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FEB 12 2004	
CLERK U.S. DISTRICT COURT DISTRICT OF ARIZONA	
BY _____	DEPUTY

ORIGINAL

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UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

United States of America

Plaintiff,

vs.

1. John J. Rizzo,

Defendant.

CR-03-00345-PHX-ROS
PLEA AGREEMENT

Plaintiff, the United States of America, and defendant, JOHN J. RIZZO, hereby agree to the following disposition of this matter:

PLEA

Defendant will plead guilty to Count 1, Count 2, Count 9 and Count 18 of the Superseding Indictment filed January 6, 2004, charging defendant with a violation of Title 18, United States Code Section 371, Conspiracy to Defraud the United States Government, a felony offense; Title 18, United States Code, Section 1623, False Declarations Before a Grand Jury of the United States, a felony offense; Title 26, United States Code, Section 7203, Willful Failure

1 to File a Federal Income Tax Return, a misdemeanor offense, for the tax year ending December
2 31, 2000; and, Title 26, United States Code, Section 7206(2), Aiding and Assisting in the
3 Preparation and Presentation of a False and Fraudulent Income Tax Return, a felony offense.

4 **TERMS**

5 Defendant understands that the guilty plea is conditioned upon the following terms,
6 stipulations, and requirements:

7 1. **Maximum Penalties**

8 a. A violation of Title 18, United States Code, Section 37, Conspiracy to Defraud the
9 United States Government is a felony offense punishable by a maximum fine of
10 \$250,000, a maximum term of imprisonment of five years, or both, and a three year term
11 of supervised release. A violation of Title 18, United States Code, Section 1623, False
12 Declarations Before a Grand Jury of the United States, is a felony offense punishable by
13 a maximum fine of \$250,000.00, a maximum term of imprisonment of 5 years, or both,
14 and a three year term of supervised release. A violation of Title 26, United States Code,
15 Section 7203, Willful Failure to File a Federal Income Tax Return, a misdemeanor
16 offense, is punishable by a maximum fine of \$250,000.00, a term of imprisonment not
17 to exceed one year, or both, and a one-year term of supervised release and the costs of
18 prosecution. A violation of Title 26, United States Code, Section 7206(2), Aiding and
19 Assisting in the Preparation and Presentation of a False and Fraudulent Income Tax
20 Return, a felony offense, is punishable by a maximum fine of \$250,000.00, a term of
21 imprisonment of three years, or both, and a three year term of supervised release and the
22 costs of prosecution.

23 b. According to the Sentencing Guidelines issued pursuant to the Sentencing Reform Act
24 of 1984, the court shall:

25 (1). Order the defendant to make restitution to any victim of the offense unless,
26 pursuant to Title 18, United States Code, Section 3663 and Section 5E1.1 of the
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Guidelines, the court determines that restitution would not be appropriate in this case;

(2). Order the defendant to pay a fine, which may include the costs of probation, supervised release or incarceration, unless, pursuant to Title 18, United States Code 3611 and Section 5E1.2(e) of the Guidelines, the defendant establishes the applicability of the exceptions found therein;

(3). Order the defendant, pursuant to Title 18, United States Code, Section 3583 and Section 5D1.1 and 2 of the Guidelines to serve a term of supervised release when required by statute or when a sentence of imprisonment of more than one year is imposed, and the court may impose a term of supervised release in all other cases.

c. Pursuant to Title 18, United States Code, Section 3013, the court is required to impose a special assessment on the defendant of \$325.00. The special assessment is due at the time the defendant enters the plea of guilty, but in no event shall it be paid later than the time of sentencing.

2. Cooperation Required

The defendant will cooperate with the United States on the following terms and conditions.

a. Defendant will waive the Fifth Amendment privilege against self-incrimination and will, no later than the time of sentencing, meet as directed with federal authorities and provide truthful information known by the defendant concerning this and all related investigations. In addition, when requested by the representatives of the United States, the defendant shall testify candidly and truthfully in any matter arising from this, or a related investigation, including at any state or federal grand jury proceeding, forfeiture proceeding, bond hearing, pretrial hearing, civil and criminal trial, retrial or post-trial hearing.

b. All such information and testimony shall be truthful, honest, candid, and complete with no knowing material false statements or omissions. Such information and testimony shall

- 1 include all criminal activity known to the defendant, including the criminal activities of
2 the defendant which have been the subject of the plea in this case, when requested.
- 3 c. Defendant will be available for interviews by attorneys and law enforcement officers
4 from the government upon request and reasonable notice.
- 5 d. Defendant will provide the United States with all documents, records,
6 memoranda and the like, at the request of the United States, within the
7 defendant's custody and control or to which the defendant has access which are related
8 to the subject matter of the investigation or case.
- 9 e. Defendant will neither attempt to protect any person or entity through false information
10 or omissions nor falsely implicate any person or entity.
- 11 f. Defendant agrees to notify the attorneys representing the United States Department of
12 Justice of any contacts with any subjects or targets of any related investigation, or their
13 counsel, and agrees to provide prior notice of, and an opportunity for the government to
14 be present at, any interviews between the defendant and any individual not employed by
15 the government regarding any matter related to this case or any other investigation. In
16 no way is this provision intended to limit defendant's consultation with his own counsel
17 or as required by law.
- 18 g. In the event the defendant or the defendant's family is harassed, threatened or otherwise
19 subjected to intimidation because of defendant's cooperation, the United States shall in
20 its complete discretion, take appropriate action to protect defendant and the defendant's
21 family.
- 22 h. Nothing in this agreement requires the United States to accept any cooperation or
23 assistance the defendant may choose to proffer. The decision whether and how to use any
24 information and/or cooperation that defendant provides is in the exclusive reasonable
25 discretion of the United States Department of Justice.
- 26 i. Defendant will not violate any local, state, federal or foreign laws.
- 27 j. The defendant shall comply with all terms and conditions of release should it be granted.

- 1 k. Defendant shall not knowingly contact any person who is presently criminally charged
2 in any forum with a felony offense, with the exception of family members or as otherwise
3 authorized by the conditions of defendant's release.
- 4 l. Self-incriminating information provided by the defendant during cooperation involving
5 criminal activity for which the defendant has not been or will not be charged pursuant to
6 this agreement will not be used against the defendant and in particular will not be used
7 in determining defendant's applicable guideline range pursuant to Section 1B1.8 of the
8 Sentencing Guidelines.
- 9 m. Nothing shall limit the United States' methods of verifying the truthfulness
10 of defendant's statements. The United States may confirm the accuracy of any
11 information which defendant provides under the terms of this agreement by use of any
12 investigative means which it deems appropriate and necessary. Whether there has been
13 a complete, truthful and candid disclosure by the defendant will be evaluated and
14 decided by the representatives of the United States Department of Justice and by it alone.
15 As part of this process, in the sole discretion of the United States, the defendant agrees
16 to submit to scientific testing, which may include one or more polygraph examinations
17 to verify any information the defendant may provide to the United States. Such
18 examination will be performed by examiners chosen and conducted in a manner
19 determined solely by the representatives of the United States Department of Justice.
20 Neither party shall object to the admissibility in evidence of the results of such
21 examination in any proceeding to enforce or set aside this agreement in which
22 compliance with the terms of this agreement are in issue.
- 23 n. The plea of guilty shall be entered as soon as practicable.
- 24 o. The sentencing on this guilty plea will be deferred, with consent of the court, for a
25 period of at least six (6) months, and, after such period, upon recommendation of the
26 United States and agreement by the court, may be deferred for additional periods. It is
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1 the intention of the parties that sentencing on the instant charges be postponed until such
2 time as defendant's cooperation has been completed.

3 p. Defendant shall cooperate fully and without reservation with the Internal Revenue
4 Service and state tax collection agencies with ascertainment, computation and collection
5 of all taxes that may be owed by defendant and related entities.

6 3. Agreements Regarding Sentencing

7 a. At the conclusion of defendant's cooperation, pursuant to this agreement, the United
8 States will in its sole discretion, at the time of sentencing, move pursuant to Title 18,
9 United States Code, Section 3553(e), Title 28, United States Code, Section 994(n) and
10 Sentencing Guidelines Section 5K1.1, that the court depart from the Guidelines and
11 impose a sentence below the sentencing level established by the Sentencing Guidelines
12 as the minimum sentence to reflect the defendant's substantial assistance to the United
13 States Government. The United States' recommendation of a sentence below the
14 sentencing level established by the Sentencing Guidelines will reflect defendant's
15 substantial assistance to the United States Government.

16 b. Defendant understands that while the court may take the defendant's cooperation into
17 account in determining the sentence to be imposed, the court is neither a party nor bound
18 by this agreement, and, specifically, the court has complete discretion to impose the
19 maximum sentence possible for the crimes to which defendant has plead. Defendant
20 further understands that if the court imposes a sentence different from what the United
21 States recommends, the defendant will not be permitted to withdraw the guilty plea.

22 c. If the court, after reviewing the plea agreement, concludes that any provision is
23 inappropriate, it may reject the plea agreement giving the defendant, in accordance with
24 Fed. R. Crim. P. 11(e)(4), an opportunity to withdraw the guilty plea.

25 d. The United States will bring the nature and extent of defendant's cooperation to the
26 attention of the court, and the Bureau of Prisons, if applicable, at sentencing and any
27 other appropriate time. The United States retains the unrestricted right to make any and
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1 all statements it deems appropriate to the Probation Office and to make factual and legal
2 responses to any statements made by the defendant or defense counsel or objections to
3 the presentence report or to questions by the court at the time of sentencing.

4 e. Assuming the defendant make a full and complete disclosure to the Probation
5 Department of the circumstances surrounding the defendant's commission of the
6 offense, if defendant is eligible for the two-point reduction pursuant to Section 3E1.1
7 of the Guidelines and, if the defendant demonstrates an acceptance of responsibility for
8 these offenses up to and including the time of sentencing, the United States will
9 recommend a three-point reduction in the applicable sentencing guideline offense level,
10 if the defendant is otherwise eligible, pursuant to Section 3E1.1 of the Guidelines.

11 4. Breach of the Agreement

12 The defendant understands that a material misrepresentation or omission concerning the
13 information proffered to justify the government's motion to authorize departure would
14 constitute a violation of Section 2 of this agreement. The defendant further understands that
15 a violation of the conditions of his release would constitute a violation of Section 2 of this
16 agreement. If the defendant fails to comply with any obligation incurred or promise made by
17 entering this agreement, the United States:

18 (a) may, in its sole discretion, declare any provision of this agreement null and void in
19 accordance with paragraph (6) below, and the defendant understands that the defendant will not
20 be permitted to withdraw the plea of guilty made in connection with this agreement;

21 (b) may prosecute the defendant for any offense known to the United States prior to the
22 entry of this plea agreement for which the defendant is responsible, and defendant waives any
23 statute of limitations, Speedy Trial Act, and constitutional restrictions for bringing charges after
24 the execution of this agreement;

25 (c) may argue for a maximum sentence for the offenses to which defendant has pled guilty;

26 (d) may use in any prosecution any information, statements, documents, and evidence
27 provided by defendant both before and after the plea agreement including derivative evidence;

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1 (e) may advise the Bureau of Prisons that defendant is no longer a cooperating witness, and
2 recommend redesignation of defendant to a higher custodial level.

3 (f) If there is a dispute regarding the obligations of the parties under this agreement, the
4 United States District Court shall determine whether the United States or the defendant has
5 failed to comply with this agreement including whether the defendant has been truthful.

6 **5. Agreement to Dismiss or Not to Prosecute**

7 a. Pursuant to Fed. R. Crim. P. 11(e)(1)(A), the United States agrees to bring no further
8 charges against the defendant arising from information learned during the investigation which
9 brought about this plea, except for crimes of violence as defined in 18 U.S.C. § 16, if any, and
10 will move at the time of sentencing to dismiss Counts 5, 8, 10, 14, 15, 16, 17, 19 and 20 of the
11 Superseding Indictment as those charges pertain to the defendant.

12 b. The United States Department of Justice Tax Division is a party to this agreement and
13 agrees to bring no further charges resulting from this investigation against the defendant
14 pursuant to its sole statutory authority over all federal criminal tax and tax-related prosecutions
15 within the United States, absent defendant's breach of this agreement. This agreement does not
16 bind the actions of any other district nor bind any other United States Attorney's Office for non-
17 tax and related charges. At the time of this agreement, the United States is unaware of any
18 other U.S. Attorney's Office independently investigating the subject matter of the defendant's
19 known criminal conduct.

20 **6. Waiver of Defenses and Appeal Rights**

21 a. Defendant hereby waives any right to raise on appeal or collaterally attack any matter
22 pertaining to this prosecution and sentence if the sentence imposed is consistent with the terms
23 of this agreement. However, defendant retains the right to challenge and appeal the guideline
24 computations as to the amount of tax loss, grouping of offenses and role in the offenses and
25 such challenge and appeal will not constitute a breach of the plea agreement.

26 b. This agreement does not affect in any way the right of the United States, under
27 18 U.S.C. § 3742, to appeal the sentence imposed by the Court.

1 c. Defendant further waives any right to petition any court, including the district court or
2 appellate court, pursuant to Public Law 105-119, section 617, for an award of attorney's fees
3 or other litigation expenses directly or indirectly related to this criminal prosecution.

4 7. **Perjury and Other False Statement Offenses or Other Offenses**

5 Nothing in this agreement shall be construed to protect the defendant in any way from
6 prosecution for perjury, false declaration or false statement, or any other offense committed by
7 defendant after the date of this agreement. Any information, statements, documents, and
8 evidence which defendant provides to the United States pursuant to this agreement may be used
9 against the defendant in all such prosecutions.

10 8. **Reinstitution of Prosecution**

11 If defendant's guilty plea is rejected, withdrawn, vacated, or reversed at any time, the
12 United States will be free to prosecute the defendant for all charges of which it has knowledge,
13 and any charges that have been dismissed because of this plea agreement will be automatically
14 reinstated. In such event, defendant waives any objections, motions, or defenses based upon
15 the Statute of Limitations, the Speedy Trial Act or constitutional restrictions in bringing of the
16 later charges or proceedings. The defendant understands that any statements made at the time
17 of the defendant's change of plea or sentencing may be used against the defendant in any
18 subsequent hearing, trial, or proceeding as permitted by law.

19 9. **Disclosure of Information to U.S. Probation Office**

20 Defendant understands the United States' obligation to provide all information in its file
21 regarding defendant to the United States Probation Office.

22 The defendant will cooperate fully with the United States Probation Office. Such
23 cooperation will include truthful statements in response to any questions posed by the Probation
24 Department including, but not limited to:

- 25 (1) All criminal history information, i.e., all criminal convictions as defined under
26 the Sentencing Guidelines.

- 1 (2) All financial information, e.g., present financial assets or liabilities that relate to
- 2 the ability of the defendant to pay a fine or restitution.
- 3 (3) All history of drug abuse which would warrant a treatment condition as part of
- 4 sentencing.
- 5 (4) All history of mental illness or conditions which would warrant a treatment
- 6 condition as a part of sentencing.

7 ELEMENTS AND FACTUAL BASIS

8 Defendant JOHN J. RIZZO is aware that the essential elements of the offenses charged
 9 in Counts 1, 2, 9 and 18 of the Superseding Indictment filed January 6, 2004, to which he is
 10 pleading, as of the date of the offense charged, are as follows:

11 Conspiracy to Defraud the United States Government

12 First, there existed a conspiracy, agreement, or understanding to defraud the
 13 United States by dishonest and deceitful means for the purpose of impeding,
 14 impairing, obstructing, and defeating the lawful governmental functions of the
 15 U.S. Department of Treasury, Internal Revenue Service, in the ascertainment,
 computation, and collection of income taxes as described in the indictment, was
 formed, reached or entered into by two or more persons;

16 Second, at some point during the existence or life of the conspiracy, agreement,
 17 or understanding, one of its members knowingly performed one of the overt acts
 charged in the indictment in order to further or advance the purpose of the
 agreement; and

18 Third, at some time during the existence of the agreement or understanding,
 19 defendant knew the purpose of the agreement, and then deliberately joined in the
 conspiracy, agreement, or understanding.

20 False Declarations Before a Grand Jury of the United States

21 First, the defendant testified under oath before a Grand Jury;

22 Second, the testimony was false; and

23 Third, the defendant knew the testimony was false and material to a matter before
 24 the Grand Jury.

25 Willful Failure to File an Income Tax Return

26 First, the tax code or some regulation thereunder required
 27 the defendant to make a tax return reporting gross income and any

1 deductions and credits for the calendar year ending December 31, 2000;

2 Second, the defendant failed to make and file the tax return to the Internal
3 Revenue Service on or before April 15, 2001; and

4 Third, the defendant's failure to file the tax return was willful.

5 Aiding and Assisting in the Filing of a False Income Tax Return

6 First, the defendant aided and assisted in the preparation of a
7 tax return, affidavit, claim, or other document;

8 Second, the return, affidavit, claim, or other document contained a materially
9 false statement;

10 Third, the defendant's actions were willful.

11 Defendant JOHN J. RIZZO further agrees that if this matter were to proceed to trial the
12 United States could prove the allegations contained in Counts 1, 2, 9, and 18 of the Superseding
13 Indictment dated January 6, 2004, and the following facts beyond a reasonable doubt:

14 1(a). Beginning in or about March 1996 and continuing to April 3, 2003, in the District
15 of Arizona and elsewhere, defendant JOHN J. RIZZO, born June 29, 1951, and co-defendant
16 Carol A. Rizzo, born September 9, 1945, knowingly, unlawfully and willfully conspired to
17 defraud the United States of America, by use of dishonest and deceitful means for the purpose
18 of impeding, impairing, obstructing and defeating the lawful functions of the U.S. Department
19 of Treasury, Internal Revenue Service, by the commission of overt acts committed within the
20 District of Arizona and elsewhere in furtherance of the conspiracy.

21 (b). During the time of the conspiracy, defendant JOHN J. RIZZO and co-defendant
22 Carol A. Rizzo earned unreported income from the sale of various tax-related products
23 including the Millennium 2000 Reliance Defense Program (M2K) by mail and through
24 promotional seminars conducted inside and outside of the territory of the United States of
25 America as a featured vendor for the Institute for Global Prosperity (IGP) and the sale of
26 "opinion letters" signed by defendant JOHN J. RIZZO to individuals so they could build a good
27 faith reliance defense against criminal prosecution for violations of the Internal Revenue Code.

1 The M2K package cost approximately \$2,300.00 and consisted of materials and documentation
2 which supported the position that individuals could lawfully stop filing income tax returns or
3 pay income taxes, if they developed a good faith reliance that the 16th Amendment was not
4 legally ratified.

5 (c). Defendant JOHN J. RIZZO and co-defendant Carol A. Rizzo concealed taxable
6 income from the United States Government generated by sales of approximately \$4.2 million
7 dollars in Millennium 2000 Reliance Defense (M2K) packages during the period 1999 through
8 2002, by use of dishonest and deceitful means, including, but not limited to, the following:

9 (1) requesting payments from customers in cash, money order, checks with payee lines left
10 blank; (2) using a domestic bank account containing a social security number that did not
11 belong to them; (3) ownership of a foreign bank account located in the City of Nassau and
12 Country of the Bahamas to which they directed unreported business receipts to James Shelley
13 of The Horizon Group, Nassau, Bahamas, in the amount of approximately \$301,700.00 by use
14 of a Federal Express package which was not lawfully reported to the Internal Revenue Service;
15 (4) knowingly utilizing third-party merchant accounts of domestic and foreign businesses to
16 conduct credit card sales of the M2K package and other tax-related products including the
17 Millennium 2000 Reliance Package through a Canadian citizen known as Yank G. Barry, a
18 merchant account in the name of Global Village Market, and by use of a third party merchant
19 account located in the Bahamas maintained by a business called Island Getaway Holdings; and
20 (5) by maintaining business or individual offshore bank accounts at the Crozier Bank in
21 Grenada, West Indies (Millennium Publishing), Imperium Bank in Grenada, West Indies
22 (Millennium Publishing), Ansbacher Bank in Nassau, Bahamas (St. Andrews Management sub-
23 account) and CIBC Bahamas (defendant John Rizzo).

24 2. On January 29, 2003, in the District of Arizona, defendant JOHN J. RIZZO
25 voluntarily appeared before a Grand Jury of the United States knowing that he was a target of
26 the Grand Jury's investigation concerning his willful failure to file income tax returns, possible
27 income tax evasion and other income tax-related violations. Having been advised of his legal
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1 rights and having taken an oath under penalties of perjury that he would testify truthfully,
2 defendant JOHN J. RIZZO knowingly provided materially false and misleading testimony
3 before the same Grand Jury by falsely declaring that it was his belief that he and his wife had
4 filed tax returns for the tax years 1999, 2000 and 2001, and was current through tax year 2001,
5 when in fact and material to the Grand Jury's investigation, defendant JOHN J. RIZZO and co-
6 defendant Carol A. Rizzo had not filed any federal income tax returns as required by law for
7 the tax years 1999, 2000 and 2001.

8 3. During the calendar year ending December 31, 2000, defendant JOHN J. RIZZO,
9 then a resident of the District of Arizona, received sufficient gross income that the law required
10 him to make and file with the Internal Revenue Service within the Judicial District of Arizona
11 or to a proper officer of the United States Government a federal individual income tax return
12 on or before April 15, 2001, stating specifically the items of gross income and any deductions
13 and credits to which he was entitled. Despite knowing the law's requirement to file an
14 individual income tax return and having earned gross income from the sale of the Millennium
15 2000 Reliance Package, defendant JOHN J. RIZZO willfully failed to file the required income
16 tax return in the District of Arizona or elsewhere on or before April 15, 2001. During the
17 calendar years 1999 through 2002, defendant's sole proprietorship business known as
18 Millennium Publishing generated gross sales of the Millennium 2000 Reliance Defense
19 Program (M2K) totaling approximately \$4,212,604.25.

20 4. In or about the year 2002, defendant JOHN J. RIZZO began to market a new product
21 called the Tax Recovery Program and promised taxpayers that he could obtain lawful tax
22 refunds for individuals who lost money through their involvement in an organization called the
23 Institute for Global Prosperity. On February 18, 2003, in the District of Arizona, defendant
24 JOHN J. RIZZO did willfully aid and assist in and procure, counsel and advise the preparation
25 and presentation to the Internal Revenue Service of a Form 1040 U.S. Individual Income Tax
26 Return for taxpayer Braden Fox for the tax year 2000, which was false and fraudulent as to a
27 material matter, in that said tax return reported a net loss on Line 31, Schedule C, totaling
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1 \$26,180.00, whereas, defendant JOHN J. RIZZO well knew and believed, said income tax
2 return falsely claimed business expenses related to the Institute of Global Prosperity.

3 The facts stated above do not represent all knowledge I have regarding the charged
4 offenses.

5 I understand that I will have to swear under oath to the accuracy of this statement, and if
6 I should be called upon to testify about this matter in the future, any intentional material
7 inconsistencies in my testimony may subject me to additional penalties of perjury or false
8 swearing which may be enforced by the United States under this agreement.

9

10 **DEFENDANT'S APPROVAL AND ACCEPTANCE**

11 I have read each of the provisions of the entire plea agreement with the assistance of
12 counsel and understand its provisions.

13 I have discussed the case and my constitutional and other rights with my attorney. I
14 understand that by entering my plea of guilty I will be giving up my rights to plead not guilty,
15 to trial by jury, to confront, cross-examine, and compel the attendance of witnesses, to present
16 evidence in my defense, to remain silent and refuse to be a witness against myself by asserting
17 my privilege against self-incrimination -- all with the assistance of counsel -- and to be
18 presumed innocent until proven guilty beyond a reasonable doubt.

19 I agree to enter my guilty plea as indicated above on the terms and conditions set forth in
20 this agreement.

21 I have been advised by my attorney of the nature of the charges to which I am entering my
22 guilty plea. I have further been advised by my attorney of the nature and range of the possible
23 sentence and that my ultimate sentence will be determined according to the guidelines
24 promulgated pursuant to the Sentencing Reform Act of 1984. I understand that the guideline
25 range referred to herein or discussed with my attorney is not binding on the Court and is merely
26 an estimate. I further understand that under certain limited circumstances the court may depart
27 upward or downward from the calculated guideline range.

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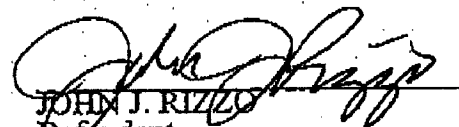
1 My guilty plea is not the result of force, threats, assurances or promises other than the
 2 promises contained in this agreement. I agree to the provisions of this agreement as a voluntary
 3 act on my part, rather than at the direction of or because of the recommendation of any other
 4 person, and I agree to be bound according to its provisions.

5 I agree that this written plea agreement contains all the terms and conditions of my plea and
 6 that promises made by anyone (including my attorney), and specifically any predictions as to
 7 the guideline range applicable, that are not contained within this written plea agreement are
 8 without force and effect and are null and void.

9 I am satisfied that my defense attorney has represented me in a competent manner.

10 I am fully capable of understanding the terms and conditions of this plea agreement. I am
 11 not now on or under the influence of any drug, medication, liquor, or other intoxicant or
 12 depressant, which would impair my ability to fully understand the terms and conditions of this
 13 plea agreement.

14
 15 Feb 10, 2004
 16 Date

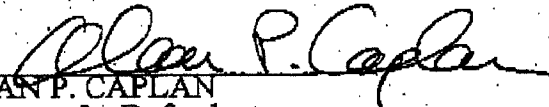

 17 JOHN J. RIZZO
 18 Defendant

18 **DEFENSE ATTORNEY'S APPROVAL**

19 I have discussed this case and the plea agreement with my client in detail and have advised
 20 the defendant of all matters within the scope of Fed. R. Crim. P. 11, the constitutional and other
 21 rights of an accused, the factual basis for and the nature of the offense to which the guilty plea
 22 will be entered, possible defenses, and the consequences of the guilty plea including the
 23 maximum statutory sentence possible. I have further discussed the sentencing guideline
 24 concept with the defendant. No assurances, promises, or representations have been given to me
 25 or to the defendant by the United States or by any of its representatives which are not contained
 26 in this written agreement. I concur in the entry of the plea as indicated above and on the terms
 27 and conditions set forth in this agreement as in the best interests of my client. I agree to make
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1 a bona fide effort to ensure that the guilty plea is entered in accordance with all the
2 requirements of Fed. R. Crim. P. 11.

3
4 Date February 12, 2004



ALAN P. CAPLAN
Attorney for Defendant
John J. Rizzo

7 **UNITED STATES' APPROVAL**

8 I have reviewed this matter and the plea agreement. I agree on behalf of the
9 United States that the terms and conditions set forth are appropriate and are in the best
10 interests of justice.

11 PAUL K. CHARLTON
12 United States Attorney
13 District of Arizona

14
15 Date 2-12-04


EDWARD E. GROVES
MARK T. ODULIO
LARRY WSZALEK
Trial Attorneys
U.S. Department of Justice
Tax Division

19
20
21 **COURT'S ACCEPTANCE**

22
23 Date _____

24 ROSLYN O. SILVER
United States District Judge