

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE DISTRICT OF SOUTH CAROLINA
COLUMBIA DIVISION

UNITED STATES OF AMERICA) Criminal No:
)
 v.)
) **PLEA AGREEMENT**
 C&D DISTRIBUTORS, LLC)
)

General Provisions

This PLEA AGREEMENT is made this 7th day of August, 2007,

between the United States of America, as represented by United States Attorney REGINALD I. LLOYD, Assistant United States Attorneys DEBORAH B. BARBIER and WINSTON D. HOLLIDAY, JR.; the Defendant, **C&D DISTRIBUTORS, LLC**, and Defendant's Attorney,

GREG HARRIS

IN CONSIDERATION of the mutual promises made herein, the parties hereto agree as follows:

1. The Defendant, **C&D DISTRIBUTORS, LLC**, agrees to waive Indictment and arraignment, and plead guilty to an Information charging
(1) CONSPIRACY TO COMMIT WIRE FRAUD, in violation of Title 18, United States Code, § 1349, and
(2) CONSPIRACY TO LAUNDER MONEY, a violation of Title 18, United States Code, § 1956(h).

In order to sustain it's burden of proof as to the CONSPIRACY TO COMMIT WIRE FRAUD, the Government is required to prove the following:

From in or about November 1997, through in or about September 2006, in the District of South Carolina, the Defendant

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(A) formed, reached, or entered into the conspiracy, agreement, or understanding to commit wire fraud, as described in the information, with at least one other entity;

(B) at some time during the existence or life of the conspiracy, agreement, or understanding, knowingly performed one of the overt acts charged in the indictment in order to further or advance the purpose of the agreement; and

(C) at some time during the existence or life of the conspiracy, agreement, or understanding, knew the purpose of the agreement, and then deliberately joined the conspiracy, agreement, or understanding.

Possible Penalties for 18 U.S.C. § 1349

\$250,000 fine

\$400 special assessment

In order to sustain it's burden of proof as to the CONSPIRACY TO COMMIT MONEY LAUNDERING, the Government is required to prove the following:

From in or about November 1997, through in or about September 2006, in the District of South Carolina, the Defendant

(A) knowingly conducted, or attempted to conduct, a financial transaction;

(B) knew that the funds or property involved in the financial transaction represented the proceeds of some form of unlawful activity;

(C) that the funds or property involved in the financial transaction did in fact represent the proceeds of specified unlawful activity – in this case the proceeds of the wire fraud conspiracy; and

(D) that the Defendant engaged in the financial transaction with the intent to promote the carrying on of such specified unlawful activity.

Possible Penalties for 18 U.S.C. § 1956(h)

\$250,000 fine

\$400 special assessment

2. The Defendant agrees to provide detailed financial information to the United States Probation Office prior to sentencing. The Defendant further understands and agrees that any monetary penalty imposed is not dischargeable in bankruptcy.



- (A) Fines: The Defendant understands and agrees that the court may impose a fine pursuant to 18 U.S.C. §§ 3571 and 3572, which fine may be due and payable immediately after sentencing regardless of whether the Defendant has the money to pay the fine. In the event the Defendant does not have the money, the Defendant understands and agrees that the court may establish a payment schedule, taking into account the Defendant's present and future means of earning money, or of obtaining money to pay the fine.
- (B) Restitution: The Defendant agrees to make full restitution under 18 U.S.C. § 3556 in an amount to be determined by the court at the time of sentencing, which amount is not limited to the count(s) to which the Defendant pled guilty, but will include restitution to each and every identifiable victim who may have been harmed by her scheme or pattern of criminal activity, pursuant to 18 U.S.C. § 3663. The Defendant agrees to cooperate fully with the government in identifying all victims. The Defendant understands and agrees that full payment of restitution is due immediately after sentencing unless the court provides, in the interest of justice, for payment on a date certain or in installments over the shortest time in which full payment can be reasonably made. The Defendant further understands and agrees that the government will seek enforcement of any order of restitution, and reserves the right to petition the court at a later date to increase the amount of any installment payments toward restitution in the interest of justice.
- (C) Special Assessment: Pursuant to 18 U.S.C. §3013, the Defendant must pay a special assessment of \$100.00 for each felony count for which it is convicted. This special assessment must be paid at or before the time of the guilty plea hearing.



3. The Defendant understands that the matter of sentencing is within the sole discretion of the Court and that the sentence applicable to Defendant's case will be imposed after the Court considers as advisory the United States Sentencing Commission Guidelines, Application Notes and Policy Statements, as well as the factors set forth in Title 18, United States Code, Section 3553(a). The Defendant also understands that Defendant's sentence has not yet been determined by the court, and that any estimate of a probable sentencing range Defendant may have received from Defendant's attorney, the Government or the United States Probation Office is only a prediction, not a promise, and is not binding on the Government, the Probation Office or the Court. The Defendant further understands that the Government retains the right to inform the Court of any relevant facts, to address the Court with respect to the nature of the offense, to respond to questions raised by the Court, to correct any inaccuracies or inadequacies in the presentence report, to respond to any statements made to the Court by or on behalf of the Defendant and to summarize all evidence which would have been presented at trial to establish a factual basis for the plea.
4. The Defendant agrees that all facts that determine its offense level under the Guidelines and pursuant to any mandatory minimum (including facts that support any specific offense characteristic or other enhancement or adjustment) can be found by the court at sentencing by a preponderance of the evidence standard and the court may consider any reliable evidence, including hearsay. By executing this Agreement, the Defendant understands that it waives any argument that facts that determine its offense level under the Guidelines and pursuant to any mandatory minimum should be alleged in an indictment and found by a jury beyond a reasonable doubt.
5. The Defendant understands that the obligations of the Government within the Plea



Agreement are expressly contingent upon the Defendant's abiding by federal and state laws.

6. In the event that the Defendant fails to comply with any of the provisions of this Agreement, either expressed or implied, it is understood that the Government will have the right, at its sole election, to void all of its obligations under this Agreement and the Defendant will not have any right to withdraw its plea of guilty to the offense(s) enumerated herein.

Cooperation and Forfeiture

7. The Defendant, **C&D DISTRIBUTORS, LLC**, agrees to the following forfeiture provisions:

- A. The Defendant agrees to voluntarily surrender to, and not to contest the forfeiture by, the United States of America of any and all assets and property interests which are subject to forfeiture pursuant to any provision of law, whether such assets and property interests are in the possession or control of the Defendant, or held on the Defendant's behalf by nominees or other third parties, including, but not limited to, the following specific property:

- (1) Any property, real and personal, constituting or derived from any proceeds the Defendant obtained, directly or indirectly, as the result of violation(s) of Title 18, United States Code, and all property traceable to such property;
- (2) Any property, real and personal used or intended to be used in any manner or part, to commit or to facilitate the commission of such violation(s) of Title 18, United States Code;
- (3) Money Judgment

The Defendant consents to entry of a personal money judgment against the Defendant in favor of the United States in the amount of \$20,576,925.00 in United States currency, and all interest and proceeds traceable thereto.

- (4) Real Property:

All right, title and interest of the Defendant, C&D DISTRIBUTORS, LLC, in and to certain real property, together with all improvements thereon, and with all rights and easements appertaining, being more fully described as follows:

1. **2410 Highway 174,
1499 Marsh Bluff Court, Lot B**



Edisto Island, SC 29438
Charleston County, South Carolina
Tax Map Number: 025-00-00-038
Titled in the name of: C&D DISTRIBUTORS, LLC

All that certain piece, parcel or tract of land, with buildings and improvements thereon, situate, lying and being on Edisto Island in the County of Charleston, State of South Carolina, containing 1.3578 acres, more or less, of highland, and 2.7036 acres, more or less, of marsh, and being shown and designated as "LOT B-HIGHLAND" and "LOT B-MARSH" on a plat prepared by Robert L. Frank, RLS #4177, entitled "A BOUNDARY SURVEY, CUL DE SAC ABANDONMENT, AND DOCK EASEMENT ADJUSTMENT OF LOT B LOCATED ON EDISTO ISLAND CHARLESTON COUNTY, SOUTH CAROLINA" dated April 2, 2003, revised June 19, 2003, and recorded in the RMC Office for Charleston County in Plat Book EG at Page 457, said plat being incorporated herein as a part of this description and said tract being bounded now or formerly and measuring more or less as follows: On the Northeast by Store Creek and measuring thereon Three Hundred Seventy-nine and Eighteen Hundredths (379.18') feet; on the East and Northeast by marsh and by highland belonging to Steve R. and Helen P. Rowland and measuring thereon Four Hundred Sixty-five and Forty-two Hundredths (465.42') feet and Four Hundred Thirteen and Seventy-seven Hundredths (413.77') feet, respectively, on the Southeast by a 50' R/W Easement and measuring thereon One Hundred Thirty-four and Ninety-six Hundredths (134.96') feet; and on the Southwest by highland and by marsh belonging to Meredith Family, LLC, and measuring thereon Four Hundred Forty-four and Thirty-seven Hundredths (444.37') feet and Seven Hundred Thirty and Eighty-three Hundredths (730.83') feet, respectively.

This being the same property conveyed to C&D DISTRIBUTORS, LLC, by deed of Newton Cooke Boykin dated August 21, 2006, recorded August 23, 2006 in the office of the Register of Deeds for Charleston County in Book R595 at Page 555.

2. **314 Jungle Road**
Edisto Island, SC 29438
Colleton County, South Carolina
Tax Map Number: 356-15-00-062
Titled in the name of: C & D DISTRIBUTORS, LLC

All that certain piece, parcel or lot of land, situate, lying and being in Jungle Shores Subdivision, in the Town of Edisto Beach, County of Colleton, State of South Carolina, and being designated as Lot G,

Block 6, of said Subdivision, as shown on that certain plat entitled, "A Closing Survey of 314 Jungle Road, Known as Lot G, Block 6, of the Town of Edisto, Located in Colleton County, S.C., to be Conveyed to Calvin Clifton, Leslie Young, Kimberly Rakes-Stephens and Barry Stephens," prepared by Robert Frank Surveying, RLS #4177, dated May 5, 2004, and recorded June 10, 2004, in Plat Book 721, at Page 9, in the Office of the Clerk of Court for Colleton County, South Carolina. Said plat measures and bounds as follows: Bounded on the Northeast by Lot F, Block 6, of said Subdivision, and measuring thereon One Hundred Twelve and sixteen hundredths (112.16) feet; bounded on the Southeast by edge of highland, in an irregular line, and measuring thereon Eighty-six and ninety-nine hundredths (86.99) feet; bounded on the Southwest by Lot H, Block 6, of said Subdivision, and measuring thereon One Hundred Eight and eighty-five hundredths (108.85) feet; and bounded on the Northwest by a Street presently known as Jungle Road, and measuring thereon Eighty-six and thirty hundredths (86.30) feet; be all of said measurements more or less. For a more specific description, reference may be had to the above-referenced plat.

This being the same property conveyed to C & D DISTRIBUTORS, LLC, by deed of Barry A. Stephens, Kimberly Rakes-Stephens, MD, Leslie B. Young nka Leslie Young Clifton and Calvin D. Clifton, dated May 12 and May 15, 2006, recorded May 19, 2006 in the Office of the Clerk of Court for Colleton County in Book 01366 at Page 00124.

3. **607 Jungle Road**
Edisto Island, SC 29438
Colleton County, South Carolina
Tax Map Number: 357-02-00-026
Titled in the name of: C & D DISTRIBUTORS,
A Partnership

ALL that certain piece, parcel or lot of land, situate, lying being on Edisto Beach in the County of Colleton, State of South Carolina, and being known and designated as Lot D, Block 11, on a plat entitled "A CLOSING SURVEY OF 607 JUNGLE ROAD, SHOWN AS LOT D BLOCK 11 ON A PLAT AT BOOK 602 PAGE 2. LOCATED IN THE TOWN OF EDISTO BEACH, COLLETON COUNTY, S.C. TO BE CONVEYED TO REA BOLIN" dated July 26, 2002, and recorded in the Office of the Clerk of Court for Colleton County in Book 700, at Page 9, said plat being incorporated herein as part of this description; said lot being bounded now or formerly and measuring more or less as follows: On the Northeast by Lot C, Block 11, and measuring thereon Ninety-nine and Ninety-three Hundredths

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(99.93') feet; on the Southeast by Jungle Road 50'R/W and measuring thereon One Hundred (100') feet; on the Southwest by Lot E, Block 11, and measuring thereon One Hundred Six and Ninety five Hundredths (106.95') feet; and on the Northwest by Jungle Shores Drive 50'R/W and measuring thereon One Hundred Nineteenth Hundredths (100.19') feet.

This being the same property conveyed to C & D DISTRIBUTORS, A Partnership, by deed of Rea M. Bolin dated September 23, 2004, recorded September 24, 2004 in the Office of the Clerk of Court for Colleton County in Book 01077 at Page 00044.

4. **2701 Myrtle Street**
Edisto, South Carolina 29438
Colleton County, South Carolina
Tax Map Number: 354-12-00-095
Titled in the name of: 2701 Myrtle Street, LLC

All that certain piece, parcel or lot of land, with buildings and improvements thereon, situate, lying and being in the Town of Edisto Beach, County of Colleton, State of South Carolina, being known and designated as Lot 1, Block EEE, as shown on a plat entitled "PLAT & HOUSE LOCATION MADE AT THE REQUEST OF SUSAN SIMMS" prepared by Heaner Inc. dated June 30, 2006, and recorded in the RMC Office for Charleston County in Plat Book 762 at Page 10, said plat being incorporated herein as a part of this description and said lot being bounded now or formerly and measuring more or less as follows: On the Northeast by Laroche Street and measuring thereon One Hundred Fifty and Six Tenths (150.6') feet; on the Southeast by Myrtle Street and measuring thereon Seventy-four and Nine Tenths (74.9') feet; on the Southwest by Lot 2, Block EEE, and measuring thereon One Hundred Forty-nine and Eighty-eight Hundredths (149.88') feet; and on the Northwest by Lot 5, Block EEE, and measuring thereon Seventy-four and Ninety-nine Hundredths (74.99') feet.

This being the same property conveyed to 2701 Myrtle Street, LLC by deed of Susan B. Sims dated September 29, 2006, recorded October 4, 2006 in the office of the Register of Deeds for Colleton County in Book 1422 at Page 31.

5. **2.91 Acres, 3 Tracts**
1773 / 1779 Augusta Highway
Lexington, South Carolina
Lexington County, South Carolina

Tax Map Numbers: 004200-04-12, 004200-04-013 and 004200-04-014

Titled in the name of: C&D DISTRIBUTORS, LLC

All that certain piece, parcel or tract of land, with improvements thereon, situate, lying and being near the Town of Lexington, School District No. 1, State of South Carolina, comprising of three tracts containing a total of 2.91 acres on a plat prepared for C&D DISTRIBUTORS, LLC by Survey & Mapping Service of South Carolina, Inc., dated May 14, 2002 and recorded in the Office of the ROD for Lexington County in Plat Slide 673, at Page 10. For a more specific description of the metes and bounds of said property, reference is hereby made to the aforementioned plat which is incorporated and made a part hereof. Also for plat see Record Book 7324 page 227.

This being the same property conveyed to C & D DISTRIBUTORS by deed of Thomas C. Boozer dated July 1, 2002, recorded July 3, 2002 in the Office of Register of Deeds for Lexington County in Book 7324 at Page 222.

6. **Lots 41 and 42, Block B**
409 South Lakeshore Ct.
Gilbert, S.C. 29054
Lexington County, South Carolina
Tax Map Number: 003018-02-043
And 1997 Fleetwood Mobile Home, 48'x28'
Titled in the name of: C&D DISTRIBUTORS

All that certain piece, parcel, lot or tract of land, with improvements thereon, situate, lying and being in the County of Lexington, State of South Carolina, located approximately nine (9) miles North of the Town of Lexington and to the East by U.S. Highway No. 378 and being more particularly shown and delineated as Lot No. Forty-one (41) and Lot No. Forty-two (42), Block "B" on a plat recorded in the Office of the Clerk of Court for Lexington County in Plat Book 62-G, at Page 85.

This being the same property conveyed to C&D DISTRIBUTORS by deed of Johnny R. Raley and Joanne S. Raley dated June 19, 2001, recorded June 21, 2001 in the Office of the Register of Deeds for Lexington County in Book 6462 at Page 211.

7. **886 Corley Mill Road, Lexington, South Carolina**
Lexington County, South Carolina

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Tax Map Number: 003500-01-033

Titled in the name of: Charlene Shuler Corley

AN UNDIVIDED ONE-HALF INTEREST IN AND TO: all that certain piece, parcel or lot of land, together with the improvements thereon, situate, lying and being bounded on the Northwest and Northeast by other land n/f of Annie Bell Corley, on the Southeast by lands formerly of Bowden and later of Gantt, and on the Southwest by the public road from Columbia to Lake Murray; all of which will be more particularly shown by a plat thereof made by Jas. C. Covington, C.E., May 13, 1959, recorded in Plat Book 50-G, at page 160. Said plat shown this property containing 4.1 acres, more or less. For a more complete description, reference is had to said plat.

This property being the same undivided one-half interest conveyed to Charlene Shuler Corley by Deed of Wayne Drafts Corley, dated September 4, 2002 and recorded September 11, 2002 in the Office of the ROD for Lexington County in Record Book 7480 at Page 340.

(5) Bank Accounts / Investment Accounts:

Funds, interest and credits in banking, brokerage and investment accounts held for any of the Defendant, C&D DISTRIBUTORS, LLC, at financial institutions, which includes, but is not limited to the following:

1. First Community Bank, Lexington, South Carolina
Account #1039881
In the name of: C&D DISTRIBUTORS, LLC
Approximate Balance: \$2,671,817.28
2. First Community Bank, Lexington, South Carolina
Account #2099926
In the name of: Darlene Wooten
Approximate Balance: \$6,230.82
3. First Community Bank, Lexington, South Carolina
Account #2148633
In the name of: Darlene Wooten
Approximate Balance: \$2,317.07
4. First Community Bank, Lexington, South Carolina
Account #2148706
In the name of: Darlene Wooten

Approximate Balance: \$9,716.83

5. First Community Bank, Lexington, South Carolina
Account #2099888
In the name of: Charlene Corley
Approximate Balance: \$5,658.79
 6. First Community Bank, Lexington, South Carolina
Account #2148803
In the name of: Charlene Corley
Approximate Balance: \$4,402.69
 7. First Citizens Bank, Lexington, South Carolina
Account # 083032553601
In the name of: United Tech, LLC
Approximate Balance: \$200,794.58
 8. First Citizens Bank, Lexington, South Carolina
Account #083032552801
In the name of: Industrial Building Materials Corp.
Approximate Balance: \$409,438.87
- (6) Vehicles / Boats:
1. 2007 Mercedes Benz SL550R, white in color
VIN# WDBSK71F07F124726
Registered to: C & D DISTRIBUTORS, LLC
SC License Tag: 537TTH
 2. 2007 Mercedes Benz SL550R, silver in color
VIN# WDBSK71F67F119028
Registered to: C & D DISTRIBUTORS
SC License Tag: 607UBW
 3. 2007 Mercedes Benz S550V
VIN# WDDNG71XX7A070900
Registered to: C&D DISTRIBUTORS, LLC
SC License Tag: 536TTH
 4. 2007 BMW 550I, black in color
VIN# WBANB53577CP04982
Registered to: C & D DISTRIBUTORS
SC License Tag: 608UBW



5. 2006 Lexus LS430
VIN# JTHBN36F365038467
Registered to: C & D DISTRIBUTORS
SC License Tag: T13483
6. 2005 Lexus SC 430
VIN# JTHFN48Y150066530
Registered to: C&D DISTRIBUTORS, LLC
SC License Tag: 536TTH
7. 2007 Mercedes SL550
VIN#WDBSK71F27F123271
Registered to: Ellery Locklear
SC License Tag: 302VUB
8. 2006 Lexus SC
VIN# JTHFN48Y369004530
Registered to: C&D DISTRIBUTORS, LLC
SC License Tag: 536TTH
9. 1999 Kawasaki 10' inboard watercraft
Registration number 2815BL5
10. 2001 Suntracker 23' outboard watercraft
Registration number 9624BK

(7) Businesses / Corporate Interests:

Any and all right title and interest of C&D DISTRIBUTORS, LLC, in and to business assets and corporate interests held in the name(s) of the following entities, including but not limited to, all monies, claims, interests and accounts receivable payable to or received by the following entities:

1. C&D Delivery Services
130 Wing Hill Drive
Lexington, South Carolina 29072
2. Dough and Cookie, LLC
1773 Augusta Road
Lexington, South Carolina 29072



3. Foreign Commodities International, Inc.
130 Wing Hill Drive
Lexington, South Carolina 29072
 4. Industrial Building Materials Corporation
Address Unknown
 5. United Technical Systems, LLC
Address Unknown
 6. 2701 Myrtle Street, LLC
2701 Myrtle Street
Edisto, South Carolina
- (8) Fixtures, equipment and inventory located at the following businesses:
1. C&D Delivery Services
130 Wing Hill Drive
Lexington, South Carolina 29072
 2. Dough and Cookie, LLC
1773 Augusta Road
Lexington, South Carolina 29072
 3. Foreign Commodities International, Inc.
130 Wing Hill Drive
Lexington, South Carolina 29072
 4. Industrial Building Materials Corporation
Address Unknown
 5. United Technical Systems, LLC
Address Unknown
 6. 2701 Myrtle Street, LLC
2701 Myrtle Street
Edisto, South Carolina
- (9) Personal Property

All jewelry purchased by C&D Distributors, LLC, CHARLENE CORLEY, and Darlene Wooten.



- B. The Defendant hereby agrees to forfeit all of the Defendant's right, title and interest in and to the above-referenced property. The Defendant stipulates the said property constitutes or is traceable to proceeds the Defendant obtained directly or indirectly as a result of violations of Title 18, United States Code, as charged in the Information; was property involved in such offenses; and/or are substitute assets, and are therefore subject to forfeiture to the United States pursuant to 21 U.S.C. §§ 853, 881(a)(6) and (a)(7), 18 U.S.C. § 981(a)(1)(C), and 28 U.S.C. § 2461(c). The Defendant further stipulates that forfeiture of the above-referenced property is not constitutionally excessive and is justified in light of the offenses for which the Defendant will be convicted upon entry of a guilty plea pursuant to this Plea Agreement.
- C. The Defendant warrants that the Defendant is the true owner of the property listed above. The Defendant agrees to forfeit all of the Defendant's right, title and interest in the property described above and to take whatever steps are necessary to pass clear title to the United States, whether title is held by the Defendant or in the names of nominees or other third parties. These steps include, but are not limited to, the waiver and/or withdrawal of any claims and petitions for remission or mitigation which may be or have been filed to contest forfeiture of property, the surrender of title and the signing of civil or criminal consent orders of forfeiture, abandonment agreements or any other documents necessary to effectuate such transfers. The Defendant further agrees to take whatever steps are necessary to ensure that assets subject to forfeiture are not sold, disbursed, transferred, wasted, hidden or otherwise made unavailable for forfeiture.
- D. The Defendant stipulates that the property which has been administratively forfeited constituted or was derived from proceeds obtained from violation(s) of Title 18, United States Code, or were used or intended to be used to commit and to facilitate the commission of such offenses. The Defendant further stipulates that administrative forfeiture of the property is not constitutionally excessive and is justified in light of the offenses for which the Defendant will be convicted upon entry of a guilty plea pursuant to this Plea Agreement.
- E. The Defendant understands that assets subject to forfeiture pursuant to this Plea Agreement may be forfeited, at the Government's option, through these criminal proceedings, or through civil administrative, judicial, or abandonment proceedings. The Defendant agrees not to object to any civil administrative or civil judicial forfeiture proceedings brought against assets subject to forfeiture pursuant to any provision of law, and fully understands that any such civil proceeding may properly be brought at any time before or after the Defendant's guilty plea and sentencing. The Defendant specifically waives any notice requirements and limitations on the time within which such forfeiture or abandonment proceedings may be commenced under any provision of law, including but not limited to 18 U.S.C. § 983 and 28 U.S.C. § 2461(c). The Defendant agrees to waive all constitutional and statutory challenges in any manner (including direct appeal, habeas corpus, or any other means) to any forfeiture carried out in accordance with this Plea Agreement, whether



civil, criminal or administrative on any grounds. The Defendant specifically waives any Due Process, Double Jeopardy, Eighth Amendment or other constitutional challenges the Defendant may have or hereafter claim to have as a result of the forfeiture of these properties pursuant to this Plea Agreement.

- F. The Defendant hereby agrees not to seek a stay of the forfeiture pending any appeal from conviction or order of forfeiture pursuant to F. R. Crim. P. 32.2(d), and hereby consents to the transfer of property interests to third parties or other disposition of the above-described property prior to a decision becoming final on any such appeal.
- G. The Defendant agrees to make a full and complete disclosure of all assets and financial interests over which the Defendant exercises control and those which are held or controlled by a nominee, whether obtained legally or illegally, whether or not held in the Defendant's name, and whether located in the United States or abroad. The Defendant agrees to identify any and all property which constitutes or is traceable to proceeds the Defendant obtained directly or indirectly as a result of the offenses charged; any property used to commit and to facilitate the unlawful activities charged in the Second Superseding Indictment; and all other assets which may be directly forfeitable or forfeitable as substitute assets. The Defendant agrees to complete a Financial Disclosure Statement as requested by the Government. The Defendant further agrees to provide a sworn statement regarding all of the Defendant's assets and financial interests, the sources of funds used to acquire such assets and financial interests, and to provide supporting documentation as requested by the Attorney for the United States.
- H. This Court shall retain jurisdiction to settle any disputes arising from application of this clause. The Defendant understands and agrees that forfeiture of the Defendant's assets shall not be treated as satisfaction of any fine, restitution, cost of imprisonment, or any other penalty this Court may impose upon the Defendant in addition to forfeiture.
- I. The Defendant agrees to cooperate with the Government by assisting the Government in the location, recovery and return to the United States of any assets or financial interests wherever located, and to take whatever steps are necessary to pass clear title to such assets to the United States. These steps include but are not limited to, assisting in bringing any assets or the proceeds from the sale of assets located outside the United States within the jurisdiction of the United States, the surrender of title, the signing of consent orders of forfeiture in criminal and/or civil forfeiture proceedings, and the signing of any other documents necessary to effectuate the repatriation and transfer of assets to the United States. The Defendant further agrees to take whatever steps are necessary to ensure that assets subject to forfeiture are not sold, disbursed, transferred, wasted, hidden or otherwise made unavailable for forfeiture.
- J. The Defendant agrees that, upon request by the Government, the Defendant will voluntarily submit to polygraph examination(s) by an examiner of the Government's



choice prior to sentencing and thereafter as may be deemed necessary by the Government.

K. In the event that a claim is made by any third parties to any of the assets to be forfeited, the Defendant agrees to forfeit substitute assets equal in value to those assets claimed by third parties.

8. The Defendant agrees to be fully truthful and forthright with federal, state and local law enforcement agencies by providing full, complete and truthful information about all criminal activities about which it possesses such information. The Defendant must provide full, complete and truthful debriefings about these unlawful activities and must fully disclose and provide truthful information to the Government including any books, papers, or documents or any other items of evidentiary value to the investigation. The Defendant must also provide true, accurate, and complete information to any grand juries and at any trials or other proceedings if called upon to do so by the Government, subject to prosecution for obstruction of justice if it does not do so. The failure of the Defendant to be fully forthright at any stage will, at the sole election of the Government, cause the obligations of the Government within this Agreement to become null and void. Further, it is expressly agreed that if the obligations of the Government within this Agreement become null and void due to the lack of truthfulness on the part of the Defendant, the Defendant understands that:

- (A) the Defendant will not be permitted to withdraw its plea of guilty to the offenses described above;
- (B) all additional charges known to the Government may be filed in the appropriate district;
- (C) the Government will argue for a maximum sentence for the offense to which the Defendant has pleaded guilty; and
- (D) the Government will use any and all information provided by the Defendant in the



prosecution of the Defendant of all charges.

9. The Government agrees that any self-incriminating information provided by the Defendant as a result of the cooperation required by the terms of this Agreement, although available to the Court, will not be used against the Defendant in determining the Defendant's applicable guideline range for sentencing pursuant to the U.S. Sentencing Commission Guidelines. The provisions of this paragraph shall not be applied to restrict any such information:
- (A) known to the Government prior to the date of this Agreement;
 - (B) concerning the existence of prior convictions and sentences;
 - (C) in a prosecution for obstruction of justice; or
 - (D) in the event the Defendant breaches any of the terms of the Plea Agreement.

Merger and Other Provisions

10. The Attorneys for the Government stipulate and agree to the following for purposes of calculating the Defendant's sentence pursuant to the United States Sentencing Commission Guidelines:

The amount of loss for computing the appropriate sentencing guideline range and restitution is \$20,576,925.00.

The Defendant understands that these stipulations are not binding upon the Court or the United States Probation Office, and that the Defendant has no right to withdraw its pleas should these stipulations not be accepted. Further, the Defendant understands and acknowledges that these stipulations are binding on the Government only in the event the Defendant complies with ALL the terms of this Agreement and does not contest any of the above stipulations or any readily provable relevant conduct.

11. The Defendant is aware that 18 U.S.C. § 3742 and 28 U.S.C. § 2255 afford every defendant certain rights to contest a conviction and/or sentence. Acknowledging those rights, the



Defendant, in exchange for the concessions made by the Government in this Plea Agreement, waives the right to contest either the conviction or the sentence in any direct appeal or other post-conviction action, including any proceedings under 28 U.S.C. § 2255. This waiver does not apply to claims of ineffective assistance of counsel or prosecutorial misconduct. This Agreement does not affect the rights or obligations of the Government as set forth in 18 U.S.C. § 3742(b). Nor does it limit the Government in its comments in or responses to any post-sentencing matters.

- 12. The parties hereby agree that this Plea Agreement contains the entire agreement of the parties; that this Agreement supersedes all prior promises, representations and statements of the parties; that this Agreement shall not be binding on any party until the Defendant tenders a plea of guilty to the court having jurisdiction over this matter; that this Agreement may be modified only in writing signed by all parties; and that any and all other promises, representations and statements, whether made prior to, contemporaneous with or after this Agreement, are null and void.

8/07/07
DATE

Charlene Corley
CHARLENE CORLEY as owner and duly authorized agent of C&D DISTRIBUTORS, LLC, Defendant

8/07/07
DATE

[Signature]
Attorney for the Defendant

REGINALD I. LLOYD
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