

COPY

DAVID PAUL WHITE #3441  
Attorney for Defendant  
5278 Pinemont Drive, Suite A-200  
Murray, Utah 84123  
Telephone: (801) 266-4114

---

**IN THE THIRD DISTRICT COURT, SALT LAKE DEPARTMENT**  
**IN AND FOR THE COUNTY OF SALT LAKE, STATE OF UTAH**

---

THE STATE OF UTAH,

Plaintiff,

v.

CORRINE McNABB,

Defendant.

**PLEA IN ABEYANCE AGREEMENT**

Case No. 041903854FS

Judge Deno Himonas

---

It appearing that the above-named defendant has been charged with the following offenses in Salt Lake County, State of Utah, specifically: five counts of Securities Fraud, each a second degree felony; one count of Offer or Sale of Unregistered Security, a third degree felony; One count of Sales by an Unlicensed Broker-Dealer, Agent or Investment Advisor, a third degree felony; and, one count of Pattern of Unlawful Activity (Racketeering), a second degree felony, in violation of 61-1-1; 61-1-3, 61-1-7; and 76-10-1601, Utah Code Annotated, 1953, as amended, and after an investigation of the offense and the defendant's background that the

interests of the State of Utah, the defendant's interests, and the interest of justice will best be served by the following procedure.

THEREFORE, pursuant to the authority of Section 77-2a-1 *et. seq.*, Utah Code Annotated 1953, as amended, upon motion of Office of the Utah Attorney General and the defendant, a plea of guilty to the charges of: Count Four, Securities Fraud, a second degree felony, will be held in abeyance for a period of 36 months and Judgment of Conviction shall not be entered against the defendant nor shall sentence be imposed upon defendant, upon the following agreement and understanding:

I, the Defendant, Corinne McNabb, hereby acknowledge by my initials that I have been advised of and understand the following facts and rights:

\_\_\_\_\_ 1. I have not waived my right to counsel and I am represented by David Paul White.

\_\_\_\_\_ 2. I understand the nature of the criminal offenses for which I am pleading guilty, and am entering this plea voluntarily of my own free will and choice.

\_\_\_\_\_ 3. I understand the elements of the offense to which this plea is entered are as follows:

SECURITIES FRAUD, a second-degree felony

\_\_\_\_\_ 4. Commencing on or about July 1999, in Salt Lake County, State of Utah, I (the defendant, Corrine McNabb), committed Securities Fraud in connection with the offer or sale of an investment, directly or indirectly, to Ann Hall by:

- a. Making untrue statements of material facts or omitting to state material facts necessary in order to make the statements made, in the light of the circumstances

under which they were made, not misleading; or engaging in an act, practice, or course of business which operated or would operate as a fraud or deceit.

\_\_\_\_\_ 6. I further understand that if this case proceeded to trial the prosecution would have the burden of proving each of the foregoing elements beyond a reasonable doubt, and that these pleas are an admission to all the foregoing elements.

\_\_\_\_\_ 7. I know and understand that I have the right to the presumption of innocence, the right against compulsory self incrimination, the right to a speedy public trial before an impartial jury, the right to confront and cross-examine in open court the prosecution witnesses, the right to compel the attendance of witnesses, and that by entering the plea, these rights are waived.

\_\_\_\_\_ 8. I know that under the Constitution of the State of Utah that if I were tried and convicted by a jury or by the Judge, that I would have the right to appeal my conviction and sentence to the Utah Court of Appeals or, where allowed, the Supreme Court of Utah and that if I could not afford to pay the costs for such appeal, those costs would be paid by the State.

\_\_\_\_\_ 9. I know that I have the right to file a Motion to Withdraw the entry of this guilty plea in abeyance, which Motion must be filed within 30 days from the date hereof.

\_\_\_\_\_ 10. I know that the maximum possible sentence that may be imposed if my plea of guilty is entered is a term of one to fifteen years, and a fine of up to \$10,000. I know that in addition to any fine, an 85% surcharge, required by Utah Code Annotated § 63-63-9, will be imposed. I also know that I may be ordered by the court to make restitution to any victim or victims of my crime. I also know the minimum sentence that may be imposed if my guilty plea is entered is one year.

\_\_\_\_\_ 11. I know that imprisonment may be for consecutive periods, or the fine for additional amounts, if my plea is to more than one charge. I also know that if I am on probation, parole, or awaiting sentencing on another offense of which I have been convicted or to which I have pleaded guilty, my plea in the present action may result in consecutive sentences being imposed upon me.

\_\_\_\_\_ 12. I know and understand that by pleading guilty, I am waiving my statutory and constitutional rights set out in the preceding paragraphs. I also know that by entering such plea I am admitting and do so admit that I have committed the conduct alleged and I am guilty of the crimes for which my plea is entered.

\_\_\_\_\_ 13. I agree to provide any personal and social background necessary to implement the plea in abeyance conditions including any written consents necessary for the release of confidential information.

\_\_\_\_\_ 14. I understand that my plea is to be held on the following conditions:

- b. All remaining counts under the information are dismissed with prejudice.
- c. No sentence of incarceration will be imposed if I comply with the terms of this agreement, which will last for a minimum of 36 months, or until restitution has been paid in full.
- d. I will submit to the jurisdiction of this court in administering restitution to all victims in this case, whether alleged or not, in the amount of \$11 million, less amounts paid directly by me in settlement of civil claims, with joint and several

liability with co-defendant Glenn Ambort. I will provide verification to the State of any amounts which I have paid through civil action.

- e. I agree to tender an initial payment of \$230,000.00 toward restitution at the time of entry of this plea. Said payment shall be paid through the Utah Attorney General's Office for distribution to the victims as alleged in this case. The exact amount of restitution owing to each victim shall be determined between the parties.
- f. I agree to pay the balance of restitution owed, whether in large lump sum payments or in an amount of no less than \$10,000.00/month. Said payments shall be made payable through the Office of the Utah Attorney General for disbursement to the victims in this case. Payments shall be made on or before the 25<sup>th</sup> day of each month and shall commence 30 days after entry of this plea.
- g. I agree to fully cooperate if required by the State, that I will testify truthfully in any State and/or federal hearing and/or trial against any one or more of the co-defendants in this case.
- h. I agree not to act as a fiduciary in the offer or sale of a security within the United States.
- i. I will distribute a message via mass email to the alleged victims in this case which states in substance that I am entering a guilty plea to the charge listed above, and listing the potential penalties for the crimes. This message will include the following statements:

'I have agreed with the Utah Attorney General's office that I will enter a guilty plea to securities fraud, a second-degree felony. This plea will be held in abeyance. I will not be convicted unless I do not comply with the terms of the agreement. I have also agreed to re-pay \$11 million through a fund set up by the State of Utah to MyCor investors who lost money. Otherwise, the State of Utah will refrain from further prosecution. Once I have satisfied the State of Utah in this case, including the full payment of restitution, the case will be dismissed.'

After this message, I will have no further contact with the alleged victims via email or any other form of communication.

- j. I will submit to the continuing jurisdiction of this court in administering the restitution under this plea in abeyance.
- k. I will provide a complete list of investors known to me, including their contact information, and the amount of principal they invested, to the Attorney General's Office for comparison with the information already provided to the Attorney General's Office. This list will also assist the Attorney General's Office in compiling a complete list of victims in this case.
- l. Any distributions of funds to victims in this case will be handled through the Utah Attorney General's Office.
- m. Other than minor infractions, I shall have no other violations of law that are committed during the term of this agreement.

\_\_\_\_\_ 15. If required, I shall pay a nonrefundable plea in abeyance fee in an amount of \$1,000.00; pay the costs of administration of this agreement and comply with any and all other conditions which may be imposed as a condition of this plea in abeyance.

\_\_\_\_\_ 16. I understand that if, at any time during the term of the Plea in Abeyance Agreement, information comes to the attention of the prosecuting attorney or the court that I have violated any condition of this agreement, the court, at the request of the prosecuting attorney, or upon its own motion, may issue an order requiring me to appear before the court at a designated time and place to show cause why the court should not find the terms of the agreement to have been violated and why the agreement should not be terminated. If, following an evidentiary hearing, the court finds that I have failed to substantially comply with any term or condition of this Plea in Abeyance Agreement, it may terminate the agreement and enter Judgment of Conviction and impose sentence against me for the offenses to which the plea was entered. Upon entry of the Judgment and conviction and Imposition of Sentence; any amounts paid by me as a plea in abeyance fee prior to termination of the agreement shall be credited against any fine imposed by the court.

\_\_\_\_\_ 17. I understand that if I violate the terms of this agreement, the court could impose the maximum sentence for the crimes listed above.

\_\_\_\_\_ 18. The termination of this Plea in Abeyance Agreement and subsequent entry of Judgment of Conviction and imposition of sentence shall not bar any independent prosecution arising from any offense that constitutes a violation of any term or condition of this Plea in Abeyance Agreement.

\_\_\_\_\_ 19. Upon motion by defendant and a finding that I have successfully completed the terms of this Plea in Abeyance Agreement, including the full payment of restitution, the court shall:

- a. Allow a withdrawal of my plea of guilty to Securities Fraud, a second degree felony, and order the dismissal of the case.

\_\_\_\_\_ 20. No threats, coercion, or unlawful influence of any kind have been made to induce me to plead guilty, and no promises, except those contained herein, have been made to me.

\_\_\_\_\_ 21. I am \_\_\_\_\_ years of age, I have attended school through the \_\_\_\_\_ grade, and I can read and understand the English language. I was not under the influence of any drugs, medication, or intoxicants when the decision to enter this plea was made. I am not presently under the influence or any drugs, medication, or intoxicants.

\_\_\_\_\_ 22. I believe myself to be of a sound and discerning mind, mentally capable of understanding the proceedings and the consequences of my plea, and free of any mental disease, defect, or impairment that would prevent me from knowingly, intelligently, and voluntarily entering my plea.

\_\_\_\_\_ 23. I hereby certify and state that the above has been read by me and explained to me and that I understand the conditions of the plea in abeyance and agree that I will comply with them.

8/10/07  
Date

[Signature]  
E. Neal Gunnarson  
Prosecuting Attorney

8/10/07  
Date

[Signature]  
David Paul White  
Attorney for the Defendant

8/10/07  
Date

[Signature]  
Corrine McNabb  
Defendant

**ORDER**

This court having read the foregoing and it appearing that the Plea in Abeyance Agreement is in the interest of justice and the public interest, defendant's plea of guilty to count four is hereby accepted, but shall be held in abeyance for a minimum period of 36 months and judgment and conviction shall not be entered against said defendant nor shall sentence be imposed upon defendant at this time. All remaining counts under this information are hereby dismissed with prejudice.

IT IS HEREBY ORDERED that defendant comply with the terms and conditions contained in the Plea in Abeyance Agreement with the court hereby reserving the right to impose sentence herein at any time should defendant violate the terms and conditions of the Plea in Abeyance Agreement.

Dated this 10 day of Aug., 2007

BY THE COURT:

  
\_\_\_\_\_  
Judge  
District Court Judge