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> Filed & Entered On Docket 09/27/2019

## UNITED STATES BANKRUPTCY COURT DISTRICT OF VERMONT

In re:

Matthew C. Abel, Debtor. Chapter 13 Case # 19-10010

Adversary Proceeding # 19-01003

In re:

William K. Harrington, U.S. Trustee, Plaintiff,

vs.

Synergy Law, LLC, Synergy Attorney Services, LLC, Sheldon M. Katz, Scott Marinelli, Dave Maresca, Monica Chapman, Stephanie Turk, Georgia Myers, and Terrylle Blackstone, Defendants.

**ORDER** 

GRANTING IN PART, DENYING IN PART, AND STAYING IN PART THE U.S. TRUSTEE'S MOTION FOR DEFAULT JUDGMENT AGAINST THE SYNERGY DEFENDANTS

For the reasons set forth in the memorandum of decision of even date, IT IS HEREBY ORDERED

the Motion is granted, in part, as follows:

- (1) the Synergy Defendants shall disgorge fees of \$1,250 to the Debtor, pursuant to 11 U.S.C. 110(h)(3);
- (2) the Synergy Defendants shall pay fines of \$27,000, pursuant to 11 U.S.C. § 110(1)(1) and (1)(2);
- (3) Defendants Synergy Services, Scott Marinelli, Dave Maresca, Monica Chapman, Stephanie Turk, and Terylle Blackstone are permanently enjoined from assisting any person in filing for bankruptcy relief in the District of Vermont, pursuant to 11 U.S.C. § 110(j)(2); and
- (4) Defendants Synergy Law and Synergy Services shall pay a civil penalty of \$5,000, pursuant to 11 U.S.C. § 526(c)(5).

IT IS FURTHER ORDERED the Motion is denied, in part, as follows:

- (a) the Motion is denied in its entirety as to Defendant Georgia Myers;
- (b) the portion of the Motion seeking disgorgement of fees under 11 U.S.C.§ 329 is denied as moot;
- (c) the portion of the Motion seeking imposition of a civil penalty under 11 U.S.C.§ 526(c)(5) is denied as to Defendants Scott Marinelli, Dave Maresca, Monica Chapman, Stephanie Turk, and Terrylle Blackstone; and
- (d) the portion of the Motion seeking disgorgement of fees and injunctive relief under 11 U.S.C.§ 526 is denied as moot.

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IT IS FURTHER ORDERED **the Motion is stayed, in part**, by Synergy Law's chapter 7 bankruptcy case (<u>In re Synergy Law, LLC</u>, case # 19-00555-SMT (Bankr. D.D.C.)), pursuant to 11 U.S.C. § 362(a). The Court will not rule on any further injunction against Synergy Law at this time. Upon termination of the automatic stay, the UST may file a request for the Court to rule on this portion of the Motion.

IT IS FURTHER ORDERED the UST shall file a proposed judgment comporting with the relief granted in this Order and referencing Synergy Law's bankruptcy case and the automatic stay.<sup>1</sup>

SO ORDERED.

September 27, 2019 Burlington, Vermont

Celle a Brown

Colleen A. Brown United States Bankruptcy Judge

<sup>&</sup>lt;sup>1</sup> Although the governmental unit exception to the automatic stay permits the <u>entry</u> of a money judgment, <u>see SEC v. Brennan</u>, 808 F.3d 65, 71–72 (2d Cir. 2000), "'the collection of [a money] judgment <u>after entry</u> … is not authorized … and requires a separate application to the bankruptcy court."" <u>Id.</u> at 72 (quoting <u>NLRB v. 15th Ave. Iron Works, Inc.</u>, 964 F.2d 1336, 1337 (2d Cir. 1992)) (emphasis in original).