

File No.

SEARCH WARRANT

IN THE MATTER OF

Terry Watson d/b/a Watson Sports Agency

Date Issued 10/25/2012 Time Issued 4:15 AM PM

Name Of Applicant Special Agent A. H. Jones

Name Of Additional Affiant

Name Of Additional Affiant

RETURN OF SERVICE

I certify that this Search Warrant was received and executed as follows:

Date Received 10/25/12 Time Received 4:15 AM PM

Date Executed 10/25/12 Time Executed 5:39 AM PM

I made a search of Apple Mac Book Pro lap top computer, Serial #W88210K4KTX

STATE OF NORTH CAROLINA

Orange County

In The General Court Of Justice
District/Superior Court Division

To any officer with authority and jurisdiction to conduct the search authorized by this Search Warrant:

I, the undersigned, find that there is probable cause to believe that the property and person described in the application on the reverse side and related to the commission of a crime is located as described in the application.

You are commanded to search the premises, vehicle, person and other place or item described in the application for the property and person in question. If the property and/or person are found, make the seizure and keep the property subject to Court Order and process the person according to law.

You are directed to execute this Search Warrant within forty-eight (48) hours from the time indicated on this Warrant and make due return to the Clerk of the Issuing Court.

This Search Warrant is issued upon information furnished under oath or affirmation by the person(s) shown.

Date 10/25/2012 Name (Type Or Print) DONALD W. STEPHENS Signature [Signature] Deputy CSC Assistant CSC CSC Magistrate District Ct. Judge Superior Ct. Judge

_____ as commanded.

I seized the items listed on the attached inventory.

I did not seize any items.

This Warrant WAS NOT executed within forty-eight (48) hours of the date of issuance and I hereby return it not executed.

This Search Warrant was delivered to me on the date and at the time shown below when the Office of the Clerk of Superior Court is closed for the transaction of business. By signing below, I certify that I will deliver this Search Warrant to the Office of the Clerk of Superior Court as soon as possible on the Clerk's next business day.

Name Of Officer Making Return (Type Or Print) A. H. Jones

Signature Of Officer Making Return [Signature]

Date 10/25/12 Time 8 AM PM Name Of Magistrate (Type Or Print) Cynthia H. Bobbitt Signature Of Magistrate [Signature]

Department Or Agency Of Officer Incident Number NC Dept. of the Secretary of State

Date 10/25/12 Time 8 AM PM Name Of Clerk (Type Or Print) Cynthia H. Bobbitt Signature Of Clerk [Signature] Dep-CSC Asst CSC CSC

APPLICATION FOR SEARCH WARRANT

I, A. H. Jones, Special Agent, North Carolina Department of the Secretary of State,
(Insert name and address; or if law enforcement officer, name, rank and agency)

being duly sworn, request that the Court issue a warrant to search the person, place, vehicle, and other items described in this application and to find and seize the property and person described in this application. There is probable cause to believe that *(Describe property to be seized; or if search warrant is to be used for searching a place to serve an arrest warrant or other process, name person to be arrested)*

• Apple Mac Book Pro lap top computer, Serial # W88210K4YJX

constitutes evidence of a crime and the identity of a person participating in a crime, *(Name crime)* Violation of North Carolina Uniform Athlete Agent Act. - G.S. 78C-98 and G. S. 78C-88

and is located *(Check appropriate box(es) and fill-in specified information)*

in the following premises *(Give address and, if useful, describe premises)*

(and)

on the following person(s) *(Give name(s) and, if useful, describe person(s))*

(and)

in the following vehicle(s) *(Describe vehicle(s))*

(and)

(Name and/or describe other places or items to be searched, if applicable)

• Apple Mac Book Pro lap top computer, Serial # W88210K4YJX • All records related to the recruitment of student athletes in the State of North Carolina in digital form including those password protected and/or encrypted files.

The applicant swears or affirms to the following facts to establish probable cause for the issuance of a search warrant:

See attached affidavit.

SWORN/AFFIRMED AND SUSCRIBED TO BEFORE ME

Date

10/25/12

Date

Oct. 25, 2012

Name Of Applicant *(Type Or Print)*

A. H. JONES

Signature

W. M. Stephen A. H. Jones

Signature Of Applicant

Magistrate Dep. CSC Asst. CSC Clerk Of Superior Court Judge

In addition to the affidavit included above, this application is supported by additional affidavits attached made by A. H. JONES

signed & sworn to before me. WMS

In addition to the affidavit included above, this application is supported by sworn testimony, given by _____

This testimony has been *(check appropriate box)* reduced to writing tape recorded and I have filed each with the clerk.

NOTE: If more space is needed for any section, continue the statement on an attached sheet of paper with a notation saying "see attachment." Date the continuation and include on it the signatures of applicant and issuing official.

STATE OF NORTH CAROLINA
ORANGE COUNTY

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION

IN THE MATTER OF:
Terry Watson d/ba/
Watson Sports Agency
10SEC179

ATTACHMENT TO APPLICATION
FOR SEARCH WARRANT BY:
Special Agent A. H. Jones
Date: October 23, 2012

PROPERTY TO BE SEARCHED:

- Apple Mac Book Pro lap top computer, Serial # W88210K4YJX

PROPERTY TO BE SEIZED:

- All records related to the recruitment of student athletes in the State of North Carolina in digital form including electronic communications and/or mail, text messages, video, picture images, internet history or any other format including but not limited to password protected and/or encrypted files. All records in digital form concerning the listed athlete agent, Watson Sports Agency, identified and/or unidentified persons or business partners acting on their behalf to recruit student athletes in the State of North Carolina.

PROBABLE CAUSE:

I, A. H. Jones, am currently employed by the North Carolina Department of the Secretary of State as a Special Agent. I have been employed by the North Carolina Department of the Secretary of State since November of 2009. I have been a sworn Law Enforcement Officer for over thirty five (35) years. During my 35 years of service I have worked as a Deputy Sheriff in the Patrol, Civil and Court divisions, Police Officer, School Resource Officer, Juvenile Detective, Member of Specialized Street Crime Unit, Detective in Special Operations Division, Narcotics & Vice Detective, Sergeant Street Crimes Unit, Commander Street Crimes Unit, Commander Patrol Unit, Criminal Investigator, Internal Affairs Investigator, and Detective Sergeant/Supervisor of Criminal Investigations Unit. I have been awarded the Advanced Law Enforcement Certificate by the State of North Carolina. I have received specialized training in Criminal Investigations, Interview and Interrogation, Legal Issues, Civil Process, Laws of Arrest Search and Seizure, Internal Affairs Investigations, Narcotics and Vice Investigations, Preliminary Investigations,



SUPERIOR COURT JUDGE



APPLICANT

Search Warrant preparation, Criminal Intelligence Analysis, Credit Card and Check Fraud, Insurance Fraud, Securities, Trademarks and Notary violations. I have received an extensive amount of hours of regular in-service training and instruction on law enforcement matters. I have conducted, supervised, and assisted in hundreds of criminal investigations during the course of my law enforcement career. I previously held Certification as a North Carolina Law Enforcement Instructor, and have taught both in the Basic Law Enforcement Programs and in the Criminal Justice Curriculum Programs at Coastal Carolina Community College/Jacksonville, NC; James Sprunt Community Technical Community College/Raleigh, NC.

The North Carolina Department of the Secretary of State has authority to conduct criminal investigations of alleged violations of the North Carolina Uniform Athlete Agent Act (The "Act") codified in North Carolina General Statutes Chapter 78C, Article 9. As part of an ongoing criminal investigation into violations of the Act I requested the assistance of the Georgia Bureau of Investigation in order to conduct a search of the residence and home office of Terry Watson d/b/a Watson Sports Agency at 533 Faith Street NW, Marietta, Georgia 30064.

On Friday October 12, 2012 Agents with the Georgia Bureau of Investigation (GBI) served a search warrant on Terry Watson doing business as Watson Sports Agency at 533 Faith Street NW, Marietta, Georgia 30064. The Georgia warrant was based on probable cause substantiated by an affidavit that summarized the investigation of the North Carolina Department of the Secretary of State.

The North Carolina investigation revealed that Terry Watson d/b/a Watson Sports Agency committed violations of G. S. 78C-98 by giving impermissible gifts to UNC Chapel Hill student athletes with the intent to coerce them into entering into a representation contract with him. He also violated G. S. 78C-88 by contacting student athletes prior to applying for and receiving certification as an athlete agent in the State of North Carolina. Statements by witnesses and evidence obtained through subpoena revealed he utilized the internet, text messaging and other forms of electronic communication to establish contact with student athletes and show he utilized the internet to make and pay for hotel reservations for student athletes to Miami Florida, which is a felony violation of the act.

As a result of the search in Georgia the GBI seized a number of items including the listed computer. The seized items have been transported to this state in order to examine the collected evidence.

I am requesting a search warrant in order to conduct a complete forensic examination of the listed computer and recover evidence related to this criminal activity. I feel that evidence related to the violations will be located in this computer.

WWS

SWORN TO AN SUBSCRIBED BEFORE ME
THIS THE 25th DAY OF OCTOBER 2012.

WWS
SUPERIOR COURT JUDGE

A. H. Jones
APPLICANT

STATE OF NORTH CAROLINA
COUNTY OF WAKE

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION

IN RE: SEARCH WARRANT)
ISSUED IN CONNECTION)
WITH THE INVESTIGATION)
NC DEPARTMENT OF THE)
SECRETARY OF STATE)
10SEC179)

MOTION

Now comes the State of North Carolina by and through Assistant District Attorney Howard Cummings for an order sealing the search warrants, the application of search warrants and the inventories of the items seized pursuant to the search warrants by the NC Secretary of States Office. The State shows the following:

1. The North Carolina Department of the Secretary of State initiated an investigation on July 27, 2010, in reference to violations the North Carolina Uniform Athlete Agents Act ("ACT").
2. That no one has been charged with any crime and that the investigation is ongoing.
3. That the investigators with the North Carolina Department of the Secretary of State applied for a search warrant to search a computer on October 25, 2012.
4. That a search warrant was executed on the same date as issuance.
5. That this search warrant, including the inventories, and the returns thereof, have not been filed heretofore with the Wake County Clerk of Court.
6. That the affidavit attached to this search warrant includes information that has not previously been made public and to publically disclose the information might hamper or impede this investigation and/or may release information that could adversely affect persons who are not charged with committing a crime and materially prejudice further adjudicable procedures involving this investigation and any subsequent prosecution and will jeopardize the right of the State to prosecute a defendant or the right of the defendant to receive a fair trial or will undermine and ongoing investigation.

WHEREFORE, the State moves the Court seal the application for search warrants applied for on October 25, 2012 and inventories of items seized by the North Carolina Department of the Secretary of State.

This, the 25th day of October 2012.


Howard J. Cummings
Assistant District Attorney

STATE OF NORTH CAROLINA

File No.

Orange County

In The General Court Of Justice
 District Superior Court Division

IN THE MATTER OF:

Name

Terry Watson d/b/a Watson Sports Agency

INVENTORY OF ITEMS SEIZED
PURSUANT TO SEARCH

G.S. 15A-223, 15A-254. -257

I, the undersigned officer, executed a search of:

Person, Premises Or Vehicle Searched

Apple Mac Book Pro lap top computer, Serial #W88210K4YJX

Date Of Search

10-25-2012

This search was made pursuant to

- 1. a search warrant issued by: Superior Court Judge Donald W. Stephens
- 2. consent to search given by: _____
- 3. other legal justification for the search: _____

The following items were seized:

Digital data

A.H.Q.

Items Seized Continued:

A.H.G.

1. I left a copy of this inventory with the person named below, who is:

- a. the owner of the premises searched.
- b. the owner of the vehicle searched.
- c. the person in apparent control of the premises searched.
- d. the person in apparent control of the vehicle searched.
- e. the person from whom the items were taken.

2. As no person was present, I left a copy of this inventory:

- a. in the premises searched, identified on the reverse.
- b. in the vehicle searched, identified on the reverse.

Name And Address Of Person To Whom A Copy Of This Inventory Was Delivered, If Any

Copy with device
Copy mailed to Terry Watson, 533 Faith Street NW, Marietta, Georgia 30064

The law enforcement agency identified below will hold the seized property subject to court order.

SWORN AND SUBSCRIBED TO BEFORE ME		Signature Of Law Enforcement Officer <i>A. H. Jones</i>
Date <i>10/25/13</i>		Title Of Law Enforcement Officer <i>Special Agent</i>
Signature <i>Cynthia H. Bobbitt</i>		Name And Address Of Agency <i>25. Salisbury Street Raleigh, N.C. 27601</i>
<input checked="" type="checkbox"/> Deputy CSC <input type="checkbox"/> Clerk Of Superior Court	<input type="checkbox"/> Assistant CSC <input type="checkbox"/> Magistrate	
ACKNOWLEDGMENT OF RECEIPT		
I, the undersigned, received a copy of this inventory.		
Date	Signature of Person Receiving Inventory	

APPLICATION FOR SEARCH WARRANT

In the Matter of Terry Shawn Watson and Watson Sports Agency

ATTACHMENT I

PROPERTY TO BE SEIZED

I. CERTAIN PROPERTY AND DOCUMENTS TO BE SEIZED:

Records and documents concerning the recruitment of North Carolina student athletes covered under the North Carolina Uniform Athlete Agents Act in paper, digital, or electronic form, all records of financial accounts, to include bank records, monthly bank statements, debit and/or credit account(s), credit card(s) account information, receipts, records or statements, disbursements, cancelled checks and stubs, records of certified checks, documentation, receipts or confirmations of wire transfers or bank drafts, documents showing cash payments, receipts, ledgers, notebooks, evidence of payment for business expenses and costs, shipping papers, receipts, and account information relating to U.S. Mail, FedEx, and UPS, and shipment records, emails, text messages, photographic images, annual reports, state and federal tax records, computers, digital storage devices, documents relating to any North Carolina student athlete contacted, solicited, recruited, and/or represented by Terry Shawn Watson and/or Watson Sports Agency, to include all contracts, records of communications, telephone records, documents of fees paid by individuals, correspondence, records and documents showing costs incurred by Terry Shawn Watson and/or Watson Sports Agency in the recruitment or solicitation of North Carolina student athletes, all records relating to or showing costs incurred by person(s) acting on behalf of, at the direction of, as agent, as runner, and/or representative in the recruitment or solicitation of any North Carolina student athlete to enter into an agency contract, lists or documentation of any and all individuals employed by, or acting on behalf of Terry Shawn Watson and/or Watson Sports Agency, and all records of marketing materials and presentations.

DESCRIPTION OF SEARCH LOCATION:

The address to be searched is 533 Faith Street NW, Marietta, Georgia 30064 and any buildings or structures within the curtilage. The address is located within the City of Marietta, County of Cobb, Georgia. The residence is a single story wood frame home built in 1953 and has 2122 square feet of living area. The property is listed as parcel #16122200880 in the Cobb County Assessor's Office. The listed owner(s) are Terry S and Susan J Watson. The home is white in color with black shutters, and has a covered front porch. See attachment "A".

PROBABLE CAUSE:

I, A. H. Jones, am currently employed by the North Carolina Department of the Secretary of State as a Special Agent. I have been employed by the North Carolina Department of the Secretary of State since November of 2009. I have been a sworn Law Enforcement Officer for over thirty five (35) years. During my 35 years of service I have worked as a Deputy Sheriff in the Patrol, Civil and Court divisions, Police Officer, School Resource Officer, Juvenile Detective, Member of Specialized Street Crime Unit, Detective in Special Operations Division, Narcotics & Vice Detective, Sergeant Street Crimes Unit, Commander Street Crimes Unit, Commander Patrol Unit, Criminal Investigator, Internal Affairs Investigator, and Detective Sergeant/Supervisor of Criminal Investigations Unit. I have been awarded the Advanced Law Enforcement Certificate by the State of North Carolina. I have received specialized training in Criminal Investigations, Interview and Interrogation, Legal Issues, Civil Process, Laws of Arrest Search and Seizure, Internal Affairs Investigations, Narcotics and Vice Investigations, Preliminary Investigations, Search Warrant preparation, Criminal Intelligence Analysis, Credit Card and Check Fraud, Insurance Fraud, Securities, Trademarks and Notary violations. I have received an extensive amount of hours of regular in-service training and instruction on law enforcement matters. I have conducted, supervised, and assisted in hundreds of criminal investigations during the course of my law enforcement career. I previously held Certification as a North Carolina Law Enforcement Instructor, and have taught both in the Basic Law Enforcement Programs and in the Criminal Justice Curriculum Programs at

Coastal Carolina Community College/Jacksonville, NC; James Sprunt Community College/Kenansville, NC; Durham Technical Community College/Durham, NC; and Wake Technical Community College/Raleigh, NC.

On approximately June 22nd, 2010 the North Carolina Department of the Secretary of State (Department) became aware of information in various media outlets indicating possible violations of the North Carolina Uniform Athlete Agents Act (“ACT”) codified in North Carolina General Statutes Chapter 78C, Article 9. See attachment “B”. The information alleged athlete agents furnished student athletes at the University of North Carolina at Chapel Hill (UNC-CH) with items of value in violation of G. S. 78C-98 (Prohibited conduct). Additional information indicated some of the athlete agents were not registered with the State of North Carolina in violation of G.S. 78C-88 (Athlete agents; registration required). The Department immediately sent letters to the involved athlete agents advising them of their statutory responsibility to maintain their records for review as required pursuant to G.S. 78C-97 (Required records; waiver of attorney-client privilege.) See attachment “C”. One of the agents notified was Terry Shawn Watson.

On July 27, 2010 the North Carolina Department of the Secretary of State initiated a criminal investigation (10SEC179) pursuant to N.C.G.S. §78C-27 and 78C-85 to determine if registered or unregistered athlete agents, or persons acting as such, had violated the Act. The investigation centered on impermissible benefits that had been provided to members of the University of North Carolina at Chapel Hill football team.

As the Departments investigation progressed information and evidence was discovered, and statements were obtained substantiating probable cause that athlete agent Terry Shawn Watson d/b/a Watson Sports Agency (Watson) had in fact given cash payments and other impermissible gifts to student athletes with the intent to induce the student athletes to enter into an agency contract.

The Department requested, and after prolonged litigation received production from the National Collegiate Athletic Association (NCAA) containing numerous transcripts of interviews conducted with UNC-CH student athletes. After reviewing the documents, transcripts and audio interviews, it was discovered that student athletes Charles Brown (Brown); Kendrick Burney (Burney); Gregory Little (Little); and Marvin Austin (Austin) all admitted Watson had contacted and/or met with them.

However, the students were unable to give clear dates or time periods that would implicate or absolve Watson of making contact prior to being registered as an athlete agent with the North Carolina Department of the Secretary of State.

Watson applied for registration with the Department; however the application process was suspended because Watson's check covering the registration fee was returned for insufficient funds. Watson later paid the Department his registration fee and returned check fee via Wachovia money order checks. After the Department received his valid payment and final registration required letter of recommendation, Watson's registration was made effective on April 27, 2010. (Certificate No. 3039) Correspondence from the Department to Watson advising him his application had been approved was mailed April 29, 2010. His registration was to expire on April 27, 2011.

The Department continued its investigation and obtained Watson's phone records covering the time period of January 1, 2009 to December 31, 2010. A review of those records substantiates testimony given to the NCAA by the UNC-CH student athletes that athlete agent Terry Watson had contacted them. This information appeared to confirm a violation of the Act.

A summary of the phone records indicates contact between Watson and five (5) UNC-CH student athletes. Watson contacted UNC-CH student athletes 382 times. Thirty nine (39) of the contacts were in violation of the Act. The most serious violations were in relation to UNC-CH student athletes Marvin Austin and Michael McAdoo. Watson had contact with Austin by phone and text as early as December 3, 2009, and with McAdoo as early as January 13, 2010. He began contacting UNC-CH student athletes almost 5 months prior to applying for registration which is a clear violation of the Act.

On September 17, 2010 student athlete Marvin Austin was interviewed by Special Agents with the North Carolina Department of the Secretary of State. He had previously been interviewed on three occasions by the NCAA.

In response to information obtained from Austin in his interview, and evidence gathered by the Department I re-interviewed Austin. During the interview Austin was able to confirm information and evidence we had developed. Austin also gave specific and detailed information implicating Athlete Agent Terry Watson in violations of the Act.

Austin stated he received cash from Terry Watson. Austin made the following statement: "Terry Watson was a guy who gave me money". Austin stated on one occasion Watson had given him \$2,000.00 cash. Austin advised he spoke with Terry Watson and told him he needed some money. Austin stated Watson responded "all right, we'll send it". Austin stated Watson's associate "Willie" helped to facilitate the payment. I have identified Willie as Willie Barley of Miami, Florida. I have also confirmed through phone records extensive contact between Watson and Barley, and also contact between Barley and Austin. Austin stated Watson sent the cash to him via FedEx and the package was addressed to a bogus name. Austin stated he could not remember the name used on the package, but stated it was not his name. He stated the package was sent to his residence at 700 Sykes Street Unit B, Chapel Hill, NC. When asked if the package contained a money order or check he stated "No, it was green backs", "cash".

On December 7, 2011 the Division interviewed Marvin Austin once more and followed up on the information he had given, and the evidence we had developed. Austin re-iterated his earlier testimony that Watson had sent him a package containing cash to his Sykes Street address. He advised that was the only package he received from Watson at that location. Austin advised he met Terry Watson through Willie (Barley). He stated he thought Willie was a recruiter for Watson.

On December 7, 2011 the Department issued a subpoena to FedEx Express for any documents relating to packages delivered to the 700 Sykes Street address between January 1, 2009 and June 1, 2010.

On December 12, 2011 the Department received a positive response from FedEx Express. Their records indicated a FedEx package originating from 121 Luckie Street, Cartersville, Georgia 30120 was sent to 700 Sykes St. Unit B, Chapel Hill, NC 27516 on May 4, 2010. The senders name indicated on FedEx airbill #8722 8985 9049 was listed as Pat Jones with a send date of May 4, 2010. The package was addressed to a name other than Marvin Austin's. This confirmed Marvin Austin's statement to law enforcement.

Utilizing the above information Watson's phone records were examined again. The phone records indicate contact between Watson and Austin on May 4, 2010 and May 5, 2010. Those dates are significant with relation to the FedEx package. Watson's phone records indicate he sent a text message to Austin at 11:26 pm on May 4, 2010 and another at 2:41 pm on May 5, 2010.

I have identified the person connected to the address listed for the package sender (121 Luckie Street, Cartersville, GA). Tax records indicate the owner of the property as Patrick Jones. A subsequent internet search was conducted on Patrick Jones and the results indicated he is a licensed real estate professional at a realty company in Cartersville, GA. The realty companies' web site listed his phone number and gave an email address.

The phone number listed for Jones on the real estate website appears in Watson's phone records 3,641 times during the time period beginning January 1, 2009 and ending December 31, 2010. On the questioned package send date of May 4, 2010, Jones and Terry Watson are in contact eleven (11) times on that single date.

Social media sites were searched and a Patrick Jones was located on Facebook. The bio given on the facebook page matched with information obtained thus far. A check of his friends list revealed a Terry Watson of Atlanta, Georgia. Additional indicators were found in his postings. On March 14, 2012 he posted the following: "Just wanted to congratulate my ol' buddy Terry Watson "lil" T. Your hard work finally paid off. His number 1 client Cortland Finnegan signed a five-year, \$50 million contract with the Rams". Also an older post on August 3, 2010 contains a picture of Patrick Jones; Cortland Finnegan; Terry Watson; and some other subjects. An additional post on October 14, 2010 refers to Terry Watson also. In a post on March 9, 2010 he makes reference to the address of 121 Luckie Street, Cartersville GA 30120.

Using the information above the Division was able to obtain Patrick Mitchell Jones drivers' license information from the State of Georgia along with his photo. The Georgia driver's license photo of Patrick Jones matches the picture associated with the Patrick Jones Facebook page.

On June 11, 2012 I traveled to Clarksville, Georgia and interviewed Patrick Mitchell Jones at his residence (121 Luckie Street, Clarksville, GA).

Patrick Jones admitted to being a long time friend of athlete agent Terry Watson. He confessed to sending FedEx packages containing cash to student athletes at the request of Terry Watson. Jones admitted Watson had asked him many times to send packages for him to students he was actively trying to recruit. He stated the money was sent to the student to entice them into signing a contract with Watson. Jones stated this was the only way Watson could compete with the bigger Athlete Agents and their companies. This is a clear violation of the act.

Jones stated his only reason for sending the packages was to do a favor for his long time friend. Jones denied taking any payment or compensation from Watson for sending the packages.

Patrick Jones confessed packages containing cash had been sent to many other student athletes at schools other than UNC-CH. He could not recall how many packages he had sent to North Carolina student athletes, but did know that others had received cash. Jones stated he just knew the athletes played for Carolina and he advised he knew it was players Watson was trying to recruit.

Jones stated he would go to a business location near his home and pick up the money that Watson had wired. Jones could not advise the name of the business. He stated he would place the money in a FedEx envelope and Watson would give him the information on where to send it. He advised on other occasions Watson would give him a package already sealed and tell him "just mail this for me". When asked how he knew the sealed packages contained cash he stated Watson told him it did.

After leaving Patrick Jones' residence I traveled to Watson's residence (533 Faith Street NW, Marietta, GA), and served Watson with the Division issued Subpoena Duces Tecum issued on June 1, 2012 addressed to Watson individually, and in his capacity as owner and registered agent of Watson Sports Agency. Watson was also served with a Request for Records issued pursuant to N.C.G.S. 78C-97. Watson's demeanor was very "matter -of- fact and in the Agent's opinion almost hostile.

Terry Watson through his attorney refused to honor the subpoena request for inspection of his records. This is a violation of the Act, and he has refused to speak with law enforcement.

Expert handwriting analysis of the FedEx Airbill reported to contain \$2,000.00 cash from Terry Watson to Austin concluded that the individual who wrote the entries in Terry Watson's application for athlete agent registration in North Carolina also filled out the questioned FedEx Airbill.

At this point in the investigation I have established a clear connection between Terry Watson; Patrick Jones and Marvin Austin. Phone records show Watson contacted UNC-CH student athletes almost five (5) months prior to his registration. Witness statements, and evidence obtained show clear evidence of violations of the North Carolina Uniform Athlete Agents Act by Watson and his co-conspirators (Jones & Barley). Taking into account Patrick Jones statement, along with statements by UNC-CH student athlete Marvin Austin, in addition to evidence that independently substantiates their claims that Watson furnished impermissible cash and gifts to student athletes with the purpose to get them to enter into a representation contract is probable cause to believe he violated G.S. 78C-98. In addition to the above stated evidence is the expert handwriting analysis implicating Watson as the person who wrote the FedEx Airbill receipt that was on the package containing cash sent to Marvin Austin. FedEx records show the package was sent from a FedEx location six (6) miles from Watson's residence.

It should be noted Watson's registration became effective on April 27, 2010. The package sent to Austin was shipped on May 4, 2010. There would be no reasonable explanation for Watson to send a package containing acceptable informative athlete agent materials to Austin using Patrick Jones name and address in addition to using a false recipient's name.

Terry Watson clearly engaged in conduct that was covered by the North Carolina laws related to athlete agents. He was obviously aware of the requirements for registration under the act and did take steps to comply with the registration requirements in April of 2010. Although his business location was outside the State of North Carolina he was required to comply with the athlete agent laws of North Carolina.

Based on my investigation I have been able to establish that Terry Watson has committed felony violations of the North Carolina Uniform Athlete Agent Act. As part of this investigation he was lawfully served with requests for document preservation early on. He was subsequently served with subpoenas for document production, which he has refused to cooperate with. Based on his lack of compliance with the requirements of the law regarding athlete agents I am forced to proceed with my investigation without his cooperation.

In order to complete my investigation I need to locate the business records and other evidence outlined in this search warrant application. Since Terry Watson operates his business from his residence and was doing so during the times of his criminal violations, I am requesting to search that location.

Oct. 25, 2012

A. H. Jones
A. H. JONES

Sworn to before
me on this the
25th day of October
2012

Donald W. Stephens
Judge Donald W. Stephens