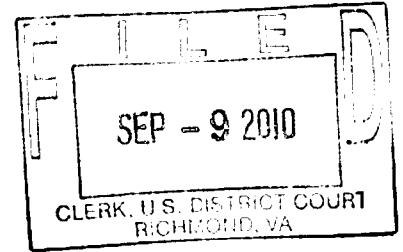


**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
Richmond Division**



**UNITED STATES OF AMERICA**

v.

**ERIC M. KURZ,**

**Defendant.**

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)

**Criminal No. 3:10cr** 258

**CRIMINAL INFORMATION**

**COUNT 1**

**(Conspiracy to Commit Mail Fraud and Money Laundering)**

**THE UNITED STATES CHARGES THAT:**

From in or about September 2005 through in or about November 2007, within the Eastern District of Virginia and elsewhere, the defendant, ERIC M. KURZ, did knowingly and voluntarily conspire and agree with others, both known and unknown, to commit offenses against the United States, namely:

1. Having devised and intending to devise a scheme and artifice to defraud and to obtain money and property by means of material false and fraudulent pretenses, representations, and promises, knowingly: (a) 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; (b) depositing and causing to be deposited any matter and thing whatever to be sent and delivered by any private and commercial interstate carrier; and (c) causing to be delivered by mail and private and commercial interstate carrier any matter and thing whatever according to the direction thereon, in violation of Title 18, United States Code, Section 1341; and

2. Knowingly conducting and attempting to conduct a financial transaction affecting interstate and foreign commerce, to wit, the sending of payments on behalf of A&O Resource Management, LLC, and one or more of its affiliated entities (collectively referred to herein as "A&O"), from Houston, Texas to sales agents in the Eastern District of Virginia and elsewhere as commission payments for sales of A&O investment products, which involved the proceeds of a specified unlawful activity, that is, mail fraud, with the intent to promote the carrying on of specified unlawful activity, to wit, mail fraud, and knowing while conducting and attempting to conduct such financial transaction that the property involved in the financial transaction represented the proceeds of some form of unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(A)(i).

Overt Acts

In furtherance of the conspiracy, and to effect its objects, the co-conspirators committed the following overt acts, among others, in the Eastern District of Virginia, and elsewhere:

1. In or about April 2006, KURZ and his co-conspirators falsely told investors, via A&O's website, that A&O employed 250 people nationwide, including certified public accountants, insurance and securities attorneys, financial advisors, investment bankers, and economists, when in truth and in fact, as KURZ and his co-conspirators knew, A&O never had more than four employees, and those employees provided secretarial and administrative support, not professional services.

2. In or about 2007, KURZ and his co-conspirators created and distributed to sales agents via the mail a revised version of a promotional document entitled "A&O History," in which they falsely claimed that A&O's past efforts had enabled its clients to leverage \$579 million into \$1.2 billion in less than five years, when in truth and fact, as KURZ and his co-conspirators knew,

virtually none of A&O's investors made any money on their A&O life settlement investments because only one relatively small underlying life insurance policy matured during A&O's investment offerings.

3. In or about 2007, KURZ and his co-conspirators created and distributed to sales agents via the mail a revised version of a promotional document entitled "A&O History," in which they falsely claimed that A&O had offices in Houston, Chicago, Wilmington, Glendale, and Ft. Lauderdale, when in truth and fact, as KURZ and his co-conspirators knew, A&O only had one office location, which was in Houston, Texas.

4. On or about July 2, 2007, KURZ and his co-conspirators caused a package containing a cashier's check in the amount of \$48,000, which included the proceeds of the mail fraud scheme, to be delivered on behalf of A&O from Houston, Texas to sales agent T.B. in Richmond, Virginia as a commission payment for the sale of an A&O investment product.

All in violation of Title 18, United States Code, Section 371.

**FORFEITURE ALLEGATION**


Pursuant to Federal Rule of Criminal Procedure 32.2, the defendant is advised that upon conviction of the offense charged in Count One of this information, he shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to the violation charged in Count One.

If property subject to forfeiture meets the requirements of 21 U.S.C. § 853(p), the government will seek an order forfeiting substitute assets.

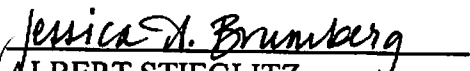
(In accordance with 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c)).

NEIL MACBRIDE  
United States Attorney  
Eastern District of Virginia

Dated:

By:   
MICHAEL DRY  
JESSICA BRUMBERG  
Assistant United States Attorneys  
Eastern District of Virginia

DENIS MCINERNEY  
Chief  
Criminal Division, Fraud Section  
United States Department of Justice

By:   
for ALBERT STIEGLITZ  
Trial Attorney  
Criminal Division, Fraud Section  
United States Department of Justice

*Handwritten signature: Paulson Payne*

City: Richmond, Virginia  
County/Parish: \_\_\_\_\_

**Related Case Information:**  
**Criminal Information**  Docket No. \_\_\_\_\_  
Same Defendant \_\_\_\_\_ **New Defendant**   
Magistrate Judge Case No. \_\_\_\_\_  
Search Warrant Case No. \_\_\_\_\_  
R 20/R 40 from District of \_\_\_\_\_

**Defendant Information:**

This case is related to other proceedings in this Court: YES  NO \_\_\_\_\_ If yes, docket No. 3:10cr246-REP

Defendant Name: Eric M. KURZ

Alias Name: NONE

[Redacted]

[Redacted]

Counsel for Defendant: Howard C. Vick, Jr. Esq.

**U.S. Attorney Information:**

AUSA: Michael S. Dry Bar #: \_\_\_\_\_

Interpreter:  No  Yes List language and/or dialect: \_\_\_\_\_

**Location Status:**

- Has Not Been Arrested**
- Already in Federal Custody**
- Already in State Custody**  **Defendant is available for court proceedings in this District**
- On Pretrial Release**
- Fugitive**
- Unknown**
- Bond**
- Issue Summons**

**U.S.C. Citations**

Total # of Counts: 1  Petty  Misdemeanor  **Felony**

Statute	Description of Offense Charged	Count(s)
In violation of Title 18 U.S.C. § 371	Conspiracy to Commit Mail Fraud and Money Laundering	<u>1</u>

Date: 09/09/2010 Signature of AUSA: *[Handwritten Signature]*

District Court Case No. (to be filled in by deputy clerk): \_\_\_\_\_