through false and fraudulent representations, pretenses, and promises to pay money for purported legal services that the defendants never provided.

Manner and Means

10. Among the manner and means by which the conspirators accomplished the object of the conspiracy were the following:

Synergy Law LLC

a. In or about 2016, MARESCA and MARINELLI organized Synergy Law LLC as a law firm in Washington, D.C.. Although nominally a law firm, MARINELLI was the only attorney who was a member of Synergy Law from 2016 until 2019.

b. From 2016 until 2019, to give the appearance that Synergy Law was a “national law firm,” MARESCA paid for monthly mail forwarding service from the address 1101 Connecticut Avenue, NW, Suite 450, Washington, D.C. All of Synergy Law’s operations were in Manassas, Virginia, where MARESCA, MARINELLI, and BLACKSTONE worked; Synergy Law had no business operations in the District of Columbia.

c. From 2016 until 2019, the conspirators marketed Synergy Law with telephone, television, and internet advertising which told homeowners that attorneys with Synergy Law could help them avoid foreclosure.

d. From 2016 until 2019, Synergy Law operated a call center at their office in Manassas, Virginia. Call center workers used scripts during their phone calls with homeowners in which Synergy Law falsely promised that an attorney would review the homeowner’s case file; that this attorney knew their lender’s “internal guidelines” for a “mortgage resolution”; and that an assigned “legal team” would contact the homeowner’s lender to negotiate a resolution. As MARESCA, MARINELLI, BLACKSTONE and others knew, these representations were false and fraudulent. Synergy Law never operated a “national law firm” and never provided legal services to homeowners. Synergy Law never had attorneys review all homeowner files and Synergy Law never had attorneys contact a client’s lender to discuss a mortgage resolution.

e. From 2016 until 2019, when homeowners hired Synergy Law, the

homeowners signed agreements in which Synergy Law promised to provide “legal representation,” “attorney services,” and “legal services” to the homeowner-client. Synergy Law required homeowner-clients to pay an initial retainer amount (often between \$995 and \$1,750) followed by a monthly recurring amount (often between \$595 and \$1,200) for as long as Synergy Law represented the homeowner.

f. From 2016 until 2019, clients paid Synergy Law via processing services that were typically used by legitimate law firms which deposited victim payments into a Synergy Law account. Once victim funds were in that account, MARESCA, MARINELLI, BLACKSTONE and others used those funds for their personal benefit.

g. From 2016 until 2019, Synergy Law did not provide legal services to clients as promised in their retainer agreements but continued to collect monthly payments from clients. When Synergy Law clients faced imminent foreclosure on their homes, Synergy Law provided non-legal bankruptcy petition preparation services and directed clients to file *pro se* bankruptcy petitions to stop foreclosure. Synergy Law directed clients not to disclose that the clients had worked with Synergy Law to prepare their bankruptcy petition.

h. During 2018 and 2019, when bankruptcy judges, Synergy Law clients, and the U.S. Trustee’s Program raised concerns about Synergy Law’s practices in bankruptcy matters, BLACKSTONE attended court hearings on behalf of Synergy Law where BLACKSTONE made false statements to the court about Synergy Law’s operations.

i. When MARINELLI’s law license was suspended in New Jersey in 2017 and the District of Columbia in 2018, MARESCA, MARINELLI, and BLACKSTONE continued to operate Synergy Law and collect monthly payments purportedly for legal services.

j. Between in or about January 2019 and in or about June 2019, when

MARINELLI was incarcerated in Pennsylvania, MARESCA, MARINELLI, and BLACKSTONE continued to operate Synergy Law and collect monthly payments purportedly for legal services. During this time, there was no attorney who was a member of Synergy Law who could practice law.

k. Between 2016 and 2019, MARESCA, MARINELLI, BLACKSTONE and others used the interstate wires in order to operate their “law firm” in ways that were essential to the scheme, such as soliciting clients by telephone.

l. During 2019, to avoid lawsuits and judgments against Synergy Law, MARESCA filed a Chapter 7 bankruptcy on behalf of Synergy Law in the U.S. Bankruptcy Court for the District of Columbia. But prior to filing for bankruptcy, MARESCA transferred all of Synergy Law’s clients to another law firm that MARESCA and BABBS created called Themis Law PLLC.

Themis Law PLLC

m. In or about June 2019, MARESCA and BABBS organized Themis Law PLLC as a law firm in the District of Columbia. Although nominally a law firm, BABBS was the only licensed attorney who was a member of Themis Law. Themis Law provided only non-legal foreclosure defense services and non-legal bankruptcy petition preparation services.

n. From its formation until at least 2022, to give the appearance that Themis Law was a “national law firm,” MARESCA paid for monthly mail forwarding service from the address 1701 Pennsylvania Avenue, NW, Washington, D.C. All of Themis Law’s operations were in Manassas, Virginia; Themis Law had no business operations in the District of Columbia.

o. In or about August 2019, Themis Law entered into a Support Services Agreement with Babbs Law Firm in which Themis Law agreed to be a subcontractor who would

perform non-legal work, such as bankruptcy petition preparation, for Babbs Law Firm at an agreed-upon flat rate. MARESCA and BABBS executed the agreement.

p. From 2019 until at least 2022, the conspirators marketed Themis Law with television and website advertising which told homeowners that attorneys with Themis Law could help them avoid foreclosure.

q. From 2019 until at least 2022, Themis Law operated a call center at their office in Manassas, Virginia. Call center workers used scripts during their phone calls with homeowners in which Themis Law falsely promised that an attorney would review the homeowner's case file; that this attorney knew their lender's "internal guidelines" for a "mortgage resolution"; and that an assigned "legal team" would contact the homeowner's lender to negotiate a resolution.

r. From 2019 until at least 2022, when homeowners hired Themis Law, the homeowners signed agreements in which Themis Law promised to provide "legal representation," "attorney services," and "legal services" to the homeowner-client. Themis Law required homeowner-clients to pay an initial retainer amount followed by a monthly recurring amount for as long as Themis Law represented the homeowner.

s. From 2019 until at least 2022, clients paid Themis Law via processing services that were typically used by legitimate law firms which deposited funds into Themis Law's account. Once client funds were in that account, MARESCA, BLACKSTONE, and BABBS used those funds for their personal benefit.

t. From 2019 until at least 2022, Themis Law did not provide legal services to clients as promised in their retainer agreements but continued to collect monthly payments from clients. When clients of Themis Law faced imminent foreclosure, Themis Law advised

those clients to consider filing for bankruptcy to save their home. Themis Law referred these clients to BABBS at Babbs Law Firm. Those clients then signed a new retainer agreement and paid additional fees to BABBS.

u. During 2020 and 2021, when an undercover agent from the Federal Bureau of Investigation contacted Themis Law posing as a distressed homeowner, Themis Law made false promises to provide legal services and collected payments from the undercover agent.

v. During 2020 and 2021, when bankruptcy judges, clients, and the U.S. Trustee's Program raised concerns about the practices of Themis Law and Babbs Law Firm in bankruptcy matters, BABBS attended court hearings to make representations about the operations of both firms.

Proceeds

w. MARESCA, MARINELLI, BABBS, and BLACKSTONE received money from thousands of client-victims who believed they were hiring attorneys to provide legal services.

x. MARESCA, MARINELLI, BABBS, BLACKSTONE and others generated proceeds of no less than \$15 million through their false and fraudulent representations to homeowners that they would provide legal services to their victims.

(Conspiracy to Commit Wire Fraud and Mail Fraud, in violation of 18 U.S.C. § 1349)

COUNTS TWO THROUGH SIX
(Mail Fraud)

11. Paragraphs 1 through 4 and 7 through 10 are re-alleged.

12. On or about the following dates, MARESCA, MARINELLI, BLACKSTONE, and their conspirators, having devised and intending to devise any scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses,

representations, and promises, for the purpose of executing such scheme and artifice and attempting so to do, placed and caused to be placed in any post office and authorized depository for mail matter, any matter and thing whatever to be sent and delivered by the Postal Service, and any private and commercial interstate carrier, as described below for each count:

COUNT	DATE	MATTER AND THING TO BE SENT AND DELIVERED
2	April 17, 2019	One Federal Express envelope that arrived in Washington, D.C., addressed to Synergy Law and was forwarded to Synergy Law's office in Virginia
3	April 23, 2019	One item of certified mail that arrived in Washington, D.C., addressed to Synergy Law and was forwarded to Synergy Law's office in Virginia
4	May 6, 2019	One item of certified mail that arrived in Washington, D.C., addressed to Synergy Law and was forwarded to Synergy Law's office in Virginia
5	May 13, 2019	One UPS envelope that arrived in Washington, D.C., addressed to Synergy Law and was forwarded to Synergy Law's office in Virginia
6	May 21, 2019	One UPS envelope that arrived in Washington, D.C., addressed to Synergy Law and was forwarded to Synergy Law's office in Virginia

(Mail Fraud, in violation of 18 U.S.C. § 1341)

COUNTS SEVEN THROUGH NINE
(Wire Fraud)

13. Paragraphs 1 through 4 and 7 through 10 are re-alleged.
14. On or about the following dates, MARESCA, BABBS, BLACKSTONE, and their

conspirators, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, transmitted and caused to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, as described below for each count:

COUNT	APPROXIMATE DATE AND TIME	TRANSMISSION IN INTERSTATE AND FOREIGN COMMERCE
7	August 7, 2020 (3:31 PM)	Telephone call from an undercover law enforcement agent in Washington, D.C., to Themis Law in Virginia
8	August 21, 2020 (2:28 PM)	Telephone call from an undercover law enforcement agent in Washington, D.C., to Themis Law in Virginia
9	August 21, 2020 (2:49 PM)	Telephone call from an undercover law enforcement agent in Washington, D.C., to Themis Law in Virginia

(Wire Fraud, in violation of 18 U.S.C. § 1343)

COUNTS TEN AND ELEVEN
(Mail Fraud)

15. Paragraphs 1 through 4 and 7 through 10 are re-alleged.

16. On or about the following dates, MARESCA, BABBS, BLACKSTONE, and their conspirators, having devised and intending to devise any scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, for the purpose of executing such scheme and artifice and attempting so to do, placed and caused to be placed in any post office and authorized depository for mail matter, any matter and thing whatever to be sent and delivered by the Postal Service, and any private and

commercial interstate carrier, as described below for each count:

COUNT	DATE	MATTER AND THING TO BE SENT AND DELIVERED
10	September 16, 2020	Tax returns for undercover law enforcement officer placed in U.S. mail in Washington, D.C., for delivery to Themis Law in Virginia
11	September 25, 2020	Authorization form placed in U.S. mail by Themis Law for delivery to an undercover law enforcement agent in Washington, D.C.

(Mail Fraud, in violation of 18 U.S.C. § 1341)

COUNTS TWELVE THROUGH SEVENTEEN
(Monetary Transactions in Criminally-Derived Property)

17. Paragraphs 1 through 4 and 7 through 10 are re-alleged.
18. On or about the following dates, within the District of Columbia and elsewhere, MARESCA knowingly engaged and attempted to engage, and caused others and aided and abetted others to engage, in a monetary transaction in criminally derived property that was of a value greater than \$10,000 derived from specified unlawful activity, to wit, Wire Fraud and Mail Fraud as alleged in Counts Twelve through Seventeen of this Indictment, as described below for each count:

COUNT	DATE	MONETARY TRANSACTION
12	May 24, 2018	Transfer in the amount of \$10,088.11 from Capital One Account x3410 to Capital One Account x0777

COUNT	DATE	MONETARY TRANSACTION
13	May 24, 2018	Transfer in the amount of \$50,000 from Capital One Account x5343 to Capital One Account x0777
14	May 24, 2018	Transfer in the amount of \$125,000 from Capital One Account x3883 to Capital One Account x0777
15	May 24, 2018	Transfer in the amount of \$20,000 from Capital One Account x3883 to Capital One Account x0777
16	May 24, 2018	Purchase of a Cashier's Check in the amount of \$150,000 payable to Sunshine Title & Settlement Inc.
17	August 29, 2018	Purchase of a Cashier's Check in the amount \$165,083.42 payable to Sunshine Title & Settlement Inc.

(Monetary Transactions in Criminally-Derived Property, in violation of 18 U.S.C. § 1957)

COUNTS EIGHTEEN AND NINETEEN
(Falsification of Records in Bankruptcy)

19. Paragraphs 1 through 4 and 7 through 10 are re-alleged.

20. On or about the following dates, in the District of Columbia, MARESCA, with the intent to impede, obstruct, and influence the proper administration of a case filed under Title 11 of the United States Code, specifically, the case of *In re Synergy Law LLC*, No. 19-00555-SMT, in the United States Bankruptcy Court for the District of Columbia, did knowingly and fraudulently conceal, cover up, falsify and make a false entry in a document as follows:

COUNT	DATE	FALSIFIED AND FALSE ENTRY
18	October 15, 2019	In answer to Question 13 in the Statement of Financial Affairs (Form 207), which required Synergy Law LLC to list any transfers of money or other property that the company had made to another person within two years of filing for bankruptcy that was not in the ordinary course of business and financial affairs, MARESCA stated "None" when MARESCA knew that MARESCA had withdrawn \$315,083.42 from Synergy Law accounts which MARESCA used to purchase his personal residence.
19	January 21, 2020	In answer to Question 13 in the Amended Statement of Financial Affairs (Form 207), which required Synergy Law LLC to list any transfers of money or other property that the company had made to another person within two years of filing for bankruptcy that was not in the ordinary course of business and financial affairs, MARESCA stated "None" when MARESCA knew that MARESCA had withdrawn \$315,083.42 from Synergy Law accounts which MARESCA used to purchase his personal residence.

(Falsification of Records in Bankruptcy, in violation of 18 U.S.C. § 1519)

FORFEITURE ALLEGATION

21. Upon conviction of any of the offenses listed in Counts One through Eleven of this Indictment, MARESCA, MARINELLI, BLACKSTONE, and BABBS shall forfeit to the United States any property, real or personal, used or intended to be used to commit, to facilitate, or to promote the commission of such offense, pursuant to 18 U.S.C. § 982(a)(8)(A), and constituting, derived from, or traceable to the gross proceeds that the defendant obtained directly or indirectly as a result of these offenses pursuant to 18 U.S.C. § 982(a)(8)(B).

22. Upon conviction for any of the offenses listed in Counts Twelve through Seventeen, MARESCA shall forfeit to the United States any property, real or personal, involved

in such offense, or any property traceable to such property pursuant to 18 U.S.C. § 982(a)(1).

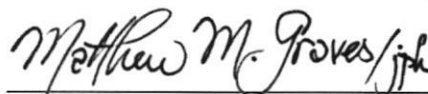
23. Upon conviction for any of the offenses listed in Counts Eighteen and Nineteen, the defendant shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to such offense pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).

24. If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property that cannot be divided without difficulty;

the defendant shall forfeit to the United States any other property of the defendant, up to the value of the property described above, pursuant to 21 U.S.C. § 853(p).

(Criminal Forfeiture, pursuant to 18 U.S.C. §§ 981(a)(1)(C), 982(a)(1), and 982(a)(8)(B); 28 U.S.C. § 2461(c); and 21 U.S.C. § 853(p))



MATTHEW M. GRAVES
United States Attorney
for the District of Columbia

A TRUE BILL

Foreperson
Date: