Terms and Conditions for U.S. District Court Ordered Sale

1. AUTHORITY: On May 30, 2012, the U.S. District Court, Northern District of Illinois, Western Division, issued a *Protective Order Directing the Interlocutory Sale of Certain Property* in United States of America v. Rita A. Crundwell, Case No. 12 CR 50027 (N.D. Ill. filed May 1, 2012). Pursuant to 28 U.S.C. § 566 and 28 C.F.R. § 0.111(i), the United States Marshals Service ("USMS") shall execute the Order under authority of the United States of America and shall command all necessary assistance to execute his or her duties.

2. UNSOLICITED OFFER: During the routine course of conducting the Government's business, the USMS received an unsolicited offer for the purchase of the real property ("parcel") identified in Attachment D, titled to defendant Rita A. Crundwell.

3. ADVERTISEMENT: The parcel shall be offered to the public and is subject to the requirements for full, fair, and open competition. A private sale is prohibited. A sales advertisement shall appear one day, for each of three consecutive weeks in a newspaper of general circulation in the judicial district where the parcel is located. The newspaper selected is the *Telegraph*, a publication of Sauk Valley Media. The terms and conditions of sale shall be published at http://www.usmarshals.gov/assets/sales/crundwellrealproperties.htm. The USMS bears no responsibility for the accuracy of any information in any format regarding the sale or the real property as reported by other sources.

4. CONDITION: The parcel shall be sold in "AS IS" condition at the time of sale, including any hidden defects of any nature, known or unknown, with no representations, warranties, or guarantees whatsoever, express or implied, regarding its nature, value, source, authenticity, fitness, merchantability, and/or any other aspect or characteristics of the property. No statement anywhere, whether express or implied, shall be deemed a warranty or representation by the USMS regarding the property. If applicable, the USMS shall have no obligation or responsibility to reconnect utilities for the purpose of inspection, or for any other reason.

5. INSPECTION: Offerors are invited, urged, and cautioned to inspect the parcel and any accompanying structure, building, or residence to be sold within its legal description. The USMS will supervise the inspection, but will not furnish any labor for the purpose of an offeror's inspection. In no case will failure to inspect constitute grounds for a claim, the withdrawal of a successful offer, or rescission of a contract for purchase and sale. Personal property may be present, but is not included in the sale.

6. INSPECTION PERIOD: A public inspection of the parcels identified in Attachment D will occur between the hours of 10:00 a.m. and 1:00 p.m. on Friday, January 11, 2013, Saturday, January 12, 2013, and, Friday, January 18, 2013, respectively. An appointment is required to inspect and can be made by calling (312) 353-7176 or (312) 353-5290. Telephone calls will

be accepted during the business hours of 9:30 a.m. and 4:00 p.m. and in advance of inspection dates. Final appointments shall be scheduled prior to 12:00 noon on Thursday, January 17, 2013.

7. OFFER TO PURCHASE: Any interested party with the financial capability to complete the sale may submit a competitive offer no less than five percent (5%) above the unsolicited offer. The offer shall be dollar sum certain. The unsolicited offer establishes a starting price and does not necessarily imply the range for an acceptable final price. An offeror has only one opportunity to submit an offer, and is, therefore, encouraged to submit his/her absolute best offer to purchase the parcel. An offeror who withdraws his/her offer prior to the closing date will be disqualified from the process. The closing date for receipt of all competitive offers is 2:00 p.m. CST on Friday, January 25, 2013. Offers received after this date and time will not be considered.

8. CONDITIONAL OFFERS: Conditional offers will not be accepted. The offeror must agree to purchase the parcel with no contingencies, to include based on the dollar amount of another offer. Full payment of the offered sales price is expected by closing. The ability to obtain financing shall not be a condition for delaying or completing the sale.

9. LIENS: The parcel will be sold free and clear of all liens and encumbrances, except outstanding real property taxes due on the parcel. The buyer shall be responsible for satisfying real property taxes prior to or at the closing of the purchase transaction.

10. DEPOSIT: A deposit equal to twenty-five thousand dollars ($25,000), in certified funds shall be tendered with an offer. The deposit shall be made in the form of a cashier's or certified check, issued by a U.S. bank in U.S. funds, and made payable to the "U.S. Marshals Service." Cash will not be accepted. A deposit shall accompany each offer. The successful offeror's deposit is non-refundable and will be applied towards the purchase price of the parcel to complete the sale. All unsuccessful offerors' deposits will be returned by wire transfer; therefore, a deposit must be accompanied by a completed Unified Financial Management System (UFMS) Vendor Request Form (June 2012). A deposit shall be returned/refunded to an unsuccessful offeror at the time a contract is entered with the successful offeror. The deposit of the successful offeror shall be forfeited should the successful offeror fail to complete the sale for any reason.

11. METHOD OF TRANSMISSION: An offer as described in paragraph 7 may be delivered in person, or via U.S. mail, courier, or other delivery system (e.g., Federal Express, UPS, etc.) to:

U.S. Marshals Service
Attn: Asset Forfeiture Unit
219 South Dearborn Street, Suite 2444
Chicago, IL 60604

The package or envelope delivered to the USMS shall contain:

a. One offer envelope with the words "Offer" and the respective address/description *and* parcel number written on the center of the face of the envelope. The offer envelope shall contain the completed amount of the offer typed or written clearly in U.S. dollars; and,

b. A second envelope with the words "UFMS Vendor Request Form and Deposit" written on the center of the face of the envelope. The UFMS Vendor Request Form and deposit envelope shall contain a completed UFMS Vendor Request Form and the deposit discussed in paragraph 10, above.

In order to be considered complete, each written offer shall include the full mailing address (post office boxes will not be accepted) of the offeror, a contact telephone number, and shall be signed by the offeror or an authorized representative. Offers signed by an agent or authorized representative must be accompanied by evidence of legal authority (e.g., a notarized specific power of attorney).

The USMS is not responsible for lost or misdirected offers, or offers not otherwise received for consideration due to errors not caused by the USMS or its designees. Use of a delivery method that provides a means of tracking parcels is encouraged.

12. REVIEW OF ALL RECEIVED OFFERS: At 3:00 p.m. CST on Friday, January 25, 2013, the USMS shall review all offers received. Should any higher offer be received, the unsolicited offeror who initiated the sales process will be notified, although s/he will not be told the amount of the highest offer. S/he will then be given the opportunity to submit a best and final offer no later than Thursday, January 31, 2013. To do so s/he must follow the deposit requirements outlined in paragraph 10. After receipt of the unsolicited offeror's best and final offer, the parcel will be offered for sale to the qualified offeror making the highest qualified offer to date.

13. OFFER FOR SALE: The parcel will be offered to the qualified offeror who places the highest dollar amount in his/her offer and complies with all other requirements stated herein. A Contract of Sale will be executed by the successful offeror no later than Monday, February 4, 2013.

14. TITLE: The USMS will transfer title to the parcel to the buyer by a U.S. Marshal's Deed. Only title to the real property legally described in Attachments D is being conveyed. Any personal property located on a parcel is not included.

15. CLOSING: Through the use of a mutually agreed upon licensed closing agent, the successful offeror for the parcel will be expected to close within 45 days of execution of a signed Contract. The buyer is responsible for payment of all fees associated with the closing and transfer of title, including those fees customarily paid by Seller. If the successful offeror fails to settle through no fault of the USMS, the bid deposit shall be paid to the USMS as separate consideration for holding the property off the market until closing. The USMS shall

have the right, at its sole discretion, to extend the closing date. If buyer is unable or unwilling to close on the original closing date, the USMS may elect to terminate the Contract and the buyer will be in default of the Contract of Sale.

16. PAYMENT: Final payment shall be made at closing. The parcel will not be released prior to verification of the payment by the issuing U.S. bank.

17. DEFAULT: Should the successful offeror fail to complete the sale as scheduled without the USMS' approved extension and in the absence of a breach of Contract by the USMS, the successful offeror shall be in breach of the Contract and shall lose his/her rights under the Contract to purchase the parcel. Upon default or breach of the Contract by the successful bidder, the USMS may offer to sell the parcel to the next highest offeror, or otherwise proceed with a resale of the parcel.

18. RIGHT TO REJECT/ACCEPT: The USMS reserves the right to accept or reject any or all offers, to include the original unsolicited offer. Offers containing erasures or changes must contain sufficient explanation to make the offer clear and unambiguous. An ambiguous offer will be rejected. The decision to reject an offer by the USMS shall be conclusive.

19. CANCELLATION: The USMS reserves the right to cancel this sales process for any reason and at any time to pursue another sale, marketing, or transfer of title method. All deposits shall be returned in the event the USMS rejects an offer or otherwise cancels this process. An offeror who withdraws his/her offer prior to the closing date will be disqualified from the process.

20. HOLD HARMLESS: Offerors agree to release and hold harmless the United States, its agencies, officers, employees, agents, and/or contractors from any and all demands, rights, and causes of action arising from, or to arise from, or by reason of, the seizure, forfeiture, ownership, possession, management, use, sale, inspection and/or transfer of the parcel.

21. USE OF PARCEL: The buyer shall be responsible for complying with all federal, state, and/or local laws and agrees not to use the parcel to violate any federal, state, or local law.

22. DEFENDANTS AND OTHER PROHIBITED BUYERS: The following parties are prohibited from purchasing property forfeited through the U.S. Department of Justice Asset Forfeiture Program and are also, therefore, barred from placing offers to buy such property:

    a) U.S. Department of Justice employees, including U.S. Marshals Service employees, except as further restricted below;

    b) Employees of the Asset Forfeiture Division, U.S. Marshals Service, and other U.S. Marshals Service employees directly involved with the Asset Forfeiture Program, and their immediate family members, defined as any persons residing in the same household as the employee, whether or not related by blood or marriage; spouses; parents; parents-in-law; grandparents; siblings; aunts and uncles; first cousins; and all their spouses;

c) Employees of any state or local governmental agency who, directly or indirectly, perform duties associated with the seizure and forfeiture of property by the U.S. Department of Justice, and/or which participates in the U.S. Department of Justice Equitable Sharing Program;

d) Contractors, sub-contractors and the employees of contractors and sub-contractors of the Asset Forfeiture Division, U.S. Marshals Service, who provide contract/management services for personal and real properties and complex assets;

e) Anyone whose conduct gave rise to the criminal indictment in the case of United States of America v. Rita A. Crundwell, Case No. 12-CR-50027 (N.D. Ill.) and/or the civil forfeiture action of United States of America v. Have Faith in Money, a quarter horse *et al*, Case No. 12 CV 50153 (N.D. Ill.) (hereinafter referred to as "cases");

f) Anyone convicted of the criminal conduct underlying the forfeiture of the property in the cases; and,

g) Anyone acting in concert with or on behalf of any of the above persons.

Special circumstances may rebut the presumption (i.e., supersede the above determination) that someone is or is not a prohibited purchaser in one or more of the above categories. Where a question arises whether a particular person is a prohibited purchaser, contact Chief Inspector Jason Wojdylo at jason.wojdylo@usdoj.gov before Friday, January 18, 2013 for a formal determination.

23. REPRESENTATIONS: No statement by any representative of the USMS purporting in any way to modify these Terms and Conditions shall confer any right upon an offeror or buyer. Where conflicting information is made, these written Terms and Conditions shall prevail in form and substance.