

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

UNITED STATES OF AMERICA * CRIMINAL NO. 20-050
v. * SECTION: "L"
CARLOS DAVID IRIAS *
* * *

FACTUAL BASIS

The defendant, **CARLOS DAVID IRIAS**, (hereinafter, the "defendant" or "**IRIAS**"), has agreed to plead guilty as charged to the Bill of Information now pending against him, charging him with intentionally accessing a protected computer without authorization and recklessly causing damage resulting in loss of more than \$5,000 during one year, in violation of Title 18, United States Code, Section 1030(a)(5)(B). Both the Government and the defendant, **CARLOS DAVID IRIAS**, do hereby stipulate and agree that the following facts set forth a sufficient factual basis for the crimes to which the defendant is pleading guilty. The Government and the defendant further stipulate that the Government would have proven, through the introduction of competent testimony and admissible, tangible exhibits, the following facts, beyond a reasonable doubt, to support the allegations in the Bill of Information now pending against the defendant:

The Government would establish that Company A was a New Orleans, Louisiana-based entity that, among other things, developed and distributed specialized urological medical devices including scopes and laser fibers. Company A was founded in about 2002. Company A sold its products both domestically and internationally.

AUSA JG
Defendant CJ.
Defense Counsel [Signature]

The Government would further establish that Company A contracted with Company B, a fee-based marketing platform that operated a secured cloud-based computer system to handle several marketing-related functions. First, Company A used Company B's platform to develop and store marketing-related materials, including email contact lists and marketing templates and brochures. Second, Company A used Company B's platform to transmit email marketing campaigns and obtained analytics related to the response and success rates of the campaigns. Company A's account with Company B included a unique account name, user name, and password created and maintained by Company A. To access Company A's account with Company B, an individual was required to log in both the user name and password. Company B's systems, including those affiliated with Company A's account, were used in and affected interstate and foreign commerce and communication. As such, Company B's systems, including those affiliated with Company A's account, constituted a "protected computer," as that term is defined in Title 18, United States Code, Sections 1030(e)(1) and 1030(e)(2).

The Government would further establish that from about 2012 until about August 14, 2017, **IRIAS** was employed by Company A. In his capacity as an employee of Company A, **IRIAS** was responsible for, among other things and setting up Company A's account with Company B, designing certain marketing templates. **IRIAS** also served as Company A's South and Central America International Product Manager, and in that capacity, he was responsible for coordinating sales, conducting product demonstrations, and developing client contacts for Company A. **IRIAS** was one of only three individuals who knew the username and password of Company A's account with Company B. On about August 14, 2017, **IRIAS** terminated his employment relationship with Company A. Consequently, as of not later than August 14, 2017, **IRIAS** no longer was authorized

to access Company A's account with Company B. Between August 14, 2017, and November 2017, Company A took steps to restrict access to its account with Company B, including changing the password needed to log into the account and changing the contact email address affiliated with the account.

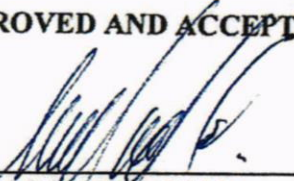
The Government would further establish, through the introduction of documentary evidence and the testimony of Federal Bureau of Investigation (FBI) Special Agent Alena Cristina Jaime-Ramirez, that on about November 2, 2018, **IRIAS** intentionally accessed Company A's account with Company B externally, without authorization, from his residence in Cutler Bay, Florida. After obtaining access to Company A's account with Company B, **IRIAS** exported the contents of the account to a server under his unique control. Thereafter, **IRIAS** deleted the contents of the account from Company B's servers, making it inaccessible and unavailable to Company A. As a result of the unauthorized intrusion, Company A was unable to conduct marketing campaigns from about November 2018 until October 2019. Furthermore, Company A was unable to contact and communicate with their customer base for approximately two or three months, which jeopardized Company A's reputation in the specialized field in which it operated. By engaging in the actions described above, **IRIAS** recklessly caused damage, namely the impairment to the integrity and availability of data, a program, a system, and information, as defined in Title 18, United States Code, Section 1030(e)(8). The Government would establish that **IRIAS'** actions resulted in a loss to Company A, in the form of costs associated with responding to the offense, conducting a damage assessment, and restoring data, program, system, and information to its pre-offense condition, in the amount of approximately \$14,593 within one year.

The above facts originate from an investigation conducted by, and would be proven at trial by credible testimony from, Special Agents of the Federal Bureau of Investigation, representatives of Company A, and documents and tangible exhibits in the custody of the Federal Bureau of Investigation, and the statements of the defendant, **CARLOS DAVID IRIAS**.

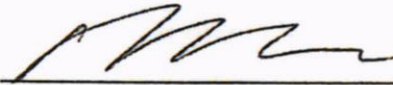
Limited Nature of Factual Basis

This proffer of evidence is not intended to constitute a complete statement of all facts known by **DEFENDANT** and/or the Government. Rather, it is a minimum statement of facts intended to prove the necessary factual predicate for his guilty plea. The limited purpose of this proffer is to demonstrate that there exists a sufficient legal basis for the pleas of guilty to the charged offenses by **DEFENDANT**.

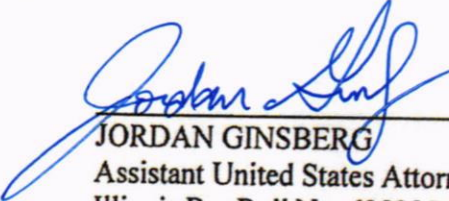
APPROVED AND ACCEPTED:



CARLOS DAVID IRIAS 7/7/2020
Defendant Date



BRIAN H. BIEBER 7/6/20
Attorney for Defendant Irias Date



JORDAN GINSBERG 7-7-20
Assistant United States Attorney Date
Illinois Bar Roll No. 6282956