



PRESS RELEASE

FOR IMMEDIATE RELEASE
October 22, 2001

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FORMER OWNERS OF BAGEL NOSH RESTAURANT SENTENCED TO PRISON ON FEDERAL TAX CHARGES

PHOENIX, ARIZONA -- The United States Attorney's Office for the District of Arizona, announced today that the former owners of Bagel Nosh restaurant were sentenced today by U.S. District Court Judge Susan Bolton on felony tax charges stemming from their skimming of cash from Bagel Nosh's parent corporation, Vullo, Siddiqui & Associates, Ltd.

RICHARD VULLO, who plead guilty to aiding and assisting the filing of a false 1995 corporate tax return for Vullo, Siddiqui, & Associates, Ltd., d/b/a/ Bagel Nosh, was sentenced to 16 months imprisonment and a \$5,000 fine.

JOSEPH R. VULLO, JR. and ZARIQ SIDDIQUI who plead guilty to filing a false 1995 corporate tax return and aiding and assisting in the filing of the false corporate tax return for 1995, respectively, were each sentenced to 17 months imprisonment and a \$5,000 fine.

On November 14, 2000, a federal grand jury had returned a 13-count indictment charging the three men with conspiring to defraud the Internal Revenue Service by under-reporting their company's income and their personal income between 1994 and 1996. The trio owned Bagel Nosh restaurants, a Tempe-based

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restaurant chain with restaurants also located in Ahwatukee, Gilbert, Chandler, and Mesa, until 1996, when they sold the business.

This investigation was conducted by Special Agents of the Phoenix Field Office of IRS Criminal Investigation. The prosecution was handled by Stephen G. Winerip, Assistant United States Attorney, District of Arizona, Phoenix.

CASE NUMBER: CR-00-1112-PHX
RELEASE NUMBER: 2001-126

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