

AO 91 (Rev. 11/11) Criminal Complaint

UNITED STATES DISTRICT COURT

for the

Eastern District of Louisiana

United States of America)

v.)

DAVID PHILLIPS)

Case No.)

17-050 MAG)

Defendant(s)

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of prior to 4/30/16 to 4/25/17 in the of in the Eastern District of Louisiana, the defendant(s) violated:

Table with 2 columns: Code Section, Offense Description. Row 1: Title 18, United States Code, Section 1958; Conspiracy to use interstate commerce facilities in the commission of a murder-for-hire

This criminal complaint is based on these facts:

See Attached Affidavit.

Continued on the attached sheet.

Complainant's signature: TFO Joseph Williamson, HSI

Sworn to before me and signed in my presence.

Date: April 26, 2017

Judge's signature: Hon. Michael B. North, U.S. Magistrate Judge

City and state: New Orleans, Louisiana

Fee, Process, Dktd, CtRmDep, Doc. No. checkboxes and handwritten notes

AFFIDAVIT

I, Joseph Williamson, being first duly sworn, hereby depose and state as follows:

INTRODUCTION AND AGENT BACKGROUND

1. I am a Task Force Officer with the Department of Homeland Security, Homeland Security Investigations ("HSI"), and have been since October 2013. I am also a United States Customs and Border Protection Officer, and have been since 2007. From June 1998 to November 2007, I was active duty in the New Orleans Police Department ("NOPD"). From 2002 to 2007, I was a narcotics Detective in the NOPD. I am currently a commissioned New Orleans Police Officer as a member of the Reserve Division.

2. I am currently assigned to the HSI New Orleans Border Enforcement Security Task Force ("BEST"), a multi-agency task force. The HSI New Orleans BEST is charged with conducting investigations involving the smuggling and trafficking of humans, weapons, currency, controlled substances and other contraband as well as complex investigations involving the movement of proceeds generated from illicit transactions. In my experience, I have participated in the investigation of various criminal enterprises, including drug trafficking organizations ("DTO's") involved in the acquisition, importation, transportation, and distribution of controlled substances.

3. The facts in this affidavit come from my personal observations, my training and experience, information obtained from other agents and witnesses, and other sources. This affidavit is intended to show merely that there is probable cause and does not set forth all of my knowledge about this matter.

PROBABLE CAUSE

Background

4. HSI has been investigating defendant DAVID PHILLIPS (“PHILLIPS”), who is the Chief Executive Officer (“CEO”) of a company entitled NKP Medical Marketing, Incorporated, based out of Los Angeles, California. The investigation revealed that PHILLIPS engaged another individual, who has since become a cooperating defendant (“CD-1”), to commit a murder of an identified victim (“Victim-1”). Victim-1 and CD-1 were former business partners and are currently business competitors.

5. The investigation was initiated by the New Orleans office of HSI (“HSI-New Orleans”), as a drug investigation. Initially, the investigation focused on CD-1, who was revealed to be a methamphetamine trafficker based in Los Angeles, California. Moreover, during the investigation, HSI-New Orleans learned that CD-1 had been retained by another individual, later revealed to be PHILLIPS, to murder a then unidentified individual, later revealed to be Victim-1.

Initial Investigation Regarding CD-1

6. Prior to cooperating with law enforcement, the investigation revealed that CD-1 engaged in a number of telephone calls utilizing a cellular phone while CD-1 was located in California. The investigation revealed that CD-1’s counterparty was located in the Eastern District of Louisiana during many of those telephone calls, including a telephone call on September 19, 2016. During that call, CD-1 described that a third party had inquired whether CD-1 could perform a “hit,” which I know, based on my training and experience, is a common term used to refer to a murder.

7. Subsequently, an undercover Special Agent from HSI (“UC-1”) met with CD-1 posing as a drug trafficker and an individual who was associated with hitmen who could complete

the murder. Specifically, on February 21, 2017, UC-1 met with CD-1 and others at a location in Los Angeles. During that meeting, CD-1 discussed with UC-1 the possibility of UC-1 locating a hitman to kill an individual on behalf of CD-1. CD-1 and UC-1 agreed to speak regarding that issue in the future. Moreover, it was understood during CD-1's interactions with UC-1 that UC-1 would receive reduced prices on methamphetamine if UC-1 executed the murder for CD-1.

8. Subsequently, on April 6, 2017, in San Diego, California, UC-1 again met with CD-1. During that meeting, CD-1 provided a photograph to UC-1 of a then-unidentified white male. In addition, two addresses were listed on the photograph, one labeled as "work" and one labeled as "home." UC-1 understood that the photograph was of the intended victim of the murder. UC-1 and CD-1 discussed that CD-1 wanted to know when "it" would happen so that CD-1 could be in a place that could generate an alibi for the murder.

Information Provided by CD-1

9. On April 11, 2017, CD-1 was arrested in Los Angeles, California. Later, CD-1 provided information to HSI agents regarding the murder-for-hire scheme. CD-1's information is corroborated by independent sources, as described herein. Specifically, CD-1 stated that PHILLIPS is the CEO of a business located in Los Angeles. CD-1 identified the location of the business, which is the location of NKP Medical Marketing, 8939 S. Sepulveda Blvd., Los Angeles, California. A review of the company's website, www.nkpmedical.com, reveals that "David Phillips" is the CEO of NKP Medical Marketing.

10. CD-1 stated that in early 2016, CD-1 approached PHILLIPS about funding a new marijuana venture that CD-1 wished to start. PHILLIPS agreed to provide CD-1 with \$30,000 of U.S. currency to fund the venture. CD-1 also stated that PHILLIPS provided that money in cash

while inside the offices of NKP Medical Marketing. CD-1 believes that this meeting occurred in either March or April 2016.

11. CD-1 reported that CD-1 was unable to establish the marijuana venture, and subsequently informed PHILLIPS that CD-1 may not be able to pay PHILLIPS back immediately. At that time, PHILLIPS told CD-1 that CD-1 would not have to pay PHILLIPS back if he took care of something else, namely killing another individual.

12. CD-1 continued to meet with PHILLIPS on several occasions over the next several months during which the murder was discussed (albeit using coded language). During one of those meetings, according to CI-1, PHILLIPS used the term "hit." CD-1 stated that within the past several weeks, CD-1 met with PHILLIPS in the offices of NKP Medical Marketing. During that meeting, PHILLIPS provided CD-1 with a photograph of the intended victim of the murder. The photograph appeared to be printed on a piece of standard paper, and appeared to have been printed from a computer printer. CD-1 did not know who that person was, but PHILLIPS had previously informed CD-1 that the individual was someone with whom he had a dispute. CD-1 later provided that same photograph to UC-1 in California.

13. HSI Agents also searched CD-1's cellular telephone. The telephone number (310) 480-8949 was associated with a contact named "David Phillip." CD-1 confirmed that the telephone number was for PHILLIPS. Agents also observed a text message that appeared to have been received by CD-1's telephone on April 11, 2017 reading, "what time can you stop by." On April 21, 2017, CD-1 received a missed call from PHILLIPS at (310) 480-8949. Shortly thereafter, CD-1 placed a recorded controlled telephone call to PHILLIPS over (310) 480-8949. During that call, CD-1 stated to PHILLIPS in sum and substance that CD-1 would be taking care of "it" over the weekend, and that CD-1 would attempt to meet PHILLIPS in person after "it" was done. CD-

1 also stated to PHILLIPS that he should be sure to be “covered” over the weekend. PHILLIPS agreed. According to CD-1, CD-1 was confirming that the murder would take place over the weekend of April 22, 2017 and April 23, 2017, and that PHILLIPS should ensure that PHILLIPS had an alibi.

14. HSI Agents have reviewed the publicly available portions of the website www.nkpmedical.com, which is the website for NKP Medical Marketing. The website contains a page describing PHILLIPS as the CEO. That page also includes a video of PHILLIPS describing the company to potential clients. HSI Agents have reviewed that video. The voice of PHILLIPS on the video is similar to the voice of PHILLIPS during the recorded telephone call placed by CD-1.

15. HSI Agents have also independently corroborated that PHILLIPS is the user of (310) 480-8949. Specifically, PHILLIPS listed his telephone number as (310) 480-8949 on a U.S. passport application signed by PHILLIPS on February 20, 2012, and submitted to the United States Department of State.

Information Provided by Victim-1

16. HSI Agents have also identified Victim-1. After being informed that Victim-1 was the intended victim of a murder plot, Victim-1 explained that Victim-1 previously worked together at NKP Medical Marketing. After a time running the business together, likely in late 2014 or early 2015, Victim-1 decided to leave due to disagreements between Victim-1 and PHILLIPS. According to Victim-1, Victim-1’s departure was not amicable.

17. Victim-1 informed law enforcement that PHILLIPS would make statements such as, “don’t cross me,” or he was going to have someone “taken out.” At one time, PHILLIPS claimed to have “friends” with “AK-47’s.” According to Victim-1, PHILLIPS has large quantities

of money, and at one time even had a bag of cash on hand. Moreover, Victim-1 reported that PHILLIPS had previously stated in sum and substance that if anything were to happen to PHILLIPS, he would take his money and flee to Mexico.

18. Shortly after leaving NKP Medical Marketing, several members of Victim-1's family received anonymous letters claiming that Victim-1 was a "drug addict," and other information that Victim-1 reported to be false.

19. Victim-1 is currently PHILLIPS's business competition. According to Victim-1, PHILLIPS has attempted to take clients from Victim-1. Over the last few years, Victim-1 and PHILLIPS have had several verbal altercations.

20. Victim-1 recalls that the last altercation involved PHILLIPS attempting to recruit Victim-1's customer and took place in approximately September 2016. At that time, PHILLIPS texted Victim-1, "don't push me." The two have not directly interacted since that time.

21. On April 23, 2017, the recording of the aforementioned telephone call between PHILLIPS and CD-1 was played for Victim-1. Victim-1 identified the voice on the recording as PHILLIPS's voice.

Undercover Operation on April 25, 2017

22. On April 25, 2017, in a controlled setting, CD-1, using CD-1's cellular phone, sent several text messages to PHILLIPS at (310) 480-8949, during which CD-1 asked PHILLIPS to meet on that day. Later, CD-1 sent a text message stating in sum and substance that CD-1 was coming up to meet PHILLIPS.

23. Subsequently, HSI Special Agents initiated an undercover meeting between CD-1 and PHILLIPS in the vicinity of the offices of NKP Medical Marketing, 8939 S. Sepulveda Blvd., Los Angeles, California. Prior to the meeting, CD-1 was provided with a staged photograph of

Victim-1 appearing to have been murdered. The photograph depicted Victim-1 with bruises on Victim-1's face as well as a gunshot to the forehead. The photograph also depicted blood splatter on the wall behind Victim-1's head. In addition, CD-1 was provided with an audio transmitter and audio and video recording equipment.


24. At that time, CD-1 walked into 8939 S. Sepulveda Blvd., Los Angeles, California and met with PHILLIPS in the courtyard of the building. During that meeting, CD-1 stated to PHILLIPS in sum and substance that the murder had been completed. CD-1 provided PHILLIPS with the aforementioned staged photograph, which PHILLIPS accepted. CD-1 also stated in sum and substance that Victim-1 had been shot, and "shit himself." CD-1 further stated in sum and substance that CD-1 had to cover it up. CD-1 asked PHILLIPS to provide several thousand dollars of additional money, because CD-1 had to employ another individual to execute the murder. PHILLIPS agreed to discuss providing additional money at a later date. Moreover, PHILLIPS handed \$100 in U.S. currency to CD-1 during that meeting. CD-1 reported that PHILLIPS appeared nervous during the meeting and that PHILLIPS's hands were shaking. At the conclusion of the meeting, CD-1 left the area.

25. HSI Agents have listened to contemporaneous audio transmitted during the meeting and also have reviewed the audio/video recording of the meeting. Those sources confirmed CD-1's information regarding the meeting.

26. After the meeting, HSI Agents observed PHILLIPS outside of 8939 S. Sepulveda Blvd, Los Angeles, California, and placed him under arrest. Subsequently, HSI Agents searched the premises of NKP Medical Marketing pursuant to a search warrant issued by the United States Magistrate Court, Central District of California.


27. Agents observed an interior office in Suite 320, which contained numerous photographs of PHILLIPS, and therefore, HSI Agents believe that this office was PHILLIPS's office. In addition, PHILLIPS was later brought into that particular office and stated in sum and substance to Special Agent John Chakwin of HSI that it was his office. Agents conducted a search of that office and seized a one-page document depicting a photograph of Victim-1, as well as work and home addresses for Victim-1, inside a desk drawer. The document was similar to the document provided by CD-1 to UC-1, except that the photograph of Victim-1 was a different photograph.

28. Based on the foregoing I believe there is probable cause to believe that PHILLIPS has committed violations of Title 18, United States Code, Section 1958.



TFO Joseph Williamson
Homeland Security Investigations

Sworn and subscribed before me
this 26 day of April, 2017, at 10:00 a.m. / p.m.,
in New Orleans, Louisiana.



HONORABLE MICHAEL B. NORTH
UNITED STATES MAGISTRATE JUDGE