

~~FILED~~  
CHARLOTTE, NC

UNITED STATES DISTRICT COURT

NOV 15 2013

for the  
Western District of North Carolina

US District Court  
Western District of NC

In the Matter of the Search of )  
(Briefly describe the property to be searched )  
or identify the person by name and address) )

Case No. 3:13mj326

CERTAIN ELECTRONIC DEVICES, BAGS,  
DOCUMENTS AND PERSONAL EFFECTS  
OF FABIAN DAVID SPARROW )

SEARCH AND SEIZURE WARRANT

To: Any authorized law enforcement officer

An application by a federal law enforcement officer or an attorney for the government requests the search of the following person or property located in the Western District of North Carolina  
(identify the person or describe the property to be searched and give its location):

which Application and Affidavit is incorporated by reference herein, including Attachment A - Property Description.

The person or property to be searched, described above, is believed to conceal (identify the person or describe the property to be seized):

See Attachment B - Items to be Seized, which is incorporated by reference herein.

I find that the affidavit(s), or any recorded testimony, establish probable cause to search and seize the person or property.

YOU ARE COMMANDED to execute this warrant on or before November 25, 2013  
(not to exceed 10 days)

in the daytime 6:00 a.m. to 10 p.m.  at any time in the day or night as I find reasonable cause has been established.

Unless delayed notice is authorized below, you must give a copy of the warrant and a receipt for the property taken to the person from whom, or from whose premises, the property was taken, or leave the copy and receipt at the place where the property was taken.

The officer executing this warrant, or an officer present during the execution of the warrant, must prepare an inventory as required by law and promptly return this warrant and inventory to United States Magistrate Judge David C. Kessler or David S. Cayer  
(name)

I find that immediate notification may have an adverse result listed in 18 U.S.C. § 2705 (except for delay of trial), and authorize the officer executing this warrant to delay notice to the person who, or whose property, will be searched or seized (check the appropriate box)  for 30 days (not to exceed 30).

until, the facts justifying, the later specific date of \_\_\_\_\_.

Date and time issued: 11/15/13 2:30PM DCK  
Judge's signature

City and state: Charlotte, North Carolina David C. Kessler, U.S. Magistrate Judge  
Printed name and title

<b>Return</b>		
<i>Case No.:</i>	<i>Date and time warrant executed:</i>	<i>Copy of warrant and inventory left with:</i>
<i>Inventory made in the presence of :</i>		
<i>Inventory of the property taken and name of any person(s) seized:</i>		
<b>Certification</b>		
<p><i>I declare under penalty of perjury that this inventory is correct and was returned along with the original warrant to the designated judge.</i></p>		
<i>Date:</i> _____	_____	
	<i>Executing officer's signature</i>	
	_____	
	<i>Printed name and title</i>	

UNITED STATES DISTRICT COURT

Western

DISTRICT OF

North Carolina

In the Matter of the Search of

(Name, address or brief description of person, property or premises to be searched)

CERTAIN ELECTRONIC DEVICES, BAGS, DOCUMENTS AND PERSONAL EFFECTS OF FABIAN DAVID SPARROW

APPLICATION AND AFFIDAVIT FOR SEARCH WARRANT

Case Number: 3:13mj 326

I, Rufus Williams being duly sworn depose and say:

I am a(n) Special Agent with the North Carolina State Bureau of Investigation and have reason to believe Official Title

that on the person of or on the property or premises known as (name, description and/or location) See Attachment A - Property Description

in the Western District of North Carolina

there is now concealed a certain person or property, namely (describe the person or property to be seized) See Attachment B - Items to be Seized

which is (state one or more bases for search and seizure set forth under Rule 41(b) of the Federal Rules of Criminal Procedure)

concerning a violation of Title 18 United States code, Section(s) 401, 1509, 1510, 1073, 371, et al

The facts to support a finding of probable cause are as follows:

See Attachment C - Search Warrant Affidavit

FILED CHARLOTTE, NC

NOV 15 2013

US District Court Western District of NC

Continued on the attached sheet and made a part hereof:

Yes No

Signature of Affiant

Sworn to before me and subscribed in my presence,

11/15/13 Date

at Charlotte North Carolina City State

David C. Keesler U.S. Magistrate Name of Judge Title of Judge




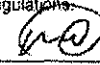
Signature of Judge

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF NORTH CAROLINA  
CHARLOTTE DIVISION**

IN THE MATTER OF AN APPLICATION OF )  
THE UNITED STATES OF AMERICA FOR A ) **No.**  
WARRANT AUTHORIZING THE SEARCH )  
OF CERTAIN ELECTRONIC DEVICES, )  
BAGS, DOCUMENTS AND PERSONAL )  
EFFECTS OF FABIAN DAVID SPARROW-----)

**ATTACHMENT A**

The items to be searched are in a box packaged by, sealed by, and mailed from U.S. Embassy authorities in Qatar to the United States Postal Inspection Service, 2300 Yorkmont Road, Suite 200, Charlotte, North Carolina. The sealed unopened box is now in the possession of Postal Inspector Eric Wise at said USPIS address. The items to be searched are identified on a Priority Mail label that was affixed to the box and that is copied on this page. The items to be searched include the following items which the Priority Mail label indicates are inside said sealed box: one iPad; three iPhones; one laptop computer; miscellaneous personal documents and thumb drives; and bags.

 <b>9407 4036 9930 0005 5977 03</b>		<b>Click-N-Ship</b> <small>usps.com</small> <b>US POSTAGE</b> <b>PAID</b> <b>\$62.37</b>	<b>9407 4036 9930 0005 5977 03 0623 7036 0042 8217</b>  <b>Commercial Base Pricing</b> <small>Mailed from 09898 062S000001311</small>																									
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<b>Detailed description of contents:</b>		<b>To:</b> ERIC WISE USPIS (HUD/OIG#2010CP0005731-RBHA) 2300 YORKMONT RD STE 200 CHARLOTTE NC 28217-4522																										
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I certify the particulars given in this customs declaration are correct. This item does not contain any undeclared dangerous articles, or articles prohibited by legislation or by postal or customs regulations. I have met all applicable export filing requirements under federal law and regulations.			<b>Mailing Office Data Stamp</b>  Nov 6, 2013 0905A																									
<b>Sender's signature:</b> MICHAEL J CHAMBERS 		<b>Date:</b> 11/06/2013																										
PS Form 2976-PN Do not duplicate this form without USPS approval. The item/parcel may be opened officially																												

## Attachment B

1. All records or data, dated from January 1, 2005 to the present, relating to:
  - a. Dennis Wayne Parris, Andrew B. McKeown, Isaac A. Vinson, Marina McCuen, Joseph Klakulak, Maria Camila Aleman Araoz, and any other current or former employees, coworkers, contractors, relatives, and or associates of Fabian Sparrow's;
  - b. "Gray" and a "friend of Gray"
  - c. FHA and USDA mortgage lending programs, including but not limited to applications to participate and their attachments, program rules and regulations, or correspondence to and from HUD or other entities regarding these programs;
  - d. The application, processing, underwriting, origination, funding, closing, servicing, selling, securitizing, and/or foreclosure of mortgage loans;
  - e. The construction, sale, purchase, transfer, rehabilitation, renting and management, or disposition of any manufactured/modular homes or other real property;
  - f. The ownership and/or operation of Phoenix Housing Group (PHG), Homes America, Southern Showcase Housing, W.R. Starkey Mortgage (WRSM) and other lenders, Carolina Custom Homes (CCH), Eagle's Nest, and any other business owned and/or operated by Fabian Sparrow, including but not limited to organizational, operational, and financial records, such as financial statements, profit and loss statements, bank and/or investment records, employee compensation and personnel records, tax documents and filings and correspondence with state and federal tax authorities, articles of incorporation, mailing and shipping records, minutes of employee or board meetings, company policies and procedures, internal and external correspondence, notes, and memoranda, marketing or other agreements between any of the aforementioned parties and any associated payments;
  - g. Doha, Qatar, First Bank of Troy, California Numismatic Investments and any other information related to Sparrow's flight to avoid prosecution or his concealment or location of assets;
  - h. Personal financial records of Fabian Sparrow, including but not limited to, income, assets, debts, banking, lending, investing (such as expense journals, cash receipts journals, expenses, invoices, financial statements, loan documents, receipts, bank statements, credit card statements, credit card authorizations, check ledgers, credit card ledgers, tax returns, tax preparation and filing documents, and any available bank account information) and safety deposit boxes;

- i. Correspondence, memoranda, and notes to, from, or relating to any current or former co-workers, employees, supervisors, contractors, business and/or personal associates of Fabian Sparrow.
  - j. The address, ownership, or identifying information for Fabian Sparrow and any other employees of Phoenix Housing Group ("PHG"), Homes America, Southern Showcase Housing, W.R. Starkey Mortgage Corp. ("WRSM"), American Home Mortgage, other lenders, and any other individuals or business associated with real estate sales and financing, and any personal or business contacts or associates of theirs, (however and wherever written, stored, or maintained),
  - k. All documents, data, records, emails, and other evidence relating to the actual or attempted destruction or concealment of evidence or other obstruction of this investigation or identifying any fruits of the crimes and their location, including assets placed in nominee or others names.
2. All fruits and instrumentalities of the crimes, including but not limited to, cash, precious metals, and the items identified in the postal customs declaration, such as the laptop computer, iPad, three iPhones, thumb drives, and bags.
3. Keys to safe deposit boxes, automobiles, and other locks which may be used to secure additional assets.
4. All locked compartments that cannot otherwise be opened during the search.
5. All equipment capable of storing, processing, and/or viewing computerized data, including but not limited to a laptop computer, iPad, three iPhones, and thumb drives, and any hard drives and computer disks, and all related operating manuals for such hardware, for software, or for other related items.
6. The search of the computerized data, including but not limited to, the aforementioned laptop computer, iPad, three iPhones, thumb drives, and any hard drives and computer disks will be conducted in accordance with the affidavit submitted in support of this warrant, and such search may involve the following:
  - a. Computer hardware, meaning any and all computer equipment, including any electronic devices that are capable of collecting, analyzing, creating, displaying, converting, storing, concealing, or transmitting electronic, magnetic, optical, or similar or data.
  - b. Electronic records of all items previously mentioned in paragraphs 1(a) through 1(x) of this attachment, and including contact lists, buddy lists, email lists, ICQ addresses, IRC names, user IDs, eIDs (electronic ID numbers), and passwords.
  - c. Electronic documents and records regarding the ownership, possession, use, and location histories of the searched computerized devices.

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF NORTH CAROLINA  
CHARLOTTE DIVISION**

IN THE MATTER OF AN APPLICATION OF )        No.  
THE UNITED STATES OF AMERICA FOR A )  
WARRANT AUTHORIZING THE SEARCH )  
OF CERTAIN ELECTRONIC DEVICES, )  
BAGS, DOCUMENTS AND PERSONAL )  
EFFECTS OF FABIAN DAVID SPARROW )

**ATTACHMENT C**

**AFFIDAVIT OF SPECIAL AGENT RUFUS B. WILLIAMS IN SUPPORT OF A  
WARRANT FOR SEARCH AND SEIZURE OF EVIDENCE AND FRUITS OF CRIME**

Affiant, Rufus B. Williams, being duly sworn, deposes and states:

1. Affiant is a Special Agent with the North Carolina State Bureau of Investigation (NCSBI) assigned to the Financial Crimes Investigations Unit for the purposes of investigating cases involving financial crimes throughout the State of North Carolina. Affiant has been so employed as a Special Agent since 2000. Affiant graduated from the United States Military Academy with a Bachelor of Science degree in management and received a Master's degree in business administration from the University of North Carolina at Chapel Hill. Affiant's duties in the Financial Crimes Unit include the investigation of North Carolina State crimes and federal crimes, including, but not limited to, violations of North Carolina General Statutes such as embezzlement, obtaining property by false pretense (fraud), misconduct of public officials, malfeasance of corporate officers and the following violations of federal law: Title 18, United States Code, Sections 401(contempt of court), 1509 (obstruction of a court order), 1510 (obstruction of a criminal investigation),1073 (flight to avoid prosecution or giving testimony); 371 (conspiracy), 1014 (false statements to financial institutions), 1010 (false statements to HUD), 1341 (mail fraud), 1343 (wire fraud), 1344 (bank fraud), 1956 and 1957 (money laundering). Affiant has successfully completed specialized training regarding criminal investigations and mortgage fraud,

has conducted or participated in numerous mortgage fraud investigations, and executed numerous search warrants. Affiant is currently working in a joint federal/state investigation with agents from the U.S. Department of Housing and Urban Development, Office of the Inspector General (HUD/OIG), and the United States Department of Agriculture (USDA/OIG). Affiant is also a member of the U.S. Internal Revenue Service Criminal Investigations Division's Money Laundering Task Force. In and around 2011, SA Williams was sworn as a Federal Law Enforcement Task Force Officer ("TFO"). As an IRS TFO, SA Williams is authorized to conduct federal searches and seizures.

2. This affidavit is submitted for the purposes of obtaining a search warrant for documents and electronic items, including a computer, a tablet, multiple phones, and multiple thumb drives. As set forth more fully below, your Affiant has probable cause to believe that the items to be searched contain evidence related to offenses conducted by indicted mortgage fraud defendant and former fugitive FABIAN D. SPARROW (SPARROW). Specifically, there is probable cause to believe that the items contain evidence of the illegal activity detailed in the charging documents in the case against SPARROW, SPARROW's attempt to flee prosecution, one or more texts from SPARROW to a conspirator falsely stating SPARROW's whereabouts, SPARROW's use of Facebook to communicate during the course of his flight, SPARROW's efforts to hide and otherwise conduct money laundering transactions in his assets which constitute proceeds of his fraud, and SPARROW's efforts to direct the repatriation and secreting of what investigators believe may be proceeds of his fraud that are otherwise subject to this Court's restraining order.
3. This affidavit is based upon information known to Affiant or received during Affiant's participation in the joint investigation to-date, including information provided to Affiant by the North Carolina Department of Justice's Consumer Affairs Division, North Carolina Office of the



Commissioner of Banks, U.S. Postal Inspection Service, HUD/OIG, USDA/OIG, U.S. Marshals Service and U.S. Department of State.

4. Since this affidavit is being submitted for the limited purpose of securing a search warrant, Affiant has not included each and every fact known to Affiant concerning this investigation. Affiant has set forth facts that Affiant believes are necessary to establish probable cause that evidence, fruits, and instrumentalities of the above-described offenses are presently located within the luggage, electronic devices, and personal documents formerly in the possession and control of SPARROW when he was detained in Doha, Qatar on or about September 24, 2013 pursuant to an Interpol Red Notice issued in support of this Court's arrest warrant issued on August 7, 2013. Where statements of others are set forth in this Affidavit, they are set forth in substance and in part.

### **BACKGROUND**

5. Beginning in and around September 2008 and continuing through the present, agents with HUD/OIG, USDA/OIG, NCSBI and other federal and state agencies have been conducting a criminal investigation into consumer and mortgage fraud schemes involving Phoenix Housing Group (PHG), which schemes were executed between approximately 2007 and 2011. PHG was a Greensboro, North Carolina retailer of manufactured homes with sales centers throughout North Carolina and elsewhere. The investigation revealed that FABIAN DAVID SPARROW ("SPARROW")—formerly the manager and part-owner of PHG's Burlington, North Carolina sales center—and others known and unknown to the investigators agreed to and did violate numerous conspiracy, fraud, and obstruction laws set forth more fully below by defrauding consumers, lenders, and federal agencies, and destroying documents during an investigation.
6. On or about August 6, 2013, SPARROW was named with three other defendants—Dennis Wayne

Parris (“Parris”), Andrew B. McKeown (“McKeown”) and Isaac (sic) A. Vinson, IV (“Vinson”)—in a Superseding Bill of Indictment (“SBI”) returned by a grand jury sitting in Asheville Division of the Western District of North Carolina (Case 5:13 cr 22 RLV). On or about October 1, 2013, the Grand Jury returned a Second Superseding Bill of Indictment (“SSBI”) which is substantively the same as the SBI, but corrected the spelling of Vinson’s first name and certain dates. As set forth in the SSBI, Parris was a Vice-President of PHG; McKeown was the sales manager of PHG’s Asheboro sales center; and Vinson was a loan officer with W.R. Starkey Mortgage Company (WRSM), an entity that did business with PHG during the course of the scheme. Unindicted co-conspirators named in the SSBI include Roger Bailey (“Bailey”), former manager of PHG’s Granite Falls sales center, and Marina McCuen (“McCuen”) and Joseph Klakulak (“Klakulak”), also former WRSM loan officers. Bailey, McCuen, and Klakulak have all pled guilty to bills of information for their participation in the scheme described in the summary herein.

7. In the SSBI, the Grand Jury found probable cause that between April 2005 and October 2010, SPARROW conspired with Parris, McKeown, Vinson, Bailey, McCuen and Klakulak in violation of Title 18, United States Code, Section 371 to defraud the United States by impairing and impeding the functions of HUD and its Federal Housing Administration (“FHA”) residential loan insurance program and USDA and its Rural Development (“RD”) housing guarantee program. Further, the Grand Jury found that the objects of the conspiracy were that SPARROW and his conspirators would violate Title 18, United States Code, Sections 1001 (making false statements to a federal agency); 1010 (submitting false statements to HUD) and 1519 (destruction of records in a federal investigation). The SSBI also charged, amongst other things, that SPARROW and his conspirators used fraudulent and deceptive means to get consumers to buy PHG manufactured

home/land packages through the use of interstate wire transmissions in violation of Title 18, United States Code, Section 1343 and 1349. In summary, the SSBI alleged that SPARROW and his conspirators engaged in a fraud scheme wherein they sold over 1100 PHG homes—mostly to unqualified and often unwitting borrowers—financed with Government insured loans totaling more than \$158,000,000. The scheme resulted in hundreds of mortgage insurance claims totaling more than \$24,000,000 and net losses to the Government exceeding \$16,000,000 at the time of SSBI. The Grand Jury's SSBI naming SPARROW (ECF Doc. No. 32) is incorporated by reference as if fully set forth herein.

8. In the SSBI, the Grand Jury also found probable cause for a forfeiture money judgment in the amount of at least \$16,000,000, such amount constituting the proceeds of the violations as charged in the SSBI. Specifically, SPARROW personally and through his business entities derived substantial profits from PHG during the course of the charged schemes. Although law enforcement is still compiling and analyzing documents to conduct a comprehensive compensation analysis, preliminary analysis by forensic auditing reflects that SPARROW derived at least approximately \$234,016 in payments from PHG in 2005, \$248,021 in payments from PHG in 2006, \$344,303 in payments from PHG in 2007, \$402,333 in payments from PHG in 2008, \$380,011 in payments from PHG in 2009, and \$37,056 from PHG in 2010 for a grand total of at least \$1,645,739 in proceeds from an entity funded by fraud on consumers and lenders. Law enforcement has not located the disposition of the entirety of this large amount of proceeds of fraud.
9. However, law enforcement has identified that large amounts of proceeds of the fraud moved through SPARROW's personal and business accounts. For example, between on or about January 12, 2009 and October 21, 2009, SPARROW wired approximately \$250,000 from an

account at the First Bank of Troy, North Carolina to California Numismatic Investments whose website states it is one of “America’s leading precious metals dealers.”

### **SPARROW’S FLIGHT TO AVOID PROSECUTION**

10. Although the SBI naming SPARROW was not returned until August 6, 2013, SPARROW knew months before August 6<sup>th</sup> that he was a target of the grand jury’s investigation. He was personally served with a letter dated March 15, 2013 from the United States Attorney’s Office informing him that he was a target of the grand jury’s investigation. SPARROW immediately engaged counsel, Attorney William West of Winston-Salem, North Carolina to meet with the Assistant United States Attorney (AUSA) assigned to the case.
11. Moreover, on or about March 25, 2013, SPARROW was served through his counsel with a Grand Jury subpoenas *duces tecum* in his capacity as custodian of records for PHG Burlington, and Eagle’s Nest Homebuilder’s, Inc. and Eagle’s Nest of Chatham (collectively “Eagle’s Nest”). As found in the SSBI, Eagle’s Nest was one of the companies fraudulently used by SPARROW and his conspirators to, at closing on sales of properties, recoup funds that had been advanced to unqualified buyers. The subpoenas required SPARROW’s personal appearance in the Asheville Grand Jury to certify that all responsive records were produced.
12. On or about April 4, 2013, SPARROW and his counsel met with HUD/OIG and USDA/OIG investigators and AUSA Michael Savage in the Asheville United States Attorney’s Office (“USAO) where SPARROW indicated that he wished to accept a government plea offer and produced records in response to the subpoenas. In consideration of his cooperation, SPARROW’s name was removed from the initial Indictment. However, SPARROW did appear before the Grand Jury on April 4, 2013 and provided some documents responsive to the Eagle’s

Nest subpoenas which he summarized on a handwritten statement. SPARROW's statement claimed that he did not have or could not find many of the documents typically maintained by a business, such as emails and correspondence. Plea negotiations with SPARROW and his counsel continued until July 2013. On July 19, 2013, SPARROW's counsel emailed AUSA Savage and advised that his client had signed a discovery agreement whereby the Government provided SPARROW's statements and other pertinent documents. On July 23, 2013, SPARROW's counsel called AUSA Savage to postpone a meeting scheduled for July 24, 2013 to debrief SPARROW and sign the plea documents because of a conflict in his schedule. AUSA Savage informed SPARROW's counsel that if the plea was not entered by August 2, 2013, the Government would proceed with a superseding indictment naming SPARROW when the grand jury next met in Asheville on August 6, 2013. On July 24, 2013, SPARROW's counsel called AUSA Savage and stated that his client had rejected the government's plea offer.

13. Unbeknownst to the Government, on July 23, 2013—while his counsel was negotiating the language for a plea agreement with the United States—SPARROW departed the United States on a one-way ticket for Qatar via the District of Columbia and Germany. The ticket was purchased via the internet from SPARROW's Pay Pal account. Further investigation revealed that, before departing the United States, SPARROW liquidated his interest in a business entity co-owned by conspirator McKeown and took approximately \$120,000 from the entity during liquidation and profit distribution, and signed a power of attorney delegating authority to his girlfriend, MARIA CAMILA ALEMAN ARAOZ ("ALEMAN ARAOZ"), to conduct his financial affairs. SPARROW's attorney in this criminal case, William West, drafted the power of attorney which was filed in the Alamance County, North Carolina on August 6, 2013.
14. While in Qatar, SPARROW kept in contact with his family and friends in the United States by

posting updates and photographs on his Facebook page. SPARROW posted pictures of himself at lavish dinners, on a yacht and posing in a Bentley. SPARROW then changed his Facebook name to “Bfor Bachata Gabriel” under which he continued to post updates and pictures. On or about September 9, 2013, SPARROW posted his plans to attend a Salsa Dancing contest in Dubai during the week of September 25 through 28, 2013. His attempted trip to travel out of Qatar to Dubai ultimately resulted in his detention by Qatari authorities and his expulsion from Qatar by said authorities, although many of his belongings that are the subject of this Affidavit remained in Qatar until this week.

15. In addition, after SPARROW had fled the United States, he used a cell phone to text McCuen—who had earlier pleaded guilty and was known to be cooperating with investigators—that he had left the United States for Brazil on a fishing trip. However, law enforcement has not identified any evidence that SPARROW traveled to Brazil on a fishing trip and instead believes that he was in or en route to Qatar when he texted McCuen.

### **RESTRAINING SPARROW’S ASSETS**

16. SPARROW and his co-defendant McKeown were co-owners of a retail manufactured housing company known as Carolina Custom Homes of Burlington LLC (“CCH”). CCH operated from the same location as the former PHG Burlington sales center. As summarized above, in July 2013, SPARROW took approximately \$60,000 in distribution from CCH and sold his share of CCH to McKEOWN’s wife for another \$60,000—receiving approximately \$120,000 in total. On or about July 19 and 23, 2013, SPARROW wired \$9,500 and \$50,000 to banks in Qatar in the names of Aysar Mohd Ibrahim Dass and Dzmitry Kavliou, respectively. Investigation has not yet disclosed the disposition of the remaining \$60,500 that SPARROW received from the sale of

the CCH. In addition to his business, SPARROW also left a 5,700 square-foot home on a lake near Burlington, North Carolina valued in excess of \$1 million. Law enforcement believes that the home was ultimately foreclosed, but has not yet confirmed foreclosure via public records.

17. On or about August 23, 2013, United States Magistrate Judge David S. Cayer issued an order restraining, enjoining and prohibiting “all individuals and entities from disposing of any assets or making any withdrawals or transfers of any assets held in the name of, by, on behalf of, or for the benefit of Fabian Sparrow or Maria Camila Aleman Araoz as attorney-in-fact for Fabian Sparrow.” *See* Case No. 3:13 cr 135. On August 27, 2013, investigators interviewed ALEMAN ARAOZ and provided her with a copy of the Court’s Restraining Order.

#### **SPARROW’s DETENTION and ARREST**

18. On or about September 24, 2013, SPARROW was stopped at the Doha Airport as he was preparing to depart Qatar for the United Arab Emirates. Qatari authorities detained SPARROW on an Interpol Red Notice based on this Court’s arrest warrant. SPARROW was in possession of a U.S. and a Columbian passport, as well as luggage, electronic devices and other personal effects. SPARROW’s U.S. passport was revoked and he was ordered expelled from Qatar. SPARROW’s personal luggage and other personal effects were gathered by Qatari authorities and given to the United States embassy for return to the United States.
19. SPARROW was issued a limited U.S. passport and placed on a flight to Dulles Airport in the Eastern District of Virginia. He was accompanied on the flight by a U.S. Air Marshal and returned to the United States on September 27, 2013. United States Marshals promptly arrested SPARROW on this Court’s warrant when he arrived at Dulles Airport. Sparrow was detained by order of a United States Magistrate Court in the Eastern District of Virginia and transported by

United States Marshals to the Western District of North Carolina. SPARROW was notified of this Court's order restraining his assets at his initial appearance in the Eastern District of Virginia.

### **SPARROW's JAIL CALLS**

20. SPARROW is currently housed in the Mecklenburg County jail, which permits telephone calls subject to consensual monitoring. Investigators have obtained recordings of consensually monitored calls by SPARROW to his family and friends, including to ALEMAN ARAOZ and his mother, SOPHIA SPARROW.
21. In a call to ALEMAN ARAOZ on or about November 5, 2013, SPARROW directed her in the Spanish language to contact a person "who is a friend of Gray (ph?)" who makes frequent trips to the United States and can bring "one of those things" with him. SPARROW told ALEMAN ARAOZ that "friend of Gray" had "10 of these" and can bring in one or two each time he travels. SPARROW instructed ALEMAN ARAOZ to call "friend of Gray" so that he could bring one in every time he comes to Washington, D.C. It appears that SPARROW wanted ALEMAN ARAOZ to meet "friend of Gray" and retrieve these "pieces" from him.
22. Based on this and other information, investigators believe that SPARROW was directing his girlfriend to meet a person smuggling currency or precious metals into the United States. Investigators do not know the identity of the "friend of Gray" at this time.
23. In at least two jail calls to his mother, SPARROW has urged her to contact the U.S. Embassy in Qatar to retrieve his luggage, computers and personal effects which he valued at over \$5,000. SPARROW appeared particularly anxious that his mother retrieve his computer.



## PROBABLE CAUSE TO SEARCH SPARROW'S PERSONAL ITEMS

24. As noted above, on or about November 14, 2013, United States Consular Officials in Qatar shipped a package containing SPARROW's personal property to the United States Postal Inspection Service's ("USPIS") Offices in Charlotte, North Carolina. The package, which remains sealed, was accompanied by the customs declaration attached hereto and incorporated herein as Attachment A. The customs declaration at Attachment A lists the contents of the package as "personal documents/electronics" and further details (1) iPad, (3) iPhones, (1) laptop computer, misc. personal documents, thumb drives, sunglasses, bags.
25. Based on the above circumstances, including the events detailed in the SSBI, SPARROW's attempt to flee prosecution, one or more texts from SPARROW to McCuen falsely stating his whereabouts, SPARROW's use of Facebook to communicate, SPARROW's efforts to hide his assets, and SPARROW's efforts to direct the repatriation of what investigators believe may be proceeds of his many frauds, your Affiant has probable cause to believe that SPARROW's personal property now in the possession of the USPIS contains evidence of the crimes charged in the SSBI and SPARROW's continuing efforts to secretly move his assets—which have been traced to the proceeds of the charged offenses—in violation of the Court's restraining order even while detained and in violation of money laundering laws.
26. Specifically, as noted above, SPARROW received approximately \$120,000 from CCH before leaving the United States on July 23, 2013—approximately half of which was wire transferred to two different individuals in Qatar. In addition, in 2009 SPARROW wired approximately \$250,000 to a company that deals in precious metals. None of this wealth has been accounted for and could have been easily hidden in SPARROW's luggage and personal effects. Moreover,

SPARROW was known to use a cell phone and computer to keep in contact with friends and family after he fled the United States to avoid prosecution. The directories on the three iPhones or contact records on the iPad and computer will likely have communication to or about the “friend of Gray”—the person whom SPARROW has directed his girlfriend ALEMAN ARAOZ to contact and meet in Washington, D.C. Moreover, iPhones contain cameras which take and store pictures important to the owner and can identify where the owner has been and with whom.

27. In addition, SPARROW fled the United States before he was to appear before a grand jury to certify that all records of PHG Burlington and Eagle’s Nest responsive to the grand juries subpoenas had been produced. The investigation of PHG has revealed that PHG employees and managers were allowed by the loan officers with whom they conspired to collect loan information from PHG customers and to access credit reporting services. Such records and access would be stored on computers used by SPARROW. Analysis of PHG’s computer’s revealed that SPARROW, other PHG officers and the loan officers with whom he dealt used the Internet and email programs and servers to communicate internally, externally between each other and with borrowers and investors. As noted above, sellers who are builders or manufactured home retailers, who are selling newly constructed homes, use computers to check the credit scores of their customers and also utilize underwriting software similar to that used by lenders which allows the retailer to determine for what type and how much of a loan the customer may be qualified. In addition, employees of the retailer often communicate with employees of mortgage lenders by email concerning the qualifications of prospective customers, the scheduling of closings and breakdown of expected disbursements, and documents required to be signed at the closing. Accordingly, computers may constitute storage containers for evidence or fruits of the above-described offenses, as well as instrumentalities of these offenses.

28. Moreover, even if such evidence had been located on PHG's computers and servers, SPARROW produced some Eagle's Nest records to the Government even after he no longer had access to PHG computers. This fact and the easily transported nature of electronic documents gives your Affiant probable cause to believe that the electronic devices that SPARROW took to Qatar contain evidence of the crimes, including evidence of SPARROW's flight to avoid prosecution. The fact that SPARROW left his million dollar house, but apparently took three iPhones, an iPad, a computer and thumb drives is further evidence that the contents of these electronic devices were necessary to sustain him while he was a fugitive. Therefore, these devices will likely contain evidence of how SPARROW planned his flight, who assisted him and where he has hidden the fruits of his crimes.
29. Your Affiant knows that at least one conspirator in the scheme—Klakulak—actually compiled and stored evidence of his crimes on his personal computer. Klakulak ultimately voluntarily turned-over his computer to authorities and law enforcement confirmed that it did contain a treasure trove of evidence. Investigation also disclosed that another PHG manager—Roger Bailey—also used a personal laptop to conduct PHG's business. Your Affiant has probable cause, based on his participating in the investigation of Klakulak, that SPARROW's electronic devices contain similar evidence, to include but not be limited to emails, electronic copies of faxes, and draft and final documents related to fraud.
30. As noted above, investigators believe that SPARROW has converted some of the proceeds of his offenses to precious metals and/or minerals which in Affiant's experience can include relatively small items such as gold coins, diamonds and other jewels. In order to avoid customs inspections, international travelers often hide these items in clothing, concealed portions of luggage such as liners or hidden compartments and toiletries such as gels or powders. In addition to his travel

from the United States to Qatar, SPARROW was apprehended as he attempted to travel from Qatar to the United Arab Emirates. Therefore, Affiant requests permission to thoroughly search all items listed in Attachment A for fruits of the crimes because all of these items were in SPARROW's possession before and during his international travels.

31. In your Affiant's experience as a financial crimes investigator, computers, modern cell phones and other electronic devices are seldom dedicated to a single purpose; rather computers and cell phones can perform many functions. Often computers and other electronic devices will commingle records; such that documents and communications of evidentiary value are interspersed among records that have little to do with an investigation. In addition, it is Affiant's experience that persons engaged in fraud, particularly those who know of an investigation, will deliberately mislabel documents and file names so as to disguise them. Thus, Affiant request permission for forensic examiners to conduct a cursory examination of all records, photographs and data found in SPARROW's computers and electronic devices in order to identify all items within the scope of the warrant.
32. As noted above, your Affiant is aware that SPARROW is represented in this investigation by Attorney William West. It is possible that SPARROW's privileged communications with William West may be interspersed with documents and other items within the scope of the warrant. Affiant has consulted with the USAO, who will implement a taint procedure to avoid the disclosure of privileged information that may be found during the search of the items listed on Attachment A. The taint procedure provides that forensic examiners and any other person participating in the search will be instructed that any document mentioning Attorney William West or any other lawyer will be segregated and sealed for later *in camera* review by the Court. The USAO will also appoint an AUSA unrelated to the case to consult with reviewing agents in the

event they have any question about a particular document. In summary, each agent participating in the search will review the search warrant with particular attention to Attachment B, which outlines the various items, which are to be seized. The searching agents will have no further role in the investigation of this matter, and the case agents involved in this investigation will not participate in the search until after the taint review is complete.

### **TECHNICAL TERMS**

33. Based on your Affiant's training and experience, the following technical terms convey the following meanings:

- a. **Wireless telephone:** A wireless telephone (or mobile telephone, or cellular telephone) is a handheld wireless device used for voice and data communication through radio signals. These telephones send signals through networks of transmitter/receivers, enabling communication with other wireless telephones or traditional "land line" telephones. A wireless telephone usually contains a "call log," which records the telephone number, date, and time of calls made to and from the phone. In addition to enabling voice communications, wireless telephones offer a broad range of capabilities. These capabilities include: storing names and phone numbers in electronic "address books;" sending, receiving, and storing text messages and e-mail; taking, sending, receiving, and storing still photographs and moving video; storing and playing back audio files; storing dates, appointments, and other information on personal calendars; and accessing and downloading information from the Internet. Wireless telephones may also include global positioning system ("GPS") technology for determining the location of the device.

- b. **Digital camera:** A digital camera is a camera that records pictures as digital picture files, rather than by using photographic film. Digital cameras use a variety of fixed and removable storage media to store their recorded images. Images can usually be retrieved by connecting the camera to a computer or by connecting the removable storage medium to a separate reader. Removable storage media include various types of flash memory cards or miniature hard drives. Most digital cameras also include a screen for viewing the stored images. This storage media can contain any digital data, including data unrelated to photographs or videos, which images are often date-stamped.
- c. **Portable media player:** A portable media player (or “MP3 Player” or iPod) is a handheld digital storage device designed primarily to store and play audio, video, or photographic files. However, a portable media player can also store other digital data. Some portable media players can use removable storage media. Removable storage media include various types of flash memory cards or miniature hard drives. This removable storage media can also store any digital data. Depending on the model, a portable media player may have the ability to store very large amounts of electronic data and may offer additional features such as a calendar, contact list, clock, or games.
- d. **GPS:** A GPS navigation device uses the Global Positioning System to display its current location. It often contains records the locations where it has been. Some GPS navigation devices can give a user driving or walking directions to another location. These devices can contain records of the addresses or locations involved in such navigation. The Global Positioning System (generally abbreviated “GPS”) consists of 24 NAVSTAR satellites orbiting the Earth. Each satellite contains an extremely accurate clock. Each satellite repeatedly transmits by radio a mathematical representation of the current time, combined

with a special sequence of numbers. These signals are sent by radio, using specifications that are publicly available. A GPS antenna on Earth can receive those signals. When a GPS antenna receives signals from at least four satellites, a computer connected to that antenna can mathematically calculate the antenna's latitude, longitude, and sometimes altitude with a high level of precision.

- e. **PDA:** A personal digital assistant, or PDA, is a handheld electronic device used for storing data (such as names, addresses, appointments or notes) and utilizing computer programs. Some PDAs also function as wireless communication devices and are used to access the Internet and send and receive e-mail. PDAs usually include a memory card or other removable storage media for storing data and a keyboard and/or touch screen for entering data. Removable storage media include various types of flash memory cards or miniature hard drives. This removable storage media can store any digital data. Most PDAs run computer software, giving them many of the same capabilities as personal computers. For example, PDA users can work with word-processing documents, spreadsheets, and presentations. PDAs may also include global positioning system ("GPS") technology for determining the location of the device.
- f. **IPad or Tablet:** An iPad is Apple's brand of a tablet. A tablet is a mobile computer, typically larger than a phone yet smaller than a notebook that is primarily operated by touching the screen. Tablets function as wireless communication devices and can be used to access the Internet through cellular networks, 802.11 "wi-fi" networks, or otherwise. Tablets typically contain programs called apps, which, like programs on a personal computer, perform different functions and save data associated with those functions.

Apps can, for example, permit accessing the Web, sending and receiving e-mail, and participating in Internet social networks.

- g. **Computer hardware** is used to save copies of files and communications, while printers are used to make paper copies of same. Programs loaded on the drives are the means by which the computer can send, print and save those files and communications. Finally, password and security devices are often used to restrict access to or hide computer software, documentation or data. Each of these parts of the computer is thus integrated into the entire operation of a computer. In order to best evaluate the evidence, the computers—and all of the related computer equipment described above—should be available to a computer investigator/analyst.
- h. **IP Address:** An Internet Protocol address (or simply “IP address”) is a unique numeric address used by computers on the Internet. An IP address is a series of four numbers, each in the range 0-255, separated by periods (e.g., 121.56.97.178). Every computer attached to the Internet computer must be assigned an IP address so that Internet traffic sent from and directed to that computer may be directed properly from its source to its destination. Most Internet service providers control a range of IP addresses. Some computers have static—that is, long-term—IP addresses, while other computers have dynamic—that is, frequently changed—IP addresses.
- i. **Internet:** The Internet is a global network of computers and other electronic devices that communicate with each other. Due to the structure of the Internet, connections between devices on the Internet often cross state and international borders, even when the devices communicating with each other are in the same state.



34. Based on training, experience, and research, your Affiant knows that an iPhone or other mobile devices have capabilities that allow them to serve as a wireless telephone, digital camera, portable media player, GPS navigation device, and PDA. Your Affiant's training and experience has shown that examining data stored on devices of this type can uncover, among other things, evidence that reveals or suggests who possessed or used the device, where the device was used, travel information, banking and financial information, communications—including emails, data, text messaging—especially while the owner is traveling.

### **ELECTRONIC STORAGE AND FORENSIC ANALYSIS**

35. Based on knowledge, training, and experience, your Affiant also knows that electronic devices including cell phones, tablets, computers and thumb drives can store information for long periods of time. Similarly, things that have been viewed via the Internet are typically stored for some period of time on an electronic device. This information can sometimes be recovered with forensics tools.

36. *Forensic evidence.* As further described in Attachment B, this application seeks permission to locate not only electronically stored information that might serve as direct evidence of the crimes described on the warrant, but also forensic evidence that establishes how a device was used, the purpose of its use, who used it, and when. There is probable cause to believe that this forensic electronic evidence might be on a device because:

- a. Data on the storage medium can provide evidence of a file that was once on the storage medium but has since been deleted or edited, or of a deleted portion of a file (such as a paragraph that has been deleted from a word processing file).

- b. Forensic evidence on a device can also indicate who has used or controlled the device. This “user attribution” evidence is analogous to the search for “indicia of occupancy” while executing a search warrant at a residence.
- c. A person with appropriate familiarity with how an electronic device works may, after examining this forensic evidence in its proper context, be able to draw conclusions about how electronic devices were used, the purpose of their use, who used them, and when.
- d. The process of identifying the exact electronically stored information on storage medium that are necessary to draw an accurate conclusion is a dynamic process. Electronic evidence is not always data that can be merely reviewed by a review team and passed along to investigators. Whether data stored on a computer is evidence may depend on other information stored on the computer and the application of knowledge about how a computer behaves. Therefore, contextual information necessary to understand other evidence also falls within the scope of the warrant.
- e. Further, in finding evidence of how a device was used, the purpose of its use, who used it, and when, sometimes it is necessary to establish that a particular item, document or image is not present on a storage medium.

37. *Nature of examination.* Based on the foregoing, and consistent with Rule 41(e)(2)(B), the warrant I am applying for would permit the examination of the device consistent with the warrant. The examination may require authorities to employ techniques, including but not limited to computer-assisted scans of the entire medium, that might expose many parts of the device to human inspection in order to determine whether it is evidence described by the warrant.
38. *Manner of execution.* Because this warrant seeks only permission to examine a device already in law enforcement’s possession, the execution of this warrant does not involve the physical intrusion

onto a premise. Consequently, your Affiant submits there is reasonable cause for the Court to authorize execution of the warrant at any time in the day or night.

### **SEALING and DELAYED NOTICE**

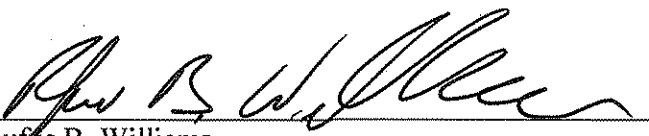
39. It is respectfully requested that this Court issue an order sealing, until further order of the Court, all papers submitted in support of this application, including the application and search warrant. Affiant submits that sealing this document is necessary because the warrant is relevant to an ongoing investigation into the disposition of the fruits of SPARROW's crimes as well as those persons who may have assisted him in his flight to avoid prosecutions and are still assisting him in money laundering and concealment of assets. Based upon Affiant's training and experience, SPARROW and his associates are familiar with and use the Internet. Such persons actively search for criminal affidavits and search warrants via the internet, and disseminate them to other online criminals as they deem appropriate, i.e., post them publicly online through the carding forums. Premature disclosure of the contents of this affidavit and related documents may have a significant and negative impact on the continuing investigation and may severely jeopardize its effectiveness.
40. To the extent that disclosure is required, Affiant also requests that this Court allowed delayed notice of the search not to exceed 30 days. *See* 18 U.S.C. § 3103(a). Based on the circumstances listed above, Affiant has reasonable cause to believe that SPARROW and his associates are not aware that the Government has listened to his consensually monitored calls and believes that his personal property is still in Qatar. A delay not to exceed 30 days will allow forensic examiners to extract pertinent information and follow up on leads as to where SPARROW has hidden his assets and who is assisting him—including the identity and location of the "friend of Gray." Premature

disclosure of this warrant could lead to the destruction or movement of evidence, the intimidation of potential witness and otherwise jeopardize the investigation.

**CONCLUSION**

41. Your Affiant submits, therefore, that this affidavit supports probable cause for a search warrant authorizing the examination of the luggage, electronic devices and other personal property described in Attachment A to seek the items described in Attachment B. Further there is reasonable cause to seal this Application and accompanying documents and to delay notification on of this search for a period not to exceed 30 days.

Further Affiant sayeth not.

  
\_\_\_\_\_  
Rufus B. Williams  
Special Agent  
North Carolina State Bureau of Investigation

Subscribed and sworn to before me on this, the 15<sup>th</sup> day of November, 2013

  
\_\_\_\_\_  
THE HONORABLE DAVID C. KEESLER  
UNITED STATES MAGISTRATE JUDGE

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF NORTH CAROLINA

IN THE MATTER OF AN APPLICATION  
OF THE UNITED STATES OF AMERICA  
FOR A WARRANT AUTHORIZING THE  
SEARCH OF CERTAIN ELECTRONIC  
DEVICES, BAGS, DOCUMENTS AND  
PERSONAL EFFECTS OF FABIAN DAVID  
SPARROW.

Case No. 3:13mj326

APPLICATION

Filed Under Seal

FILED  
CHARLOTTE, NC

NOV 22 2013

US District Court  
Western District of NC

INTRODUCTION

The United States of America, by and through Anne M. Tompkins, United States Attorney, and Benjamin Bain-Creed, Assistant United States Attorney, hereby moves this Court under the All Writs Act, 28 U.S.C. § 1651, for an Order requiring Apple, Inc. ("Apple") to assist in the execution of a federal Search Warrant by bypassing the lock screen of multiple iOS devices, specifically, an Apple iPad and three Apple iPhones.

FACTS

The United States Postal Inspection Service currently has in its possession multiple iOS devices that are the subject of a Search Warrant issued by this Court in this case. Initial inspection of the iOS device reveals that they are locked. Because the iOS devices are locked, law enforcement agents are not able to examine the data stored on the iOS devices as commanded by the Search Warrant.

The iOS devices are the following:

- One Apple iPad, Serial Number DLXH40ZJDJHG, FCC Number BCGA1397, subject to this Court's Search Warrant;
- One Fourth Generation Apple iPhone, FCC Number BCG-E2422A, subject to this Court's Search Warrant;

- One Fifth Generation Apple iPhone, Serial Number IMEI013633006740149, FCC Number BCG-E2599A, subject to this Court's Search Warrant; and
- One Fifth Generation Apple iPhone, Serial Number IMEI990002858202250, FCC Number BCG-E2599A, subject to this Court's Search Warrant.

Apple, the creator of the iOS operating system and producer of the iOS devices, may have the capability retrieving data stored on the iOS devices that is not currently accessible to the U.S. Postal Inspection Service and State Bureau of Investigation because the iOS devices are locked. This Application seeks an order requiring Apple to use any such capability so as to assist agents in complying with the search warrant.

### DISCUSSION

The All Writs Act provides that “[t]he Supreme Court and all courts established by Act of Congress may issue all writs necessary or appropriate in aid of their respective jurisdictions and agreeable to the usages and principles of law.” 28 U.S.C. § 1651(a). As the Supreme Court explained, “[t]he All Writs Act is a residual source of authority to issue writs that are not otherwise covered by statute.” *Pennsylvania Bureau of Correction v. United States Marshals Service*, 474 U.S. 34, 43 (1985). “The power conferred by the Act extends, under appropriate circumstances, to persons who, though not parties to the original action or engaged in wrongdoing, are in a position to frustrate the implementation of a court order or the proper administration of justice... and encompasses even those who have not taken any affirmative action to hinder justice.” *United States v. New York Tel. Co.*, 434 U.S. 159, 174 (1977). Specifically, in *United States v. New York Tel. Co.*, the Supreme Court held that the All Writs Act permitted district courts to order a telephone company to effectuate a search warrant by

installing a pen register. Under the reasoning of *New York Tel. Co.*, this Court has the authority to order Apple to use any capabilities it may have to assist in effectuating the search warrant.


The Government is aware, and can represent, that in other cases, courts have ordered Apple to assist in effectuating search warrants under the authority of the All Writs Act. Additionally, Apple has complied with such orders.

The requested Order would enable agents to comply with this Court's Search Warrant commanding that the iOS devices be examined for evidence identified by the Search Warrant. Examining the iOS devices without Apple's assistance, if it is possible at all, would require significant resources and may harm the iOS devices. Moreover, the requested Order is not likely to place any unreasonable burden on Apple.

WHEREFORE, the Government requests that this Court issue an Order in the form submitted herewith and further requests that this Application and the Order remain under seal in this sealed case, except to the extent necessary for law enforcement to disclose the Order and this Application to Apple.

Respectfully submitted this, the 21<sup>st</sup> day of November, 2013.

ANNE M. TOMPKINS  
UNITED STATES ATTORNEY

  
s/ Benjamin Bain-Creed

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IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF NORTH CAROLINA

IN THE MATTER OF AN APPLICATION  
OF THE UNITED STATES OF AMERICA  
FOR A WARRANT AUTHORIZING THE  
SEARCH OF CERTAIN ELECTRONIC  
DEVICES, BAGS, DOCUMENTS AND  
PERSONAL EFFECTS OF FABIAN DAVID  
SPARROW.

Case No. 3:13mj326

**ORDER**

FILED  
CHARLOTTE, NC  
NOV 22 2013  
US District Court  
Western District of NC

Before the Court is the Government's Application for an Order requiring Apple, Inc. ("Apple") to assist law enforcement agents in the search of Apple iOS devices. Upon consideration of the Application, and for the reasons stated therein,

IT IS, HEREBY, ORDERED that Apple assist law enforcement agents in the examination of the following iOS devices ("iOS Devices"), acting in support of a Search Warrant issued separately in this case by this Court:

- One Apple iPad, Serial Number DLXH40ZJDJHG, FCC Number BCGA1397;
- One Fourth Generation Apple iPhone, FCC Number BCG-E2422A;
- One Fifth Generation Apple iPhone, Serial Number IMEI013633006740149, FCC Number BCG-E2599A; and
- One Fifth Generation Apple iPhone, Serial Number IMEI990002858202250, FCC Number BCG-E2599A.

IT IS FURTHER ORDERED that Apple shall provide reasonable technical assistance to enable law enforcement agents to obtain access to unencrypted data ("Data") on the iOS Devices.



IT IS FURTHER ORDERED that, to the extent that data on the iOS Devices is encrypted, Apple may provide a copy of the encrypted data to law enforcement, but Apple is not required to attempt to decrypt, or otherwise enable law enforcement's attempts to access any encrypted data;

IT IS FURTHER ORDERED that Apple's reasonable technical assistance may include, but is not limited to, bypassing the iOS Devices user's passcode so that the agents may search the iOS Devices, extracting data from the iOS Devices and copying the data onto an external hard drive or other storage medium that law enforcement agents may search, or otherwise circumventing the iOS Devices' security systems to allow law enforcement access to Data and to provide law enforcement with a copy of encrypted data stored on the IOS Devices;

IT IS FURTHER ORDERED that, although Apple shall make reasonable efforts to maintain the integrity of data on the iOS Devices, Apple shall not be required to maintain copies of any user data as a result of the assistance ordered herein; all evidence preservation shall remain the responsibility of law enforcement agents.

IT IS FURTHER ORDERED that the Government's Application for this Order and this Order shall remain under seal and, absent further order of this Court, shall not be disclosed except to law enforcement and Apple so as to enable Apple to comply with the Order.

Signed,

  
\_\_\_\_\_  
DAVID C. KEESLER  
UNITED STATES MAGISTRATE JUDGE

Date: 11/22/13