

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 #N88210K4K5X

_____ 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.

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

Signature Of Officer Making Return
A. H. Jones

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

Incident Number

AOC-CR-119, Rev. 6/12
© 2012 Administrative Office of the Courts

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 Oct. 25, 2012 Name (Type Or Print) Donald W. Stephens Signature [Signature]
 Deputy CSC Assistant CSC CSC Magistrate Distict Ct. Judge Superior Ct. Judge

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.

Date _____ Time _____ AM PM Name Of Clerk (Type Or Print) _____ Signature Of Magistrate _____

This Search Warrant was returned to the undersigned clerk on the date and time shown below.

Date 10/26/12 Time 3 AM PM Name Of Clerk (Type Or Print) Cynthia H. Bobbitt Signature Of Clerk [Signature]
 Dep. CSC Assst CSC CSC

(Over)

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.

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.

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.

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.

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.

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.

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"/> Assistant CSC	
<input type="checkbox"/> Clerk Of Superior Court	<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

1. 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 laptop computer, Serial # W88210K4Y1X

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 laptop computer, Serial # W88210K4Y1X • 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 SUBSCRIBED TO BEFORE ME

Date	Oct. 25, 2012	Date	10/25/12
Signature	<i>(Signature)</i>	Name Of Applicant <small>(Type Or Print)</small>	A. H. JONES
	<i>(Signature)</i>	Signature Of Applicant	<i>(Signature)</i>
<input type="checkbox"/> Magistrate	<input type="checkbox"/> Dep. CSC	<input type="checkbox"/> Asst. CSC	<input type="checkbox"/> Clerk Of Superior Court
			<input checked="" type="checkbox"/> Judge

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

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.

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
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

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.

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

25
R

SEARCH WARRANT

IN THE MATTER OF

Terry Watson - Watson Sports Agency

Date Issued: 01/10/2013 Time Issued: 10:10 AM 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	1/10/13	Time Received	10:10 AM <input checked="" type="checkbox"/> AM <input type="checkbox"/> PM
Date Executed	1/10/13	Time Executed	12:35 AM <input type="checkbox"/> AM <input checked="" type="checkbox"/> PM

I made a search of Wells Fargo Bank - 150 Fayetteville St. Raleigh, N.C.

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.

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

Signature Of Officer Making Return: *A. H. Jones*

Department Or Agency Of Officer: NC Department of the Secretary of State

Incident Number:

STATE OF NORTH CAROLINA

In The General Court Of Justice
District/Superior Court Division

Orange County

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: 1/10/13

Name (Type Or Print): William R. Pittman

Signature: *William R. Pittman*

Deputy CSC Assistant CSC CSC Magistrate District Ct. Judge Superior Ct. Judge

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.

Date: 1-25-13

Time: 3 PM

Name Of Magistrate (Type Or Print): Cynthia H. Babbitt

Signature Of Magistrate: *Cynthia H. Babbitt*

This Search Warrant was returned to the undersigned clerk on the date and time shown below.

Date: 1-25-13

Time: 3 PM

Name Of Clerk (Type Or Print): Cynthia H. Babbitt

Signature Of Clerk: *Cynthia H. Babbitt*

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)

ALL RECORDS FOR AGENT
TERRY WATSON - WATSON SPORTS AGENCY

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)

Wells Fargo Bank

150 Fayetteville Street, Raleigh, NC

(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)

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 SUBSCRIBED TO BEFORE ME

Date

Date

Name Of Applicant (Type Or Print)

Signature

Signature Of Applicant

Magistrate

Dep. CSC

Asst. CSC

Clerk Of Superior Court

Judge

1/10/13

A. H. JONES

A. H. Jones

In addition to the affidavit included above, this application is supported by additional affidavits, attached, made by _____

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

File No.

Orange County

In The General Court Of Justice
 District Superior Court Division

IN THE MATTER OF:

Name

Terry Watson - 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

Wells Fargo Bank - 150 Fayetteville Street, Raleigh, NC

Date Of Search

01-10-2013

This search was made pursuant to

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

The following items were seized:

Financial records delivered via FedEx to the North Carolina Department of the Secretary of State.

AWQ

Items Seized Continued:

AKG

- 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 mailed to Wells Fargo Financial - 150 Fayetteville Street, Raleigh, NC

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 01-10-13	Title Of Law Enforcement Officer Special Agent	
Signature <i>Cynthia H. Bobbitt</i>	Name And Address Of Agency 2 South Salisbury Street Raleigh, NC 27601	
<input 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 wit:

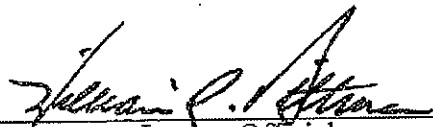
Copies of certain financial record documents, to wit: account signature cards, safe deposit boxes, canceled checks (including certified checks and receipts), monthly bank statements, credit card statements of account, deposit tickets and credits, items of deposit, offset items, ledgers, statements, stubs, drafts from other banks or financial institutions, confirmations of wire transfers to or from account and/or any other wire transfer records documenting deposits or disbursements (including receipts and advises and transfer request records), debit and credit memoranda, correspondence and any and all other records and documents pertaining to any and all accounts including checking, savings, money market (including certificates of deposit) and credit card accounts in the name of, or controlled by, the following persons or entities, together with official bank checks (dividend, cashiers, expense, loan and money orders) obtained with checks made payable to the following persons or entities:


**Terry Shawn Watson
Watson Sports Agency**

At Wells Fargo Bank, for the period extending from January 1, 2009 through December 2010, including but not limited to any and/or all accounts held in the name of the above listed persons and/or entity at Wells Fargo Bank.



A. H. Jones, Affiant



Issuing Official


Date


APPLICATION FOR SEARCH WARRANT


In the Matter of Terry Shawn Watson and Watson Sports Agency

ATTACHMENT II

IN THE FOLLOWING PREMISES:

Wells Fargo Bank
150 Fayetteville Street
Raleigh, NC 27601


A. H. Jones, Affiant


Issuing Official
1/10/13
Date

APPLICATION FOR SEARCH WARRANT

In the Matter of Terry Shawn Watson and Watson Sports Agency

ATTACHMENT III

AFFIDAVIT TO ESTABLISH PROBABLE CAUSE

PROBABLE CAUSE: I, Adella H. Jones, have been a Law Enforcement Officer for over thirty five (35) years. Currently I am employed by the North Carolina Department of the Secretary of State as a Special Agent. 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, 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 Program 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.

A. H. Jones
A. H. Jones, Affiant

William P. Patton
Issuing Official
1/10/13
Date

BACKGROUND OF THE CASE

On or about June 22, 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 ("UAAA"). The information indicated the possibility athlete agents may have 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). Information also indicated the possibility that 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).

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

As the Department's 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 in violation of the UAAA.

On September 17, 2010, UNC-CH student-athlete Marvin Austin was interviewed by Special Agents with the Securities Division of the North Carolina Department of the Secretary of State and admitted he had spoken by phone and physically met with Athlete Agent Terry Watson while he was a current student-athlete at UNC-CH. Austin advised the two had met over dinner at a steak restaurant. At that time Austin could not advise an exact date.

Watson was not a registered agent with the State of North Carolina until April 27, 2010 so any contact between Watson and Austin, or between Watson and any other student-athlete prior to that date would be in violation of the UAAA.

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 confirmed Watson had contacted UNC-CH student-athlete Marvin Austin by phone and text as early as December 3, 2009, which was prior to Watson being registered and therefore, in violation of the statute. The phone records show contact between Watson and Austin thirty four (34) times between December 3, 2009 and May 22, 2010.

On September 6, 2011, Marvin Austin was re-interviewed in follow up to leads we had developed in the investigation. During the interview, Austin gave specific information implicating Athlete

A. H. Jones
A. H. Jones Affiant

William R. Patton
Issuing Official
1/10/13
Date

Agent Terry Watson in felony violations of the UAAA. He advised Terry Watson had given him cash, and admitted the cash was given as an incentive for him to sign an agency contract with Watson. Austin stated that on one occasion Watson had given him \$2,000.00 cash. He advised the cash was sent to him via FedEx. Austin said that the package was sent to his 700 Sykes Street, Chapel Hill, NC address, but was addressed to a "bogus" name. Austin moved from 700 Sykes Street the end of May 2010 so the payment had to have occurred prior to that time. Austin stated he could not remember the name used on the package, but advised he knew it was not his. When asked if it was money order or check he stated "No, it was green backs."

Austin said that when the arrangements for the payment were discussed, he spoke directly with Terry Watson. He said he had also spoken with "Willie" (unknown last name). Austin advised that Willie is associated with Terry Watson. He stated he met Willie the first time he went to Miami. Flight records obtained for Austin indicate his first trip to Miami was July 3, 2009.

Marvin Austin was not dismissed from the UNC-CH football team until September 1, 2010, and therefore was a student-athlete with eligibility at least until that time. Because Austin was still an eligible player at the presumed time period of the payment, he was governed by NCAA rules and regulations and the UAAA. N.C.G.S. 78C-98(a)(2) states "An athlete agent, with the intent to induce a student-athlete to enter into an agency contract, shall not furnish anything of value to a student-athlete before the student-athlete enters into the agency contract."

On December 7, 2011, a follow up telephone interview with Austin was conducted. (Interview audio on file.) 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 gave additional information and advised he met Terry Watson through "Willie" whom he had spoken of in the earlier interview. He stated that he believes Willie is a recruiter for Watson. He also advised that Willie and A.J. Machado, "the jeweler," came to North Carolina for the UNC-CH 2010 Spring football game.

On December 7, 2011, the Department followed up on the information given by Austin by issuing a subpoena to FedEx Express for any documents relating to packages delivered to Marvin Austin's 700 Sykes Street address between January 1, 2009 and June 1, 2010. A subpoena was also issued to FedEx Express for the address where Austin moved to (316 Davie Road, Carrboro, NC) after leaving the Sykes Street address.

On December 12, 2011, the Department received a positive response from FedEx Express. FedEx Express' records indicated a FedEx package was sent from 121 Luckie Street, Cartersville, GA 30120 to 700 Sykes St. Unit B, Chapel Hill, NC 27516 on May 4, 2010. The records indicate that the sender's name is Pat Jones. The recipient's name is Todd Stewart. (Todd Stewart has been identified as a possible runner for athlete agents, and was a very close personal friend of Austin's. Austin has stated that when he wanted money or plane tickets he just asked Todd Stewart and Todd Stewart got him what he wanted.) FedEx records indicate the package was delivered on May 5, 2010 at 12:30pm. Watson's phone records indicate a text message was sent from his phone to

A. H. Jones
A. H. Jones, Affiant

William P. Altman
Issuing Official
1/10/13
Date

Austin at 11:26pm on May 4, 2010 and another on May 5, 2010 at 2:41pm. Both text messages are around the time the package was sent and received.

Using the information obtained I was able to identify the person connected to the address on the package (121 Luckie Street, Cartersville, GA). Tax records indicate the owner of the property at that address as Patrick Jones. A subsequent internet search was conducted on Patrick Jones and the results show 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 date the package in question was sent, May 4, 2010, Jones and Watson were in contact eleven (11) times.


Social media sites were searched and a Patrick Jones was located on Facebook. The bio given on the facebook page matched with information I had previously obtained. Jones' Facebook friends list included a Terry Watson of Atlanta, Georgia. Additional relationship indicators were found in his postings. On March 14, 2012, Jones 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, a post on August 3, 2010 contains a picture of Patrick Jones, Cortland Finnegan, Terry Watson, and other subjects. A post on October 14, 2010 also refers to Terry Watson. A post on March 9, 2010 makes reference to the address of 121 Luckie Street, Cartersville GA 30120.

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

On June 11, 2012, I traveled to Clarksville, Georgia and located Patrick Mitchell Jones at the 121 Luckie Street address. Patrick Jones invited me into his home and agreed to speak to me.

Patrick Jones admitted to being a long time friend of Terry Watson. He confessed to sending many packages via FedEx containing cash payments to student-athletes at the request of Terry Watson. Jones stated he knew that some of the athletes played for Carolina, and he knew the athletes were players Watson was trying to recruit. Jones stated the only North Carolina student-athlete's name he could remember Watson speaking about a lot was Greg Little. Jones also admitted to sending packages for Watson to other student-athletes at other institutions in other states.


A. H. Jones, Affiant


Issuing Official
1/10/13
Date

Jones stated he could not recall how many packages he had sent to North Carolina student-athletes, and could not advise the amounts of money contained in those envelopes. He said that on many occasions he would go to a nearby business and receive money wire transfers that Watson would wire to him for this purpose. He would place the money in a FedEx envelope and Watson would give him the information on whom and where to send it to. Jones stated on other occasions Watson would just give him a package already sealed and tell him "just mail this for me". Jones admitted Watson had told him the packages contained cash payments. Jones said that Watson only sent money to the players who asked for money.

Jones stated Watson told him about receiving a letter from the North Carolina Department of the Secretary of State advising him to retain his records. Jones advised Watson was visibly upset over the letter and Watson stated he was no longer paying student-athletes. Jones stated Watson told him his days of paying players were over.

Jones admitted he knew it was wrong for Watson to pay student-athletes cash to entice them to sign agency contracts, but advised the cash payments were the only way Watson could compete with the bigger athlete agents and their companies.

I showed Jones a photocopy of the FedEx Airbill with his name and address in the senders section with a date sent of May 4th 2010. Jones looked at the Airbill and advised the handwriting was not his. He stated the handwriting was Terry Watson's.

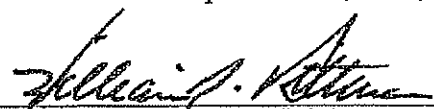
A subsequent expert handwriting analysis was conducted on the FedEx airbill. The analysis concluded the handwriting on the Airbill is that of Terry Watson. FedEx records show the package associated with the Airbill was sent from a FedEx location six (6) miles from Watson's residence in Marietta, GA and not from Cartersville, GA.

On the afternoon of June 11, 2012, I made contact with Terry Watson at his home located at 533 Faith St. NW, Marietta, GA. Watson's business office is located at this site. I served Watson with a Subpoena Duces Tecum and also with a Request for Records issued pursuant to N.C.G.S. 78C-97. Terry Watson, by and through his attorney, refused to honor the Subpoena and the Request for Records, and has refused to speak with law enforcement.

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 several UNC-CH student-athletes to include Charles Brown (Brown), Kendrick Burney (Burney), Gregory Little (Little), and Marvin Austin (Austin) all admitted to the NCAA that Watson had contacted and/or met with them.

In addition several of the student-athletes spoke of having had contact with a subject by the name of "Willie," last name unknown. In an NCAA interview conducted on September 14, 2010,


A. H. Jones, Affiant


Issuing Official
1/10/13
Date

I took the information we had obtained from the review of Quinn and Nix's NCAA interviews and began to search for the hotel they described as having stayed in while in Miami. The information led to the identification of the Hotel as the Hilton Doubletree Surfcomber.


On August 29, 2012, the Department issued a subpoena to Hilton Worldwide to obtain any identifying information pertaining to Quinn and Nix's Memorial Day weekend stay at the Doubletree Surfcomber Hotel in Miami Beach, Florida.

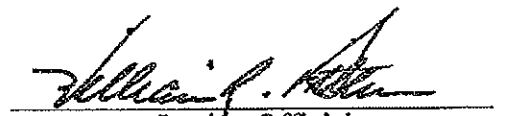
On September 17, 2012, the Department received a response from Hilton Worldwide. Their records revealed three rooms had been reserved by Terry Watson of 533 Faith Street NW, Marietta, GA for May 28 through May 30, 2010. All three rooms were paid for by Terry Watson using credit card account number ending in [REDACTED]. The Hilton Honors account number of [REDACTED] used for the stay has been identified as Watson's. The arrival and departure dates coincide with those of Quinn and Nix. Hilton has no record of any rooms reserved by; paid for; or in the name of Willie Barley, Quinn, or Nix during this same time period. When contacted, Hilton Worldwide Litigation Paralegal Betty Vanegas advised the first reservation was made at the property, the second and third room reservations were made on the internet. Ms. Vanegas stated Hilton requires the actual credit card and a picture ID of the card holder to confirm payment.

After obtaining all the information stated above it was clear there was probable cause to believe Terry Watson had violated the UAAA, and was using Willie Barley as a runner. A decision was made to execute a search warrant on Terry Watson/Watson Sports Agency. On October 12, 2012, with the assistance of the Georgia Bureau of Investigation, a search warrant was obtained and served at Terry Watson's address of 533 Faith Street NW, Marietta, GA. Watson was not present during the search. As a result of the search, eight (8) boxes of paper documents and a computer were seized.

Almost immediately after beginning the search of Watson's office, a file folder labeled "Willie Barley" was found in the top file drawer, and two separate entries for Willie Barley were found in Watson's rolodex. Barley's file contained documentation of payments made to him by Watson for work he performed with respect to several student-athletes at institutions other than UNC-CH, and additional documents detailing money advancements, commissions, and National Football League Players Association Standard Representation Agreement disclosure forms for payments between Watson and Barley for recruiting assistance. These documents clearly substantiate the probable cause to believe Barley was recruiting Austin; Quinn; and Nix for Terry Watson.

The seized evidence was transported to North Carolina where further examination was conducted. In our follow up examination, we found several suspect Western Union money wire transfer records. The wire transfers were to several different individuals and included identifiable student-athletes from other states. Some of the Western Union money wire transfer records contained Western Union account and card numbers.


A. H. Jones, Affiant


Issuing Official
1/10/13
Date

UNC-CH student-athlete Robert Quinn stated that a subject who identified himself only as Willie attended the UNC-CH 2010 Spring football game and approached him. This information mirrors the information given to us by student-athlete Marvin Austin. In Quinn's NCAA testimony, he admitted that Willie invited him to Miami for the Memorial Day weekend of May 28 through May 30th, 2010. Quinn advised he in turn invited Jordan Nix. He told the NCAA that Willie had booked the hotel and paid for their National car rental. Quinn also stated Willie picked them up at the airport and took them to their hotel. Quinn advised when they arrived at the hotel, Willie gave the clerk their names and they received their room keys.


In addition to the hotel accommodations Quinn stated Willie took him and Nix to a strip club. He complained Willie also took them to some other Miami clubs, but was not unable to get them in. Quinn advised Willie also took them to visit AJ the jeweler at his shop (A. J. Machado is the same jeweler who Quinn has admitted gave him \$5,000.00 in earrings and watches). Quinn told the NCAA he believes Willie's last name begins with "B" as he was wearing a necklace with the initials "WB". Quinn stated he thinks Willie lives in the Miami area.

In reviewing Jordan Nix's NCAA interview, I found he had essentially given the same information as Quinn, however, he added that he and Quinn had also met with a financial advisor name "Scott" while they were in Miami. Nix told the NCAA he met Scott through Facebook and advised Scott also attended the UNC-CH 2010 Spring football game. In addition Nix told the NCAA he and Quinn had also eaten with Scott at the Cheesecake Factory restaurant. Nix also spoke about contact with "Willie" and confirmed Quinn's statement that Willie facilitated the trip to Miami.

Further review of the NCAA transcripts revealed a phone number mentioned by NCAA Investigator Chance Miller. When confronted with the number, Quinn admitted to Miller it could possibly be the phone number for "Willie". The Department issued a subpoena for that number and the response received indicated the number is assigned to Willie Barley with an address of 12000 SW 180th St, Miami, FL, 33177. I requested an Accurant report on Willie Barley and received a response identifying his full name as Willie James Barley, Jr. and date of birth as 12/31/1983. Barley's Florida drivers' license number is [REDACTED]. Using the information above I obtained his Florida drivers' license information, including photo.

As a follow up, we reviewed both Watson's and Barley's phone records. The records substantiate a minimum of 1,192 contacts between these two individuals. Further review revealed a minimum of 106 contacts between Barley and UNC-CH student-athlete Robert Quinn between April 11, 2010 and May 28, 2010, and two (2) contacts between Barley and UNC-CH student-athlete Jordan Nix between May 30, 2010 and June 3, 2010. Quinn stated to the NCAA that he met Willie for the first time at the UNC-CH 2010 Spring football game. The 2010 Spring football game was played on April 10, 2010. The very next day after the game, phone records show the first phone contact between Quinn and Barley.


A. H. Jones, Affiant


Issuing Official
1/10/13
Date

Additional Western Union money transfer records were found with the sender's name of Patrick Jones (Watson's friend who has confessed to sending cash-filled FedEx packages to student-athletes for Watson).

As we continued our inspection of Watson's seized documents, we discovered an invoice in the name of Terry Watson for a stay at the Hampton Inn located at 6121 Farrington Road, Chapel Hill, NC. The invoice shows an arrival date of April 26, 2010 and a departure date of April 27, 2010. The Visa credit card account used for payment was the same as the account used for the rooms at the Doubletree in Miami Beach Florida for Quinn and Nix. The account ends in [REDACTED]. The invoice contains Watson's Hilton Honors account noted previously.

We also discovered Wells Fargo account statements; Wells Fargo checking account statements; Wells Fargo Wire Transfers documents; copies of Cashier's checks; Wells Fargo Money Order's and documents relating to Wells Fargo Advantage Business Checking Account number [REDACTED]

On October 16, 2012, Marvin Austin agreed to come to our office and speak with us again. Austin positively identified Willie James Barley, Jr. as the "Willie" who connected him to Watson, helped facilitate the \$2,000.00 payment, and also attended the UNC-CH 2010 Spring game. I asked Austin if he remembered Watson giving him anything else of value and he advised Watson had given him cash to pay for his meal when they met at the steakhouse. I asked Austin if he knew Watson was not a registered agent with North Carolina when contact first began and he advised that when Watson came to see him, Watson told him that he had just registered with North Carolina "like the day before." As noted earlier, Watson's registration became effective April 27, 2010. This information is consistent with the Hampton Inn invoice described earlier.

I asked Austin if he had met with Watson during the Memorial Day weekend 2010 in Miami when Quinn and Nix were there. Austin advised he had not, but did not deny that Quinn and Nix had met with Watson. He stated Quinn and Nix told him that Watson was a "douche bag" and complained that Watson had failed to come through with promises made. Austin stated Quinn and Nix told him they were not impressed with Watson or Barley.

On October 25, 2012, a search warrant was obtained for Watson's Apple Mac Book Pro lap top computer that was seized in Georgia. The search of Watson's computer revealed evidence of Watson making payments to student-athletes through Western Union wire transfers, check, FedEx packages, Priority Mail, and bank wire transfers in violation of the UAAA.

Watson's computer contained a MobileSync Backup file. We found that Watson's Apple I-Phone contents were contained on his Apple computer. As a result we were able to locate and review Watson's text messages.

A. H. Jones
A. H. Jones, Affiant

William P. Patton
Issuing Official
1/10/13
Date

Numerous text messages between Watson and UNC-CH student-athletes were identified, as were text messages with other student athletes at other institutions. Many of those text messages and numerous others are believed to contain information of illegal payments to the UNC-CH student-athletes, and student-athletes from other institutions in North Carolina and other states.

A large amount of text messages were discovered between Watson and Willie Barley that are evidence of their working relationship. One particular text appears to be directly related to the package Watson sent to Marvin Austin containing cash. The text message between Watson and Barley is simply:

- "700 sykes street unit B chapel hill, nc 27516 todd stewart"

This is the exact address and recipients name which appears on the FedEx records, and which Marvin Austin has admitted contained the \$2,000.00 cash payment.

Some of the text messages identified between Watson and various student-athletes contained references to what we believe are illegal wire transfers into bank accounts and packages sent to deliver payments. That belief is based on Watson's continuous efforts to conceal the transactions. Two good examples are text messages sent by Watson to Chris Culliver where Watson confirms he has sent money, e.g. "What's up. I did. 550 of it. More to follow soon". He then instructs Culliver, "delete this text". In the second example Watson directs Culliver to, "Give me an account number and bank and name so I can get u tomorrow, You gotta give me the exact account number though." and then follows up by advising "Delete these type of messages in your phone as well - ha." (Student-athlete Christopher Culliver is from Garner, NC - Attended Garner High School and University of South Carolina)

We found other text messages that discuss check payments and Wells Fargo banks. In several text messages he gives student-athletes a money number so they can pick up the Western Union money wire transfers.

Several text messages show the use of Watson's bank account in obtaining money from investors, and the subsequent use of that money to recruit student-athletes. A direct relationship was discovered between Watson and Murray Pool of Raleigh, NC (One of Watson's financial investors and a possible runner for Watson). It appears from text messages that Pool had direct access to Watson's bank account, and that Watson supplied Pool with access to facilitate money loans Watson needed. In one text exchange, Pool tells Watson he is at the bank and asks for Watson's bank account information. Watson gives Pool his bank name (Well's Fargo), account routing number (██████████), and account number (██████████), and states the account name is Watson Sports Agency.

In another text exchange, Watson asks Pool what is the address he wants to use for the loan. Pool responds with 4005 Boulders View Drive, Raleigh NC 27610.

A. H. Jones
A. H. Jones, Affiant

William P. Austin
Issuing Official
1/10/13
Date

A check of Wake County's Real Estate web site shows 4005 Boulders View Drive, Raleigh NC 27610 is owned by Murray Pool Jr. & Danielle M. Pool. Further research revealed a Murray Pool Jr. of Raleigh listed on LinkedIn. His profession is listed as Entrepreneur; Industry as Internet; and he lists himself as Co-Owner at 24-7poker.com. A check of 24-7Poker.com revealed it is an internet poker room gambling site.


Other text messages reference Pool having direct contact and making loans to student-athletes Watson was trying to recruit. One example is a text exchange between Watson and Chris Hynes (Chief Executive Officer of Athlete Advisory Services Group (AAS). AAS furnishes financial planning, cash flow coaching, and risk management solutions to professional athletes). In the text exchange, Watson advises Hynes that Pool called him and said he was aware that Culliver (Christopher Culliver) was taking out a line of credit with Hynes. Watson states to Hynes that Poole asked the interest rate and said if it's 14 percent that was too much and he would just give Chris the money at no interest. Hynes responds he has no issue, but states Chris's mother would be against it. Hynes also states; "I also made Chris aware that the loan would also give Murray a measure of control over Chris' life that he might not want".

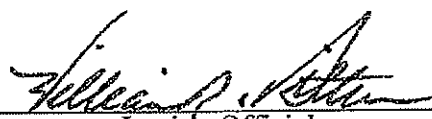
Other text messages between Watson and Pool appear to show they are concerned about being detected by authorities. He says in one text conversation, "I do have another option for u to insulate urself with another agent. Call me 2night and I will explain."

In several of his text exchanges Watson talks about, "paper trails". Again it appears Watson was very concerned about being detected by authorities. In one exchange they text, "A check is a paper trail; "Há-Yep. Now we just need the Ala. SOS to get involved; "Man that's scary", and in another he states, "Cool. Wichard (Athlete Agent out of California) made a huge mistake. He left a paper trail with checks. Oh man". One final example is an exchange between Watson and an as yet unidentified person, "Aye there nothing you can do till then. I can't get that mail till Tuesday. I don't date her anymore. I thought you were sending it to were the last address was" and Watson responds, "I can't bc of paper trail".

Many of Watson's text messages are evidence of, and support probable cause Watson, and people working on Watson's behalf committed violations of the UAAA. For example, there are numerous text messages between Watson and Willie Barley in which they are discussing wire transfers into Barley's account for services rendered, and to cover his expenses with regards to recruiting of student-athletes. (No records can be found of Barley ever being registered as an Athlete Agent).

On December 19, 2012, in response to evidence discovered in the Georgia search warrant, the Department obtained a search warrant seeking specific money transfer record information from Western Union Financial Services, Inc.


A. H. Jones, Affiant


Issuing Official
1/10/13
Date

On December 21, 2012, Western Union Financial Services, Inc. sent an electronic response. Western Union Financial Services identified the account numbers on the seized Western Union wire transfer receipts as Western Union Loyalty Gold Card accounts. The accounts are assigned to Terry Watson and one account is assigned to Patrick Jones.

The warrant response contained documentation on hundreds of wire transfer records. Many of the records show money wire transfers from sender Terry Watson to payee Willie Barley. The warrant response also indicates several transfers from sender Patrick Jones to a variety of payees, and others from sender Willie Barley to several different payees. There are also numerous wire transfer records to and from UNC-CH student-athletes, their relatives, friends, and others associated with them. Due to the vast amount of data, we are still reviewing and investigating the Western Union financial records.

The North Carolina Department of the Secretary of State Securities Division registers and regulates the conduct of athlete agents pursuant to Article 9 (the "Uniform Athlete Agents Act") of Chapter 78C. The affiant was told by Mary L. Wilson, Registrar of the North Carolina Department of the Secretary of State Securities Division, that Ms. Wilson searched the records and files of the Athlete Agent Program and determined that Watson was not registered in the state of North Carolina as an Athlete Agent until April 27, 2010, and Willie Barley has never been registered or applied for registration.

PROBABLE CAUSE TO BELIEVE A CRIME HAS BEEN COMMITTED

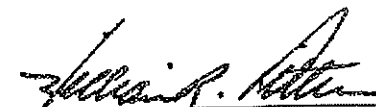
1. N.C.G.S. §78C-98(a) states: Prohibited conduct

(a) "An athlete agent, with the intent to induce a student-athlete to enter into an agency contract, shall not:

- (1) Give any materially false or misleading information or make a materially false promise or representation.
- (2) Furnish anything of value to a student-athlete before the student-athlete enters into the agency contract.
- (3) Furnish anything of value to any individual other than the student-athlete or another registered athlete agent."

(1) There is probable cause to believe that Terry Watson – Watson Sports Agency violated G.S. §78C-98(a)(2) by furnishing items of value to Marvin Austin, Robert Quinn, and Jordan Nix; to wit:


A. H. Jones, Affiant


Issuing Official
4/10/13
Date

There is probable cause to believe that Terry Watson and Watson Sports Agency violated G. S. §78C-98(b)(1) by initiating contact with student-athletes without being registered, to wit:

Watson initiated phone contact with UNC-CH student-athlete Marvin Austin starting in December, 2009. Watson did not register within seven days after his initial contact with Austin. Watson did not become a registered agent with North Carolina until April 27, 2010.

There is probable cause to believe that Willie Barley violated G. S. §78C-98(b)(1) by initiating contact with student-athletes without being registered, to wit:

Willie Barley (a runner for Terry Watson) initiated contact with Marvin Austin around July, 2009. Barley and Austin met while Austin was visiting in Miami, Florida. Austin states Barley approached him at a party after finding out who he was. Austin advised at that time Barley began his efforts to recruit Austin to Terry Watson. Barley is not, and has never been, registered with the State of North Carolina as an athlete agent.


Former UNC-CH student-athletes Robert Quinn, Jordan Nix, and Marvin Austin all stated that Willie Barley (a runner for Terry Watson) attended the UNC-CH Spring football game on April 10, 2010. All three former student-athletes also stated Barley made contact with them after the game in an attempt to recruit the players for Terry Watson. Quinn and Nix advised Barley invited them to come to Miami, Florida for the Memorial Day weekend. Watson and Barley, acting in concert, provided hotel rooms and transportation to them during their stay. Barley is not, and has never been, registered with the State of North Carolina as an athlete agent.

There is probable cause to believe that Willie Barley failed to register as required by G.S. §78C-88(b), to wit:

Starting in July, 2009, Barley had both personal contact with UNC-CH student-athlete Marvin Austin and later phone contact in an attempt to entice Austin to sign a contract with Terry Watson and Watson Sports Agency. Barley never registered within seven days after his initial contact with Marvin Austin in July, 2009; or anytime thereafter.

Starting April 10, 2010, Barley had both personal contact and subsequent phone contact with UNC-CH student-athletes Robert Quinn and Jordan Nix to entice them into signing a contract with Terry Watson and Watson Sports Agency. Barley never registered within seven days after his initial contact with Quinn and Nix in April, 2010, or anytime thereafter.


A. H. Jones, Affiant


Issuing Official
4/10/13
Date

Former UNC-CH student-athlete Marvin Austin admitted receiving a FedEx package from Terry Watson containing \$2,000 cash. Austin conceded the money was given as an incentive for him to sign with Watson.

Austin admitted receiving cash from Watson to pay for his meal when they met at the Steakhouse located at Hwy 15-501, Durham/Chapel Hill during the spring of 2010. A receipt was found in Watson's seized documents from the Hampton Inn Hotel located at 6121 Farrington Road in Chapel Hill. The receipt shows a check in date of April 26, 2010 and check out date of April 27, 2010. Watson's credit card and Hilton Honors account were used for the room. The document confirms Watson's presence in the area.

On May 28, 2010 Terry Watson and Watson Sports Agency, with the assistance of Willie Barley, reserved and paid for hotel accommodations for UNC-CH student-athletes Robert Quinn and Jordan Nix at the Doubletree Surfcomber located in Miami Beach Florida. Barley supplied Quinn and Nix with transportation to and from the airport, and transportation during their stay. Quinn and Nix admitted to the NCAA that Willie invited them to Miami and provided them with hotel rooms and transportation.

2. N.C.G.S. §78C-98(b) states: Prohibited conduct.

- (b) "An athlete agent shall not intentionally:
 - (1) Initiate contact with a student-athlete unless the athlete agent is registered under this Article.
 - (2) Refuse or fail to retain or permit inspection of the records required to be retained by G.S. §78C-97.
 - (3) Fail to register as required by G.S. §78C-88.
 - (4) Provide materially false or misleading information in an application for registration or renewal of registration.
 - (5) Predate or postdate an agency contract.
 - (6) Fail to notify a student-athlete before the student-athlete signs or otherwise authenticates an agency contract for a particular sport that the signing or authentication shall make the student-athlete ineligible to participate as a student-athlete in that sport. (2003-375, s. 2.)"

A. H. Jones
A. H. Jones, Affiant

William R. Patton
Issuing Official
1/10/13
Date

3. N.C.G.S. §78C-98(b) states:

(b) "An athlete agent shall not intentionally:

1. Initiate contact with a student-athlete unless the athlete agent is registered under this Article.
2. Refuse or fail to retain or permit inspection of the records required to be retained by G.S. §78C-97.
3. Fail to register as required by G.S. §78C-88.
4. Provide materially false or misleading information in an application for registration or renewal of registration.
5. Predate or postdate an agency contract.
6. Fail to notify a student-athlete before the student-athlete signs or otherwise authenticates an agency contract for a particular sport that the signing or authentication shall make the student-athlete ineligible to participate as a student-athlete in that sport. (2003-375, s. 2.)"

There is probable cause to believe that Terry Watson – Watson Sports Agency violated G.S. §78C-98(b) by failing to permit inspection of the records as required to be retained by G.S. §78C-97, to wit:

Terry Watson – Watson Sports Agency by and through his attorney willfully refused to allow Agents with the North Carolina Department of the Secretary of State to inspect records as required under G.S. §78C-97.

**PROBABLE CAUSE TO BELIEVE EVIDENCE OF THE
CRIME IS LOCATED AT WELLS FARGO BANK**

On December 31, 2012, pursuant to the North Carolina Financial Privacy Act, the affiant called Wells Fargo Bank. The affiant spoke with Ray Tucker (Financial Crimes Consultant) and inquired about the existence of account number [REDACTED] and with Wells Fargo Bank in the name of Terry Watson and/or Watson Sports Agency. Mr. Tucker confirmed the existence of the stated account and identified the account as belonging to Terry Watson/Watson Sports Agency.

A. H. Jones
A. H. Jones, Affiant

William J. [Signature]
Issuing Official
1/10/13
Date

In documents seized in the search warrant service in Georgia we discovered account statements for Watson's Wells Fargo Advantage Business Checking Account number [REDACTED]; Wells Fargo checking account statements; Wells Fargo Wire Transfers documents; copies of Cashier's checks; and Wells Fargo Money Orders.

Evidence obtained from a search warrant exercised on Watson's computer revealed several text messages showing the use of Watson's Wells Fargo bank account number [REDACTED] in obtaining money from investors, and the subsequent unlawful use of money to recruit student-athletes. A direct relationship was discovered between Watson and Murray Pool of Raleigh, NC (One of Watson's financial investors and a possible runner for Watson). It appears from the text messages that Pool had direct access to Watson's bank account. Watson supplied Pool with access to facilitate money loans Watson needed. In one text exchange, Pool tells Watson he is at the bank and asks for Watson's bank account information. Watson gives Pool his bank name (Well's Fargo), account routing number [REDACTED], and account number [REDACTED], and states the account name is Watson Sports Agency. In another text exchange, Watson asks Pool what is the address he wants to use for the loan. Pool responds with 4005 Boulders View Drive, Raleigh NC 27610.

Agents located in the seized documents an Unsecured Promissory Note – Lump-Sum Payment for the amount of \$20,000.00. Murray Pool is listed as the "Payee" and Terry Watson is listed as the "Borrower".

Agents also found numerous Western Union money wire transfer receipts showing payments to student-athletes, and text messages describing wire transfers to the bank accounts of student-athletes, and or other persons acting on their behalf.

Agents found bank credit card statements with charges suspected to be in violation of the UAAA and several suspect cancelled checks.

It is reasonable and prudent to expect that the items requested pursuant to this search warrant are maintained within the custody of Wells Fargo Bank. United States Treasury and North Carolina Banking Commission regulations (implementing Title I and Title II of the United States Public Law 91-508 [12 U.S.C. 1829b] and 4 N.C.A.C. 3C.0903 implementing N.C.G.S. §53-110, respectively) mandate that the following information on demand (checking) accounts, savings accounts and time deposit accounts, and credit card accounts be maintained for a period of five (5) years:

It is reasonable and prudent to expect that the items requested pursuant to this search warrant are maintained within the custody of Wells Fargo Bank.

A. H. Jones
A. H. Jones, Affiant

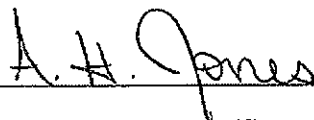
William P. [Signature]
Issuing Official
1/10/13
Date

- a. signature cards;
- b. statements, ledger cards, or other records disclosing all account transactions both deposit and withdrawal; and
- c. copies of all checks, drafts, money orders and cashiers checks drawn from or against funds within each account.

Further, it is required that the following information be maintained for a period of two (2) years:

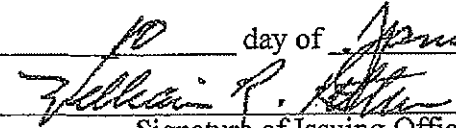
- a. all documents necessary to reconstruct activity within a checking account including copies of deposit tickets; and
- b. all documents necessary to trace and supply the description of a check or other item deposited into a checking account
- c. all documents necessary to trace and supply the description of a check or other item deposited into a checking account

Through my training and experience, I have probable cause to believe that Watson and Watson Sports Agency has used this bank account at Wells Fargo Bank to send money transfers to the accounts of student-athletes with the intent to induce the student-athlete to enter into an agency contract in violation of the Uniform Athlete Agents Act. I am also aware that evidence of such criminal violations are usually found within the bank financial records of accounts used by athlete agents and that such agents often maintain accounts through which transactions related to these schemes flow. Evidence related to the identification of culpable involved parties and to the full scope and nature of the scheme is also routinely found in the bank records of athlete agents. Therefore, I respectfully request the Court to issue a search warrant for evidence of violations of the Uniform Athlete Agents Act found in accounts at Wells Fargo Bank.



A. H. Jones, Affiant
Special Agent
Department of the Secretary of State

Sworn to and subscribed before me, this the

10 day of January, 2011

Signature of Issuing Official

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 bank account(s) and records at Wells Fargo.
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 January 10, 2013 and inventories of items seized by the North Carolina Department of the Secretary of State.

This, the 10th of January 2013


Howard J. Cummings
Assistant District Attorney

File No.

SEARCH WARRANT

IN THE MATTER OF

Terry Watson d/b/a Watson Sports Agency

Date Issued: 12/19/2012 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: 12/19/2012 4:15 AM PM
Date Executed: 12/19/2012 5:59 AM PM

I made a search of

Western Union Simon and Schuster, Inc.

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.

Name Of Officer Making Return (Type Or Print)

A.H. Jones

Signature Of Officer Making Return

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

Incident Number

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: Dec. 19, 2012

Name (Type Or Print)

Signature: [Handwritten Signature]

- Deputy CSC
- Assistant CSC
- CSC
- Magistrate
- District Ct. Judge
- Superior Ct. Judge

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.

Date: [] AM [] PM

Name Of Magistrate (Type Or Print)

Signature Of Magistrate

This Search Warrant was returned to the undersigned clerk on the date and time shown below.

Date: 12/20/12

Time: 3 AM PM

Name Of Clerk (Type Or Print)

Signature Of Clerk: Cynthia A. Bobbitt

- Dep CSC
- Asst CSC
- CSC

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

Western Union Financial, Inc. - [redacted] union.com
12500 E Belford Ave., M21A2 Englewood, CO 80112

Date Of Search

12-19-2012

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:

Financial records delivered electronically to North Carolina Department of the Secretary of State

AW

Items Seized Continued:

AKG

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 mailed to Western Union Financial, Inc. - Custodian of Records
12500 East Belford Avenue M21A2, Englewood, CO 80112

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>12/20/12</i>		Title Of Law Enforcement Officer Special Agent
Signature <i>Cynthia H. Bobbitt</i>		Name And Address Of Agency 2 South Salisbury Street Raleigh, NC 27601
<input checked="" type="checkbox"/> Deputy CSC	<input type="checkbox"/> Assistant CSC	
<input type="checkbox"/> Clerk Of Superior Court	<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

1. 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)* Western Union Financial, Inc.

constitutes evidence of a crime and the identity of a person participating in a crime. *(Name crime)* Violations of North Carolina Uniform Athlete Agent Act - G. S. 78C-98(a)(2); G. S. 78C-98(a)(3); G. S. 78C-98(b)(1); G. S. 78C-98(b)(3) & 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)*
Western Union Financial, Inc. - Custodian of Records
12500 East Belford Avenue W211A2
Englewood, CO 80112

(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)

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 SUBSCRIBED TO BEFORE ME Date 12-19-2012

Date <u>Dec. 19, 2012</u> Signature <u>[Signature]</u>	Name Of Applicant <i>(Type Or Print)</i> <u>A. H. Jones</u> Signature Of Applicant <u>[Signature]</u>
<input type="checkbox"/> Magistrate <input type="checkbox"/> Dep. CSC <input type="checkbox"/> Asst. CSC <input type="checkbox"/> Clerk Of Superior Court	<input checked="" type="checkbox"/> Judge

In addition to the affidavit included above, this application is supported by additional affidavits, attached, made by _____

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.

ATTACHMENT II

IN THE FOLLOWING PREMISES:

Western Union Financial Services, Inc.
 12500 East Belford Avenue M21A2
 Englewood, Colorado 80112

APPLICATION FOR SEARCH WARRANT

In the Matter of Terry Shawn Watson and Watson Sports Agency

ATTACHMENT III

AFFIDAVIT TO ESTABLISH PROBABLE CAUSE

PROBABLE CAUSE: I, Adella H. Jones, have been a Law Enforcement Officer for over thirty five (35) years. Currently I am employed by the North Carolina Department of the Secretary of State as a Special Agent. 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, 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 Program 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.

A. H. Jones
 A. H. Jones, Affiant

Judge
HLW Stephens
 Issuing Official
Dec. 19, 2012
 Date

BACKGROUND OF THE CASE

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 ("UAAA"). The information indicated the possibility athlete agents may have 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). Information also indicated the possibility that 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).

On July 27, 2010 the NC Department of the Secretary of State, Securities Division officially initiated an investigation (10SEC179) pursuant to N.C.G.S. §78C-27 and 78C-85 et seq. to determine if registered athlete agents, or persons acting as such, had violated (UAAA). 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 in violation of the UAAA.

September 17, 2010 UNC-CH student athlete Marvin Austin was interviewed by Special Agents with the Securities Division of the North Carolina Department of the Secretary of State and admitted he had spoken by phone and physically met with Athlete Agent Terry Watson while he was a current student athlete at UNC-CH. Austin advised the two had met over dinner at a steak restaurant. Watson was not a registered agent with the State of North Carolina until April 27, 2010 so any contact between Watson; Austin; or any other student athlete prior to that date would be in violation of the UAAA.

The Division continued their investigation and obtained Watson's phone records covering the time period of January 1, 2009 to December 31, 2010. A review of those records confirmed Watson had contacted UNC-CH student athlete Marvin Austin by phone and text as early as December 3, 2009 (clearly in violation of the statute). The phone records show contact between Watson and Austin thirty four (34) times between December 3, 2009 and May 22, 2010.

The above stated phone records also indicate contact between Watson and student athletes; Greg Little (416 records); Duenta Williams (153 records); Kendrick Burney (67 records); Charles Brown (66 records); Mike McAdoo (29 records). A minimum of 39 of those contacts would be considered to be in violation of the UAAA as they were conducted prior to Watson's registration with the Division. As indicated earlier, Agents are required to be registered with the Secretary to initiate contact with a student athlete. N.C. Gen. Stat. § 78C-88.

A. H. Jones
A. H. Jones, Affiant

WWS
Issuing Official

Dec. 19, 2012

Date

On September 6, 2011 Marvin Austin was interviewed. Austin was able to give specific information implicating Athlete Agent Terry Watson in felony violations of the UAAA. He advised Terry Watson had given him cash, and admitted the cash was given as an incentive for him to sign a contract with Watson. Austin stated that on one occasion Watson had given him \$2,000.00 cash. He advised the cash was sent to him via FedEx. The package was sent to his 700 Sykes Street, Chapel Hill, NC address, but was addressed to a "bogus" name. Austin moved from 700 Sykes Street during the month of May 2010 so the payment was prior to that time period. Austin stated he could not remember the name used on the package. When asked if it was money order or check he stated "No, it was green backs".

Austin advised when the arrangements for the payment were discussed he spoke directly with Terry Watson, and he advised he had also spoken with "Willie" (unknown last name). Austin advised Willie is associated with Terry Watson. He advised he had met Willie at the Nouveau Party and he believed it was the weekend of his friends' (NFL player Vontae Davis) birthday. He stated it he believed this would have been on his second trip to Miami.

Austin was not dismissed from the UNC-CH football team until September 1, 2010. This means Austin was still an eligible player at the time of the payment and governed by NCAA rules and regulations. N.C. G.S. 78C-98(a)(2) states "An athlete agent, with the intent to induce a student-athlete to enter into an agency contract, shall not furnish anything of value to a student-athlete before the student-athlete enters into the agency contract.

December 7, 2011 a followed up interview with Austin was conducted. Covered were leads discovered through Austin's cooperation. Austin was re-interviewed by telephone. (Interview audio on file.) 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" whom he had spoken of in the earlier interview. He stated he believes Willie is a recruiter for Watson. He stated Willie came to North Carolina for the 2010 Spring game at the same time as A.J. "the jeweler".

Records received from the NCAA contained statements from other UNC-CH student athletes who spoke of having had contact with a subject by the name of Willie. 9/14/2010 Robert Quinn was interviewed by Chance Miller with the NCAA. Quinn also stated Willie attended the UNC-CH 2010 Spring game. Quinn admitted Willie had invited him to Miami for the Memorial Day weekend of May 28 through May 30th, 2010. Quinn advised he in turn invited Jordan Nix. He confirmed Willie had booked the hotel and paid for their National car rental. Quinn advised Willie picked them up at the airport and took them to their hotel (Green Tree or Double Tree hotel in Ft. Lauderdale) He stated when they arrived at their hotel Willie gave the clerk their names and they received their room keys. Quinn stated he assumed Willie lives there. Quinn also stated Willie took him and Nix to see AJ the jeweler at his shop.

A. H. Jones
A. H. Jones, Affiant

WWS
Issuing Official
Dec. 17, 2012
Date

I reviewed the NCAA transcripts and found a phone number mentioned in the NCAA records which Chance Miller with the NCAA believed was a possible phone number for "Willie". A subpoena was issued for that number and the response received indicated the number is assigned to Willie Barley; date of birth: 12/31/1983; address: 12000 SW 180th St, Miami, FL, 33177. I requested an Accurant report on Willie Barley and received a response identifying his full name as Willie James Barley, Jr. Barley's Florida drivers license number is # [REDACTED] I obtained his Florida drivers license information including photo.

A review of all phone records indicates a minimum of 1,192 contacts between Watson and Barley's number. Further review revealed a minimum of 106 contacts between Barley and UNC-CH student athlete Robert Quinn beginning April 11, 2010 through May 28, 2010, and two (2) contacts between Barley and UNC-CH student athlete Jordan Nix beginning May 30, 2010 and ending June 3, 2010. Quinn stated to the NCAA he met Willie for the first time at the UNC-CH 2010 Spring game. The 2010 Spring Football game was played on April 10, 2010. The very next day records document the first phone contact between Quinn and Barley.

I was able to determine the Hotel where Quinn and Nix had stayed in Miami was the Hilton Doubletree Surfcomber. On August 29, 2012 the Division issued a subpoena to Hilton Worldwide to obtain information on Quinn and Nix's Memorial Day weekend stay at the Doubletree Surfcomber Hotel in Miami Beach, Florida.

September 17, 2012 the Division received a response from Hilton Worldwide. Their records revealed three rooms had been reserved by Terry Watson of 533 Faith Street NW, Marietta, GA on that date. All three rooms were paid for by Terry Watson using an account number ending in [REDACTED] and showing his Hilton Honors account number of [REDACTED]. The arrival and departure dates coincide with those of Quinn and Nix. Hilton has no record of any rooms reserved by; paid for; or in the name of Willie Barley; Quinn; or Nix.

September 20, 2012 I called and spoke with Hilton Worldwide Litigation Paralegal Betty Vanegas. Ms. Vanegas explained the codes used on the documents. She advised the first reservation was made at the property, and the second and third room reservations were made on the internet. She also advised they require the actual credit card and a picture ID of the card holder to confirm payment.

December 7, 2011 the Division 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. A subpoena was also issued to FedEx Express for the 316 Davie Road address.

December 12, 2011 the Division received a positive response from FedEx Express. Their records indicated a FedEx package with the senders address listed as 121 Luckie Street, Cartersville, GA 30120 was sent to 700 Sykes St. Unit B, Chapel Hill, NC 27516 on May 4, 2010. The record indicates the senders name as Pat Jones. The recipients name listed was Todd Stewart. Todd

A. H. Jones
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NWS
Issuing Official
Dec. 19, 2012
Date

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 wit:

Copies of any/and or all money transfer transaction records in digital and/or paper form. Confirmations of wire transfers and/or any other wire transfer records documenting deposits or disbursements (including receipts and advises and transfer request records), debit and credit memoranda, any issuing financial account records; paid transaction data; correspondence; and any and all other records and documents pertaining to any and all accounts including, but not limited to Western Union Cards and/or Loyalty Gold Club accounts # [REDACTED] and any other accounts or transactions in the name of, or controlled by, the following persons or entities,

**Terry Shawn Watson
Watson Sports Agency
Patrick Jones (aka Pat Jones)
William Barley (aka Willie Barley)**

At Western Union Financial Services, Inc., for the period extending from January 1, 2009 through December 2010, including but not limited to any and/or all accounts held in the name of the above listed persons and/or entity at Western Union Financial Services, Inc., and any and/or all money transfer records and/or transactions listing the following persons as receivers or senders:

**Gregory Lamar Little (aka Greg Little)
Jennifer Wiley
Marvin Austin
Todd Stewart
Robert Quinn
Jordan Nix
Michael McAdoo (aka Mike McAdoo)
Charles Brown
Kendrick Burney
Deunta Williams**

A. H. Jones
A. H. Jones, Affiant

Judge
W. Stephens
Issuing Official
Dec. 19, 2012
Date

Stewart has been identified as a possible runner for athlete agents and was a very close personal friend of Austin's. FedEx records indicate the package was delivered on May 5, 2010 at 12:30pm. Watson's phone records indicate a text message was sent to Austin at 11:26pm on May 4, 2010 and another at 2:41pm on May 5, 2010.

I 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 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 drivers license photo of Patrick Mitchell Jones matches the picture associated with the Patrick Jones Facebook page.

On June 11, 2012 I traveled to Clarksville, Georgia and located Patrick Mitchell Jones at the 121 Luckie Street address. Patrick Jones invited me into his home and agreed to speak to me.

Patrick Jones admitted to being a long time friend of Terry Watson. He confessed to sending many packages via FedEx containing cash payments to student athletes at the request of Terry Watson. Jones stated he only knew some of the athletes played for Carolina, and he knew it was players Watson was trying to recruit. Jones stated the only North Carolina student athlete's name he could remember Watson speaking about a lot was Greg Little. Jones also admitted to sending packages for Watson to other student athletes at other institutions in other states.

A. H. Jones
A. H. Jones, Affiant

[Signature]
Issuing Official
Dec. 19, 2012
Date

Jones stated he could not recall how many packages he had sent to North Carolina student athletes, and could not advise the amounts of money contained in those envelopes. He advised on many occasions he would go to a business located near him and pick up money that Watson had wired to him for this purpose. He would place the money in a FedEx envelope and Watson would give him the information on where to send it. Jones stated on other occasions Watson would just give him a package already sealed and tell him "just mail this for me". Jones admitted Watson had told him the packages contained cash payments. Jones said that Watson only sent money to the players who asked for it. Jones stated that since Watson had received a letter from the North Carolina Department of the Secretary of State advising him to retain his records he was no longer paying student athletes. Jones stated Watson told him his days of paying players were over.

Jones admitted he knew it was wrong for Watson to pay student athletes cash to entice them to sign contracts, but advised the cash payments were the only way Watson could compete with the bigger Athlete Agents and their companies.

I gave Jones a photocopy of the FedEx Airbill with his name and address in the senders section and a sent date of May 4th 2010. Jones looked at the Airbill and advised the handwriting was not his. He stated the handwriting was Terry Watson's.

Subsequent expert handwriting analysis establishes the handwriting on the Airbill is that of Terry Watson. FedEx records show the package associated with the Airbill was sent from a FedEx location six (6) miles from Watson's residence.

On June 11, 2012 I made contact with Terry Watson at his home located at 533 Faith St. NW, Marietta, GA. Watson's business office is also located at this site. Watson was served with a Subpoena Duces Tecum and also with a Request for Records issued pursuant to N.C. G.S. 78C-97. Terry Watson through his attorney refused to honor the Subpoena and the Request for Records, and has refused to speak with law enforcement.

On October 12, 2012 with the assistance of the Georgia Bureau of Investigation a search warrant was obtained and served at Terry Watson's address of 533 Faith Street NW, Marietta, GA. During the search an abundance of paper documents and a computer were seized.

The seized documents were examined and numerous Western Union money transfer records were identified. The wire transfers were to several different individuals and included some student athletes. Some of the Western Union money wire transfer records contain Western Union account and card numbers.

The identified card numbers are;

[REDACTED]

[REDACTED]

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A. H. Jones, Affiant

[Signature]
Issuing Official

Dec. 19, 2012
Date

Additional Western Union money transfer records were found that did not bear any account numbers.

Also found in the seized documents was a invoice in the name of Terry Watson for a stay at the Hampton Inn located at 6121 Farrington Road, Chapel Hill, NC. The invoice shows an arrival date of April 26, 2010 and a departure date of April 27, 2010. The Visa credit card account used for payment was the same as the account used for the rooms at the Doubletree in Miami Beach Florida for Quinn and Nix. The account ends in [REDACTED]. The invoice also has the same Hilton Honors account noted.

During the search of Watson's office we found a folder labeled "Willie Barley", and two separate entries for Willie Barley in Watson's rolodex. We also found documentation of payments made by Terry Watson to Willie Barley for work he performed with several student athletes at other institutions. Additional documents detail monies advancements; commission documents; and even copies of NFLPA SRA disclosure forms for recruiting assistance payments between Watson and Barley.

On October 16, 2012 Marvin Austin agreed to come in and speak with us again. Austin positively identified Willie James Barley, Jr. as the "Willie" who connected him to Watson; helped facilitate the \$2,000.00 payment; and also attended the UNC-CH 2010 Spring game. When we asked Austin if he remembered Watson giving him anything else of value he advised Watson had given him cash to pay for his meal when they met at the steakhouse. When asked if he knew Watson was not a registered agent with North Carolina at that time he stated when Watson came to see him Watson told him that he had just registered with North Carolina "like the day before." As noted earlier Watson's registration became effective April 27, 2012. This information is consistent with the Hampton Inn invoice described earlier.

I asked Austin if he had met with Watson during the Memorial Day weekend in Miami 2010 when Quinn and Nix were there. Austin advised he had not, but did not deny that Quinn and Nix had met with Watson. He stated Quinn and Nix told him that Watson was a "douche bag" and complained that Watson had failed to come through with promises made. Austin stated Quinn and Nix were not impressed with Watson or Barley.

On October 25, 2012 a search warrant was obtained for Watson's Apple Mac Book Pro lap top computer seized in Georgia. The search of Watson's computer revealed additional evidence Watson sent cash to student athletes via wire transfers; FedEx packages; and Priority Mail in violation of the UAAA. Numerous text messages were discovered between Watson and various student athletes containing references to wire transfers. In one text conversation he informs the recipient "I did 550 of it. More to follow soon. Delete this text." and another "Give me an account number and bank and name so I can get u tomorrow. Delete these type of messages in your phone as well." Some additional examples found were: "Can do wire or priority mail"; "I wired \$200 to Chris' account today"; "3k in your account today"; "I text u as soon as we send your wire"; "T whenever u get up u think you can wire me 60 bucks so I can get through the airport and grab some

A. H. Jones
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W. D. Jones
Issuing Official
Nov. 19, 2012
Date

food on the way to tamp????????". There were also text messages discovered where Watson and Barley are discussing wire transfers into Barley's account for services rendered and expenses.

On November 27, 2012 the Division issued a subpoena to FedEx Express for any records relating to packages delivered to 6307 Spring Meadow Drive, Chapel Hill, NC between January 1, 2009 and June 1, 2010. This was in response to information found through the review of text messages from on Watson's computer. The text was sent to Michael Johnson's (Greg Little's best friend and student athlete at NC Central University) phone number. In the text conversation Watson ask the person he is texting with for their address. In response he is given the 6307 Spring Meadow Drive address, however Michael Johnson's address during this time period is 3524 Shrewsbury Drive, Durham, NC 27707. There is no evidence Johnson ever lived at Spring Meadow Drive.

On December 7th, 2012 the Division received a positive response from FedEx Express. Their records indicated a FedEx package (with the senders information listed as Terry Watson of 533 Faith St. NW, Marietta, GA) was sent to Jennifer Wiley at 6307 Spring Meadow Drive, Chapel Hill, NC on October 7, 2010. The package was delivered on October 8, 2010 at 12:11. Watson's phone records indicate calls between him and Greg Little's number 77 times between April 27, 2012 and the package send date. Records indicate nine (9) calls on the date the package was sent, and no contact again until November 17, 2010. Watson and Little had contact an additional 339 times before records end. Little was not ruled permanently ineligible until October 11, 2010.

An accurint report was obtained for the Spring Meadow Drive address and was found to be the former address of Jennifer Wiley. Wiley is the tutor implicated in academic wrong doing at UNC-CH involving UNC-CH athletes and was reported to have paid for Greg Little's flight change pertaining to his Bahama's trip, and was also reported to have paid for \$1,789.00 in outstanding parking tickets for Little. Since Wiley is not an athlete there would be no legitimate explanation for Watson to send her a training package, or for Michael Johnson to give Watson Wiley's address as his own.

PROBABLE CAUSE TO BELIEVE A CRIME HAS BEEN COMMITTED

There is probable cause to believe that Terry Watson; Willie Barley; and Patrick Jones violated G. S. §78C-98(a)(2) of the North Carolina Uniform Athlete Agent Act by furnishing items of value to Austin; Quinn; Nix; and Greg Little; to wit:

- i. Former UNC-CH student athlete Marvin Austin admitted he received a FedEx package containing a \$2,000 cash payment from Terry Watson. He stated the payment was facilitated through Willie Barley. Austin advised Watson purposely sent the package using a bogus senders and receivers name to avoid detection from authorities.

A. H. Jones
A. H. Jones, Affiant

WWS
Issuing Official
Dec. 19 2012
Date

- ii. Patrick Jones admitted to the Department he sent FedEx packages containing cash payments to other student athletes at Watson's request, but the only name he remembers Watson speaking of was Greg Little. Jones stated Watson would either wire the money to him to be placed in the package, or would deliver him the package with the cash already in it. Again, the purpose of Jones sending the packages was to avoid detection by authorities.
- iii. Watson had in his possession a Western Union Money transfer receipt. The receipt shows on March 12, 2011 Patrick Jones wired \$212.00 to Brandon Spikes using Western Union Card number 856389545. That card number is assigned to Patrick Jones. Spikes is a non-North Carolina player Watson was trying to recruit.
- iv. On April 26 – April 27 Terry Watson traveled to North Carolina where he made contact with UNC-CH student athlete Marvin Austin. Austin stated Watson took him to dinner at a Steakhouse located at Hwy 15-501, Durham/Chapel Hill. Austin advised Watson gave him cash to pay for his dinner. Austin stated Watson did this as an incentive to get him to enter into a contract. A receipt from the Hampton Inn Hotel located at 6121 Farrington Road in Chapel Hill showing a check in date of April 26, 2010 was found in Watson's seized documents.
- v. On May 28, 2010 Terry Watson with the assistance of Willie Barley reserved and paid for hotel accommodations for UNC-CH student athletes Robert Quinn and Jordan Nix at the Doubletree Surfcomber located in Miami Beach Florida. Barley supplied Quinn and Nix with transportation to and from the airport, and transportation during their stay. Quinn and Nix admitted to the NCAA Willie invited them to Miami and provided them with hotel rooms and transportation.

There is probable cause to believe that Terry Watson and Willie Barley violated G. S. §78C-98(b)(1) by initiating contact with student-athletes without being registered, to wit:

- i. Watson began phone contact with UNC-CH student athlete Marvin Austin starting in December 2009. He also had phone contact with UNC-CH student athletes Kendrick Burney; Duenta Williams; and Charles Brown prior to his registration. This is substantiated by phone records; and testimony. Watson did not register within seven days after his initial contact with Austin. Watson did not become a registered agent with North Carolina until April 27, 2010.

A. H. Jones
A. H. Jones, Affiant

WWS
Issuing Official

Dec. 19, 2012
Date

- ii. Willie Barley (an employee of Terry Watson) initiated contact with Marvin Austin prior to December of 2009. Barley and Austin attended a birthday party in Miami Florida which was also attended by NFL player Vonte Davis. Austin states Barley approached him after finding out who he was. At that time Barley began his efforts to recruit Austin to Terry Watson. Barley is not, and has never been registered with the State of North Carolina as an athlete agent.
- iii. Willie Barley (an employee of Terry Watson) attended the UNC-CH Spring football game on April 10, 2010. Barley initiated contact with Marvin Austin; Robert Quinn and Jordan Nix. Barley continued his attempts to recruit Austin, and began his attempts to recruit Quinn and Nix to Terry Watson by inviting Quinn and Nix to Miami, Florida for the Memorial Day weekend. Barley acting in concert with Watson provided hotel rooms and transportation to them during their stay.
- iv. Watson had personal contact with Marvin Austin on or about April 26, 2010 when he met Austin and went to dinner with him at a steakhouse located on Hwy 15 - 501 in Durham/Chapel Hill.

There is probable cause to believe that Terry Watson; Willie Barley; and Patrick Jones failed to register as required by G.S. §78C-98(b)(3), to wit:

- i. Watson began phone contact with UNC-CH student athlete Marvin Austin starting in December 2009. He also had contact with UNC-CH student athletes Kendrick Burney; Duente Williams; and Charles Brown prior to his registration. This is substantiated by phone records. Watson did not register within seven days after his initial contact with Austin. Watson did not become registered until April 27, 2010.
- i. Willie Barley had personal contact with Marvin Austin prior to Watson. Austin stated Barley attended a birthday party in Miami Florida which was also attended by NFL player Vonte Davis. Austin states Barley approached him after finding out who he was. Austin advised it was at that time Barley began his efforts to recruit Austin to Terry Watson. Willie Barley is not and has never been a registered athlete agent with the State of North Carolina.
- ii. Willie Barley had personal contact with Marvin Austin; Robert Quinn and Jordan Nix when he attended the UNC-CH Spring football game on April 10, 2010. Barley began his attempts to recruit the student athletes to Terry Watson. Barley invited Quinn and Nix to Miami Beach for the

A. H. Jones
A. H. Jones, Affiant

WWS
Issuing Official
Dec. 19, 2012
Date

Memorial Day weekend in 2010. Willie Barley is not and has never been a registered athlete agent with the State of North Carolina.

**PROBABLE CAUSE TO BELIEVE EVIDENCE OF THE
CRIME IS LOCATED AT WESTERN UNION FINANCIAL**

On November 13, 2012, pursuant to the North Carolina Financial Privacy Act, the affiant called Western Union Financial Service, Inc. The affiant spoke with Susan Carter (Custodian of Records) and inquired about the existence of account number [REDACTED] and [REDACTED] with Western Union Financial Service, Inc. in the name of Terry Watson or Watson Sports Agency. Ms. Carter confirmed the account numbers and identified the accounts as Western Union loyalty gold card accounts for Terry Watson/Watson Sports Agency.

It is reasonable and prudent to expect that the items requested pursuant to this search warrant are maintained within the custody of Western Union Financial Services. Through my training and experience, the affiant has probable cause to believe that Watson; Barley and Jones have used Western Union money transfer wires and or transactions to provide items of value in violation of the Uniform Athlete Agents Act. I am also aware that evidence of such criminal violations are usually found within the financial records of accounts used by athlete agents and that such agents often maintain multiple accounts through which transactions related to these schemes flow. Evidence related to the identification of culpable involved parties and to the full scope and nature affiant respectfully requests the Court to issue a search warrant for evidence of violations of the Uniform Athlete Agents Act found in accounts at Western Union Financial, Inc.

A. H. Jones

A. H. Jones, Affiant
Special Agent
Department of the Secretary of State

Sworn to and subscribed before me, this the

19 day of Dec 2012
Judge Donald W. Stephens
Signature of Issuing Official