



PRESS RELEASE

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SCOTTSDALE WOMAN PLEADS GUILTY TO LYING BEFORE FEDERAL GRAND JURY

PHOENIX, ARIZONA -- Paul K. Charlton, United States Attorney for the District of Arizona, and Eileen J. O'Connor, Assistant Attorney General, United States Department of Justice, Tax Division, announced that defendant CHERL A. CULLY, aka CHEY CULLY, 39 years old, of Scottsdale, Arizona, entered a plea of guilty on December 23, 2003, to the charge that she provided false testimony before a federal grand jury.

During the change of plea before United States Magistrate Judge David Duncan, defendant CHERYL A. CULLY, also known as CHEY CULLY, admitted that on January 29th and 30th, 2003, she appeared before a federal grand jury in the District of Arizona and knowingly provided false and misleading testimony under oath to questions regarding her involvement in the tax evasion business operated by co-defendants John J. Rizzo and Carol A. Rizzo. Defendant CULLY also admitted to providing false testimony regarding the Rizzos' use of a mail drop address opened in her name to conceal the location of the illegal anti-tax package sold nationally and through offshore seminars promoted by the Institute for

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Global Prosperity (IGP). Defendant CULLY also entered a plea of guilty to a separate charge of willfully failing to file a federal income tax return for the year ending December 31, 2001.

On April 4, 2003, a grand jury in the District of Arizona returned an indictment charging defendant John J. Rizzo, a former part-time Municipal Judge for Tolleson, Arizona, with Conspiracy to Defraud the United States Government, Perjury Before a Federal Grand Jury, Obstruction of Justice, and related tax offenses. His wife, Carol Rizzo, was also charged in the indictment. Each has been incarcerated since their arrests. The Rizzo trial is scheduled to commence on March 2, 2004, before United States District Court Judge Roslyn O. Silver.

As a result of her plea of guilty, defendant CULLY faces maximum penalties of up to eleven (11) years of imprisonment, a \$500,000 fine, or both. Defendant CULLY is scheduled to be sentenced on March 29, 2004, by United States District Judge Roslyn O. Silver.

This prosecution is the result of an investigation by the IRS Criminal Investigation Division. The prosecution is being handled by the United States Department of Justice Tax Division and Trial Attorneys Edward E. (Ted) Groves, Larry J. Wszalek, and Mark T. Odulio of the Western Criminal Enforcement Section.

CASE NUMBER: CR-03-0345-PHX

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