

United States District Court  
District of New Jersey

IN THE MATTER OF THE SEARCH OF :  
THE CELLULAR TELEPHONE MORE :  
PARTICULARLY DESCRIBED IN :  
ATTACHMENT A :

APPLICATION AND AFFIDAVIT  
FOR A SEARCH WARRANT

Mag. No. 14-7269 (CLW)

I Criminal Investigator Jason Annuziato being duly sworn depose and say:

I am a(n) Criminal Investigator with the United States Attorney's Office and have reason to believe that on the premises known as

**SEE ATTACHMENT A**

in the District of New Jersey there is now concealed a certain property, namely

**SEE ATTACHMENT B**

which is

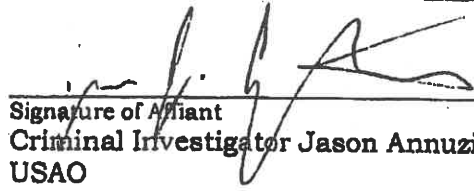
- (1) evidence of a crime; (2) the fruits of crime; and
- (3) property designed for use, intended for use, or used in committing a crime.

in violation of Title 18, United States Code, Sections 1341, 1343, and 1349

The facts to support the issuance of a Search Warrant are as follows:

**SEE ATTACHED AFFIDAVIT**

Continued on the attached sheet and made a part hereof.  Yes  No

  
\_\_\_\_\_  
Signature of Affiant  
Criminal Investigator Jason Annuziato  
USAO

Sworn to before me, and subscribed in my presence

December 24, 2014  
Date

at Newark, New Jersey  
City and State

Honorable Cathy L. Waldor  
United States Magistrate Judge  
Name & Title of Judicial Officer

  
\_\_\_\_\_  
Signature of Judicial Officer

**ATTACHMENT A**

The Subject Phone is a cellular telephone, that is an iPhone with the Model No. A1533 and the IMEI No. 013850001358913, which cellular telephone is black in color on the front and silver in color on the back. The Subject Phone is presently located at the Drug Enforcement Administration's office in Newark, New Jersey.

**ATTACHMENT B**

**Evidence, fruits, and instrumentalities of violations of Title 18, United States Code, Sections 1341 (mail fraud), 1343 (wire fraud), 1349 (conspiracy to commit wire and mail fraud), including**

- 1. communications, including e-mails and text messages, with co-conspirators of and witnesses to the criminal violations listed above that concern the commission of the offenses listed above;**
- 2. contact information for co-conspirators of and witnesses to the criminal violations listed above;**
- 3. documents or information concerning ALD, ALITS, Alternative Litigation Solutions, Alternative Lit Solutions, LLC, ELIT Solutions LLC, ELIT Litigation Solutions, LCC, E-LIT, and Elitlitigation Solutions LLC;**
- 4. documents concerning the submission of invoices to or payments of invoices to vendors by Law Firm 1 and Law Firm 2 (as described in the affidavit).**



Offenses”) committed by Keila Ravelo (“Ravelo”) and her husband Melvin Feliz (“Feliz”) and others known and unknown.

3. I am familiar with the information contained in this affidavit based on my conversations I have had with other law enforcement officers about this matter and my training and experience. Because this affidavit is being submitted for the limited purpose of establishing probable cause to search the Subject Phone, I have not included herein the details of every aspect of the investigation. Where actions, conversations and statements of others, and the contents of documents are related herein, they are related in substance and in part, except where otherwise indicated. When I state that something occurred on a particular date, I am stating that it occurred on or about that date.

#### **THE SUBJECT PHONE**

4. The Subject Phone is a cellular telephone, that is an iPhone with the Model No. A1533 and the IMEI No. 013850001358913, which cellular telephone is black in color on the front and silver in color on the back.

5. The Subject Phone is presently located at the Drug Enforcement Administration’s office in Newark, New Jersey.

#### **BACKGROUND**

6. At various times relevant to this investigation:
- a. Ravelo and Feliz resided in New Jersey and maintained a joint bank account (the “Joint Bank Account”).
  - b. Ravelo was an attorney who practiced law in New York.

c. "Law Firm 1" was a law firm in New York. Ravelo was a partner at Law Firm 1 from prior to 2008 to approximately October 1, 2010.

d. "Law Firm 2" was a law firm in New York. Ravelo was a partner at Law Firm 2 from approximately October 1, 2010, to and through approximately November 14, 2014.

e. "Client 1" was a client of Law Firm 1 during the time period when Ravelo was a partner at Law Firm 1 and was a client of Law Firm 2 during the time period when Ravelo was a partner at Law Firm 2.

f. "Vendor 1" was a limited liability company that was formed in or about January 2008. Vendor 1 purportedly provided millions of dollars in litigation support services to Law Firm 1 and Law Firm 2 and received payments of more than \$5,000,000 from Law Firm 1 and Law Firm 2 for these alleged services. In reality, however, Vendor 1 provided little or no services to Law Firm 1 and Law Firm 2. Moreover, the majority of the money that went into Vendor 1's bank account from Law Firm 1 and Law Firm 2 was either: (i) transferred directly out of Vendor 1's bank account to pay for Ravelo's or Feliz's personal expenses, or (ii) transferred into the Joint Bank Account.

g. "Vendor 2" was a limited liability company formed in or about April 2011. Vendor 2 purportedly provided services to Law Firm 2 and received payments in excess of \$750,000 from Law Firm 2 for these alleged services. In reality, however, Vendor 2 provided little or no services to Law Firm 2. Moreover, the majority of the money that went into Vendor 2's bank account from Law Firm 2 was either: (i) transferred directly out of Vendor 2's bank

account to pay for Ravelo's or Feliz's personal expenses, or (ii) transferred into the Joint Bank Account.

h. Records obtained for the Joint Bank Account reveal that the majority of the funds in the account were used to pay for the personal expenses or investments of Ravelo and/or Feliz.

#### SUMMARY OF THE CASE

7. The Internal Revenue Service and Drug Enforcement Administration have been conducting an investigation into the fraudulent activity of Ravelo and Feliz. As explained in more detail herein, the investigation has revealed that Ravelo worked for Law Firm 1 and Law Firm 2 on matters involving Client 1. The investigation also revealed that Ravelo and Feliz either created or caused Vendor 1 and Vendor 2 to be created, including having bank accounts opened in Vendor 1's and Vendor 2's names, and thereafter controlled payments out of these bank accounts. The investigation further revealed that Ravelo and Feliz then used Vendor 1 and Vendor 2 to fraudulently obtain money from Law Firm 1, Law Firm 2, and Client 1 by submitting or causing the submission of invoices for work that was not performed. Moreover, the investigation has revealed that the majority of the fraudulently obtained funds were used to pay for the personal expenses and investments of Ravelo and Feliz.

#### PROBABLE CAUSE

8. Prior to 2008, Ravelo joined Law Firm 1 as a Partner. Ravelo thereafter worked on a litigation matter concerning Client 1.

9. Records demonstrate that between approximately January 25, 2008, and approximately November 23, 2010, Law Firm 1 paid Vendor 1 more than \$2,000,000 for litigation support services. Ravelo, in her capacity as a partner at Law Firm 1, approved many, if not all, of the payments from Law Firm 1 to Vendor 1. The investigation has revealed that Vendor 1 provided little or no services to Law Firm 1.

10. On or about October 1, 2010, Ravelo joined Law Firm 2 as a Partner and thereafter worked on the same litigation matter concerning Client 1 while at Law Firm 2.

11. Records demonstrate that between approximately September 1, 2010 and approximately August 2014, Law Firm 2 paid Vendor 1 more than \$2,000,000. Ravelo, in her capacity as a partner at Law Firm 2, approved many, if not all, of the payments from Law Firm 2 to Vendor 1. The investigation has revealed that Vendor 1 provided little or no services to Law Firm 2.

12. Over the course of this investigation, law enforcement officers have identified and spoken with individuals allegedly employed by and/or associated with Vendor 1 and/or Vendor 2. For instance, law enforcement officers interviewed the individual who opened the bank account in the name of Vendor 1 ("Individual 1"). Individual 1 stated that: (a) Feliz flew Individual 1 to Nevada; (b) while in Nevada, Feliz had Individual 1 open a bank



account for Vendor 1; (c) Individual 1 thereafter provided signed blank checks associated with the account Individual 1 had opened for Vendor 1 to Feliz; and (d) Individual 1 did not have any substantive involvement with any business activity of Vendor 1.

13. Records also demonstrate that between approximately May 18, 2011, and August 17, 2012, Law Firm 2 paid Vendor 2 more than \$750,000. For instance, on January 24, 2013, Law Firm 2 caused an interstate wire transfer, which wire transfer was routed through New Jersey, to be sent to Vendor 2's bank account. Ravelo, in her capacity as a partner at Law Firm 2, approved many, if not all, of the payments from Law Firm 2 to Vendor 2. The investigation has revealed that Vendor 2 provided little or no services to Law Firm 2.

14. Law enforcement officers interviewed the individual ("Individual 2") who opened the bank accounts in the name of Vendor 2. Individual 2 stated that Ravelo incorporated Vendor 2. Individual 2 further stated that Individual 2: (a) opened bank accounts in New Jersey for Vendor 2 at the request of Ravelo; (b) provided signed blank checks associated with an account Individual 2 had opened for Vendor 2 to Ravelo; (c) caused wire transfers to be sent or checks to be issued from Vendor 2's bank accounts at Ravelo's instruction; and (d) did not have any substantive involvement with any business activity of Vendor 2.

15. Law enforcement officers have also interviewed employees of Law Firm 2, including several who stated they spent substantial time working

with Ravelo on matters for Client 1 during the timeframe of the conspiracy. These employees each stated that during the timeframe of the conspiracy alleged herein they reviewed no work product produced by Vendor 1 or Vendor 2 to the best of their recollection.

16. Records obtained during the investigation, including those concerning the Joint Bank Account, reveal that some wire transfers and or checks were issued to others for allegedly performing litigation support work. Law enforcement has interviewed some of these individuals, who have all stated that they never performed any legal or litigation support work during the timeframe of the conspiracy for Vendor 1 or Vendor 2. For example, Vendor 1 issued three checks totaling \$12,500 in the name of Individual 3 for allegedly performing litigation support work. Individual 3 stated, however, that she was never employed by nor did she perform any work for Vendor 1.

17. After Law Firm 1 and Law Firm 2 provided payments to Vendor 1 and Vendor 2, the bulk of those proceeds were subsequently transferred to an account which Ravelo and Feliz controlled. More specifically, records for Vendor 1 and Vendor 2's bank accounts show that the bank accounts were used to transfer more than \$4,000,000 to the Joint Bank Account.

18. Records for the Joint Bank Account reveal that the majority of the funds in the account were used for personal investments or expenses, including numerous apparent payments to a jewelry store in the combined amount of approximately \$250,000.

19. On or about December 22, 2014, pursuant to an Arrest Warrant signed by the Honorable Joseph A. Dickson, United States Magistrate Judge, District of New Jersey, law enforcement officers arrested Ravelo at her residence.

20. Specifically, in order to make the arrest, law enforcement entered Ravelo's residence. After entering the residence, law enforcement officers observed Ravelo in the hallway outside the master bedroom suite. Law enforcement placed Ravelo under arrest and handcuffed her in that hallway.

21. Ravelo then, at her request, used a bathroom adjacent to that hallway. Law enforcement removed the handcuffs prior to Ravelo using the bathroom.

22. Law enforcement then brought Ravelo, still without handcuffs, into her bedroom, which was in a master suite. Law enforcement took such action in order to allow Ravelo to change clothing and retrieve her passport. While in the bedroom and while still unrestrained, Ravelo picked up the Subject Phone, unlocked the Subject Phone, and attempted to make a telephone call. Law enforcement did not allow her to make a call. Ravelo then asked if she could give her attorney's telephone number to her son, to which law enforcement replied yes, but after she changed clothing.

23. Law enforcement then offered to get Ravelo clothing. Ravelo stated she had clothes in another room outside the master suite and which was adjacent to the hallway where she was arrested. Law enforcement walked Ravelo, who was still in possession of the Subject Phone, to this room.

24. Once in this room, Ravelo put the Subject Phone down and changed clothing.

25. Prior to again restraining Ravelo, law enforcement offered to type in Subject Phone's security code to get access to Ravelo's attorney's telephone number and asked Ravelo for the Subject Phone's security code to access the Subject Phone. In response, Ravelo provided the code for the Subject Phone to law enforcement, who, with Ravelo's help, retrieved her attorney's telephone number from a recent call list.

26. After providing the telephone number to Ravelo's son, law enforcement seized the Subject Phone. The Subject Phone has remained in law enforcement's possession since that time.

27. The investigation has revealed that Ravelo used a cellular telephone to: (a) communicate with at least one individual whom Ravelo knew was scheduled to meet with law enforcement and appear before a Grand Jury investigating Ravelo and Feliz concerning the Specified Federal Offenses; (b) direct this same individual to take acts in furtherance of the conspiracy in the past – which directions the individual stated were often conveyed by text message or telephone calls; and (c) send, within the past month, a text to a partner (saying thanks) and a separate text message to an associate (saying that Ravelo hoped the associate was okay) with whom she worked at Law Firm 2, which text messages were sent following Ravelo's knowledge of the investigation. Further, on the date of her the arrest, when law enforcement looked at the Subject Phone pursuant to Ravelo request to get her attorney's

telephone number, law enforcement observed that the Subject Phone's e-mail application was open and that within the e-mail application law enforcement observed that there was an e-mail either to or from Gary Freeman, Esq., who law enforcement believes may be a coconspirator in the Specified Federal Offenses.<sup>1</sup>

**PROCEDURES FOR HANDLING POTENTIALLY PRIVILEGED  
ATTORNEY-CLIENT MATERIAL FOUND WITHIN THE SUBJECT PHONE**

28. In identifying the items to be seized, every effort has been made to limit the scope of the warrant to only those matters which relate to the Specified Federal Offenses. It is likely that many of these items may be protected by the attorney-client privilege or the attorney work-product. Specifically, defense counsel for Ravelo has contacted the United States Attorney's Office and stated that the Subject Phone may contain text messages and e-mails between Ravelo and himself, others in his office, and his co-counsel.

29. The warrant will be executed according to protocols entitled "MEMORANDUM FOR SEARCH OF A PHONE CONTAINING POTENTIALLY PRIVILEGED MATERIAL" and "INSTRUCTIONS TO DESIGNATED ASSISTANT UNITED STATES ATTORNEY" copies of which are attached hereto as Schedule

<sup>1</sup> Specifically: (1) many of the documents that Ravelo submitted to Law Firm 2 in an attempt to cover up her criminal activity appear to be from Freeman's law office; (2) Freeman received money from Vendor 1's bank account (and it would be unusual for a vendor to be paying a law firm, based upon my training and experience); (3) following Ravelo's resignation from Law Firm 2, Freeman called three people at Law Firm 2 (including the partner and associate mentioned above) on behalf of and in support of Ravelo and Feliz. During these calls, Freeman addressed both Ravelo's current situation as well as the pending narcotics and money laundering trial against Feliz.

1 and Schedule 2 and incorporated herein. To summarize, if the Court authorizes the search of the Subject Phone, a Privilege Agent will take possession of the Subject Phone and maintain it in his/her custody, except as needed to further the review of the Subject Phone. The Privilege Agent will then work with the Privilege AUSA to review the Subject Phone. The Privilege AUSA will be from the U.S. Attorney's Office and will have no role in the further investigation and prosecution of this case other than to serve as a Privilege AUSA on other aspects of this case. The Privilege Agent will have no role in the further investigation and prosecution of this case other than to serve as a Privilege Agent on other aspects of this case. If the Privilege AUSA determines that material on the Subject Phone is within the scope of the warrant and not privileged, the Privilege AUSA and Privilege Agent will release the materials to the prosecution team. If the Privilege AUSA determines that material is outside the scope of the warrant, the material will be sealed and not turned over to the prosecution team. If the Privilege AUSA determines that any of the material is potentially privileged, the Privilege AUSA will review the items to determine whether an exception to the privilege applies to an item. This may also include a determination of whether or not the privilege has been waived. If it is determined that an exception does not apply and that the privilege has not been waived, the material will be sealed and not provided to the prosecution team. If the Privilege AUSA determines that an exception applies to any item, or that a privilege has been waived, the Privilege AUSA will prepare an in camera, ex parte motion to a Court with jurisdiction over the Specified Federal

Offenses seeking a ruling on whether the exception applies or there has been a waiver. Prior to filing such a motion, however, the Privilege AUSA will make an effort to "meet and confer" with any party who could assert a privilege claim in order to discuss the potential for resolving their respective claims without the necessity of filing a motion.




**REQUEST TO SEARCH THE PHONE  
AND ITEMS TO BE SEIZED**

30. Based on the foregoing, my conversations with other law enforcement officers, and my training and experience, I respectfully submit that there is probable cause to believe that the Subject Phone contains evidence and fruits of violations of the Specified Federal Offense, including but not limited information listed in Attachment B.

31. In light of the confidential nature of the continuing investigation, the Government respectfully requests that this affidavit and all papers submitted herewith be maintained under seal until the Court orders otherwise, except for the requested warrant itself

WHEREFORE, I respectfully request, pursuant to Rule 41 of the Federal Rules of Criminal Procedure, that a warrant be issued, authorizing the search and continued seizure of the Subject Phone.

  
\_\_\_\_\_  
Jason Annunziato, Criminal Investigator  
United States Attorney's Office, DNJ

Sworn to before me this  
24th December, 2014

  
\_\_\_\_\_  
CATHY L. WALDOR  
United States Magistrate Judge



## SCHEDULE 1

### MEMORANDUM FOR SEARCH OF A PHONE CONTAINING POTENTIALLY PRIVILEGED MATERIAL

Each agent participating in the execution of this search warrant should review both the application for the search warrant and the search warrant, paying particular attention to Attachment B to the search warrant which outlines the various items which are to be seized pursuant to the execution of the warrant.

The item to be searched is a cellular telephone (the Subject Phone<sup>TM</sup>). You may encounter electronic evidence, information or documents containing potentially privileged material. Documents which an attorney communicates with a client for purposes of rendering legal advice, or which a client communicates to the attorney for purposes of obtaining legal advice, are protected by the attorney-client privilege, and you are not permitted to read such documents for their content. In addition, documents that attorneys or their agents produce in furtherance of their representation of a client may be protected by the work-product privilege, and you are not permitted to read such documents for their content. These procedures are being implemented to ensure that only the specified materials are seized and that all seized materials are reviewed to ensure that the prosecution team is not been exposed to privilege materials.

#### **Instructions to Search Team**

1. The search team shall consist of a Privilege Agent. The Privilege Agent has been selected in part because he/she will have no further role in the investigation of this matter. Under no circumstances should the case agents view any documents that may contain privileged information seized during the execution of the warrant.
2. Your search is limited to the Subject Phone, which is presently located at the Drug Enforcement Administration's Office in Newark, New Jersey.
3. The Privilege Agent should secure the Subject Phone and maintain it in his/her custody, except as needed to further review the Subject Phone.

4. The Privilege Agent should then work with the Privilege AUSA to review the Subject Phone.

## SCHEDULE 2

### INSTRUCTIONS TO DESIGNATED ASSISTANT UNITED STATES ATTORNEY

1. You will work with the Privilege Agent to make sure that the Subject Phone - that is the iPhone with the Model No. A1533 and the IMEI No. 013850001358913, which cellular telephone is black in color on the front and silver in color on the back -- is properly reviewed.
2. You and the Privilege Agent are to conduct a thorough review of the Subject Phone and determine whether it contains any privileged information. You may request that members of the search team, or other designated law enforcement personnel assist you with reviewing the Subject Phone to determine if the seized items contain privileged information. Under no circumstances should any member of the prosecution team be involved in this review.
3. If you determine that material on the Subject Phone is within the scope of the warrant and not privileged, you should release the materials to the prosecution team.
4. If you determine that material is outside the scope of the warrant, you should have the Privilege Agent seal the material and it should not be turned over to the prosecution team.
5. If you determine that any of the material is potentially privileged, you should review the items to determine whether an exception to the privilege applies to an item. This may also include a determination of whether or not the privilege has been waived. If it is determined that an exception does not apply and that the privilege has not been waived, you should have the Privilege Agent seal the material and it should not be turned over to the prosecution team. If you determine that an exception applies to any item, or that a privilege has been waived, you should prepare an in camera, ex parte motion to a Court with jurisdiction over the specified federal offenses seeking a ruling on whether the exception applies or there has been a waiver. Prior to filing such a motion, however, you should make an effort to "meet and confer" with any party who could assert a privilege claim in order to discuss the potential for resolving their respective claims without the necessity of filing a motion.

6. You are instructed not to release to the prosecution team any of the materials for which you have sought or will seek a court review until you have reached an agreement with the privilege holder and/or their attorney or have received an Order from a Court with jurisdiction over the Specified Federal Offenses authorizing the release of those materials.