

**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA	:	Crim. No. 21-
	:	
v.	:	18 U.S.C. § 1349
	:	18 U.S.C. § 1957(a)
DAVID WEINSTEIN	:	

**I N F O R M A T I O N**

The defendant having waived in open court prosecution by indictment, the Acting United States Attorney for the District of New Jersey charges:

**COUNT ONE**

(Conspiracy to Commit Wire Fraud)

**The Defendant and Co-Conspirators**

1. At all times relevant to this Information:
  - a. Defendant DAVID WEINSTEIN (“defendant WEINSTEIN”) resided in New Jersey, Nevada and Texas. Defendant WEINSTEIN controlled American MD Companies JV, MedAsset Corporation (a Nevada company), MedAsset Management LLC (a Nevada company), and Tannenbaum & Milask Inc. (a New Jersey company) (collectively, the “Weinstein Companies”).
  - b. Vijay Reddy, who is named as a co-conspirator but not as a defendant herein, resided in Michigan. Vijay Reddy controlled American Medical Answering Services, LLC and Revenue Asset Services LLC (a

Nevada company that also was registered in Michigan during a part of the relevant time period) (collectively, the “Reddy Companies”).

c. Kevin Brown, who is named as a co-conspirator but not as a defendant herein, resided in New Jersey and Pennsylvania. During the time period covered by this Information, Kevin Brown worked as a business broker for Tannenbaum & Milask Inc. and later for Visionary Business Brokers LLC, which Brown controlled.

d. Defendant WEINSTEIN and co-conspirator Kevin Brown maintained the following four bank accounts at two separate banks, hereinafter referred to as Bank 1 and Bank 2:

- i. Defendant WEINSTEIN maintained a bank account at Bank 1, account number XXX8710 (the “Weinstein Account”);
- ii. Tannenbaum & Milask Inc. maintained a business bank account at Bank 1, account number XXXXXX2912 (the “Tannenbaum Account”), for which defendant WEINSTEIN was the authorized signatory;
- iii. Visionary Business Brokers LLC maintained a business bank account at Bank 1, account number XXX5689 (“Visionary Brokers Account 1”), for which Kevin Brown was the authorized signatory; and
- iv. Visionary Business Brokers LLC maintained a business bank account at Bank 2, account number XXXXX2905

(“Visionary Brokers Account 2”), for which Kevin Brown was the authorized signatory.

### **The Conspiracy**

2. From in or about December 2015 through in or about November 2020, in Burlington County in the District of New Jersey and elsewhere, the defendant,

DAVID WEINSTEIN,

did knowingly and intentionally conspire and agree with Vijay Reddy, Kevin Brown, and others to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, which scheme and artifice is set forth below, and for the purpose of executing such scheme and artifice, did transmit and cause to be transmitted by means of wire, radio, and television communications in interstate and foreign commerce, certain writings, signs, signals, pictures and sounds, contrary to Title 18, United States Code, Section 1343, and in violation of Title 18, United States Code, Section 1349.

### **Object of the Conspiracy**

3. The object of the conspiracy was for defendant WEINSTEIN and co-conspirators Vijay Reddy and Kevin Brown to financially enrich themselves by selling business opportunities to buyers under false and fraudulent pretenses.

### **Manner and Means of the Conspiracy**

4. It was part of the conspiracy that defendant WEINSTEIN and co-conspirators Vijay Reddy and Kevin Brown advertised business opportunities for sale on various websites. Specifically, defendant WEINSTEIN and his co-

conspirators advertised for sale blocks of contracts with medical providers who allegedly had agreed to outsource their medical billing, collections, appeals, answering, credentialing, or transcription functions. Defendant WEINSTEIN and his co-conspirators agreed to supply those blocks of contracts to the business opportunity buyers, who would then operate their own businesses providing the contracted services to the medical providers and earn a profit.

5. It was part of the conspiracy that defendant WEINSTEIN and co-conspirators Vijay Reddy and Kevin Brown provided business prospectuses to potential buyers. The prospectuses:

- a. falsely represented that the buyer of the business opportunity would be provided with a “guaranteed” client base with no marketing effort required of the buyer;
- b. falsely represented that the buyer would be provided with a client base capable of achieving cash flow figures included in the prospectus; and
- c. included projected profit figures that no buyer had achieved and which defendant WEINSTEIN and co-conspirator Vijay Reddy knew no buyer would achieve.

6. It was part of the conspiracy that defendant WEINSTEIN and co-conspirators Vijay Reddy and Kevin Brown provided fake references to prospective buyers. Specifically, defendant WEINSTEIN and his co-conspirators told prospective buyers that the “references” were buyers who had been successful after purchasing similar business opportunities from defendant WEINSTEIN and his co-conspirators. In actuality, the “references” were defendant WEINSTEIN , co-conspirator Vijay Reddy, their family

members, and other individuals who they recruited, and who—at defendant WEINSTEIN’s and co-conspirator Vijay Reddy’s direction—posed as successful buyers and business operators using fake names to hide their true identities.

7. It was a part of the conspiracy that defendant WEINSTEIN and co-conspirators Vijay Reddy and Kevin Brown caused business opportunity buyers to execute contracts with one of the Weinstein Companies or one of the Reddy Companies wherein defendant WEINSTEIN and/or Vijay Reddy promised to deliver a specified number of medical providers who had contracted to outsource certain medical back office functions, *e.g.*, medical billing, collections, appeals, answering, credentialing, or transcription services.

8. It was a part of the conspiracy that defendant WEINSTEIN and co-conspirators Vijay Reddy and Kevin Brown caused business opportunity buyers to wire “down payments” into bank accounts controlled by defendant WEINSTEIN and co-conspirator Kevin Brown.

9. It was part of the conspiracy that co-conspirator Kevin Brown represented himself as an independent business broker when, in fact, for a portion of the time period relevant to this Information, he was employed by a company controlled by defendant WEINSTEIN and he directed business opportunity buyers to send down payments to a bank account controlled by defendant WEINSTEIN.

10. It was a part of the conspiracy that after receiving the down payments, defendant WEINSTEIN and co-conspirator Vijay Reddy delivered only a small fraction of the promised medical providers and refused to refund the “down payments.”

11. It was a part of the conspiracy for defendant WEINSTEIN and co-

conspirator Vijay Reddy to periodically sell or assign bundles of unfulfilled, previously-signed contracts with business opportunity buyers in order to insulate themselves from complaints and legal action from unhappy buyers. When buyers complained to defendant WEINSTEIN and co-conspirators Vijay Reddy and Kevin Brown about the failure to deliver the contractually-promised clients, defendant WEINSTEIN and co-conspirators Vijay Reddy and Kevin Brown told the buyers that a new owner was now responsible for fulfilling the contracts.

12. It was a part of the conspiracy that defendant WEINSTEIN and co-conspirators Vijay Reddy and Kevin Brown repeatedly sold new business opportunities and collected new “down payments” even though they had not satisfied the contracts they had signed with existing business opportunity buyers.

13. It was further part of the conspiracy that, as a result of the above acts, defendant WEINSTEIN and co-conspirators Vijay Reddy and Kevin Brown defrauded victims of more than five million dollars.

### **Furthering the Conspiracy**

14. In furtherance of the conspiracy and to effect its objects, defendant WEINSTEIN and his co-conspirators committed and caused to be committed the following acts, among others, in the District of New Jersey and elsewhere.

15. On or about the following dates, defendant WEINSTEIN caused business opportunity buyers to make wire transfers into the Tannenbaum Account, each of which was processed through Federal Reserve facilities in New Jersey and Texas:

<b>Wire Date</b>	<b>Wire Amount</b>	<b>Wire Sender</b>
3/29/2016	\$30,000.00	Victim 3
5/2/2016	\$75,000.00	Victim 4
5/13/2016	\$30,000.00	Victim 4
5/20/2016	\$30,000.00	Victim 4
6/6/2016	\$75,000.00	Victim 5
6/21/2016	\$75,000.00	Victim 6
12/7/2016	\$35,000.00	Victims 15a & 15b
12/19/2016	\$100,000.00	Victim 13
12/28/2016	\$72,000.00	Victim 18
1/5/2017	\$50,000.00	Victims 19a & 19b
3/17/2017	\$75,000.00	Victim 20
3/22/2017	\$75,000.00	Victim 21
4/26/2017	\$75,000.00	Victims 22a & 22b
7/25/2017	\$75,000.00	Victims 23a & 23b
9/8/2017	\$75,000.00	Victims 24a & 24b
9/13/2017	\$35,000.00	Victim 25
9/14/2017	\$75,000.00	Victim 26
9/25/2017	\$40,000.00	Victim 25
11/29/2017	\$75,000.00	Victim 27
1/19/2018	\$75,000.00	Victim 28
1/30/2018	\$10,000.00	Victim 29
3/14/2018	\$50,000.00	Victim 29
3/19/2018	\$15,000.00	Victim 29
4/11/2018	\$75,000.00	Victim 30
8/23/2018	\$7,500.00	Victim 31
9/10/2018	\$7,500.00	Victim 31

16. On or about the following dates, defendant WEINSTEIN caused business opportunity buyers to make wire transfers into Visionary Brokers Account 2, each of which was processed through Federal Reserve facilities in New Jersey and Texas:

<b>Wire Date</b>	<b>Wire Amount</b>	<b>Wire Sender</b>
8/22/2017	\$35,000.00	Victim 32
10/27/2017	\$55,000.00	Victim 33

<b>Wire Date</b>	<b>Wire Amount</b>	<b>Wire Sender</b>
12/5/2017	\$35,000.00	Victim 60
4/13/2018	\$25,000.00	Victim 35
5/3/2018	\$75,000.00	Victims 36a & 36b
6/22/2018	\$60,000.00	Victim 37
9/25/2018	\$7,500.00	Victim 37
10/22/2018	\$7,500.00	Victim 37

17. On or about the following dates, defendant WEINSTEIN caused business opportunity buyers to make wire transfers into Visionary Brokers Account 1, each of which was processed through Federal Reserve facilities in New Jersey and Texas:

<b>Wire Date</b>	<b>Wire Amount</b>	<b>Wire Sender</b>
10/31/2018	\$7,500.00	Victim 44
11/15/2018	\$7,500.00	Victim 44
11/27/2018	\$5,000.00	Victim 44
12/18/2018	\$7,500.00	Victim 45
12/20/2018	\$67,500.00	Victim 45
1/25/2019	\$75,000.00	Victim 46
6/25/2019	\$75,000.00	Victim 48
7/25/2019	\$75,000.00	Victim 61
12/9/2019	\$75,000.00	Victim 49
2/13/2020	\$50,000.00	Victim 51
2/18/2020	\$5,000.00	Victim 52
3/25/2020	\$75,000.00	Victim 54
4/13/2020	\$75,000.00	Victim 55
4/17/2020	\$35,000.00	Victim 56
4/22/2020	\$75,000.00	Victim 57

All in violation of Title 18, United States Code, Section 1349.



**COUNT TWO**

(Engaging in a Monetary Transaction with Criminally Derived Funds)

18. Paragraphs 1 and 3 through 17 of this Information are realleged as if set forth in full herein.

19. On or about December 21, 2016, in the District of Nevada and the District of New Jersey and elsewhere, the defendant,

DAVID WEINSTEIN,

did knowingly engage and attempt to engage in a monetary transaction through a financial institution, affecting interstate and foreign commerce, in criminally derived property of a value greater than \$10,000, specifically by using a debit card associated with the Weinstein Account to purchase jewelry in the amount of \$25,000.00 from a jewelry store, such property having been derived from a specified unlawful activity, namely, conspiracy to commit wire fraud in violation of Title 18, United States Code, Section 1349.

In violation of Title 18, United States Code, Section 1957(a).

**FORFEITURE ALLEGATION AS TO COUNT ONE**

20. As a result of committing the wire fraud conspiracy offense charged in Count One of this Information, defendant DAVID WEINSTEIN shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), all property, real or personal, constituting or derived from proceeds traceable to the offense charged in Count One of this Information, the value of which totaled \$ 1,981,000.00.

**FORFEITURE ALLEGATION AS TO COUNT TWO**

21. As the result of committing the money laundering offense charged in Count Two of this Information, defendant DAVID WEINSTEIN shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(1), all property, real and personal, involved in the charged money laundering offense, and all property traceable to such property.

**SUBSTITUTE ASSETS PROVISION (APPLICABLE TO ALL FORFEITURE ALLEGATIONS)**

22. If any of the property described above, 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 which cannot be divided without difficulty,

the United States shall be entitled, pursuant to 21 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 982(b)(1) and 28 U.S.C. § 2461(c), to forfeiture of any other property of the defendant up to the value of the above-described forfeitable property.

A handwritten signature in blue ink that reads "Rachael A. Honig" with a stylized flourish at the end.

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RACHAEL A. HONIG  
Acting United States Attorney

CASE NUMBER: \_\_\_\_\_

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**United States District Court  
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**UNITED STATES OF AMERICA**

**v.**

**DAVID WEINSTEIN**

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**INFORMATION FOR**

**18 U.S.C. § 1349  
18 U.S.C. § 1957(a)**

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RACHAEL A. HONIG  
ACTING UNITED STATES ATTORNEY  
FOR THE DISTRICT OF NEW JERSEY

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