



ASSET FORFEITURE

13.7 PERSONS PROHIBITED FROM PURCHASING FORFEITED PROPERTY

- A. Proponent:** Asset Forfeiture Division (AFD). Telephone: 202-307-9221, Fax: 202-307-5020.
- B. Purpose:** To ensure that there is no actual or apparent use of inside information and/or conflict of interest(s), and for the ethical reasons stated in paragraph D of this policy. This policy prohibits certain persons from purchasing property that has been forfeited through the Department of Justice's Asset Forfeiture Program (AFP).
- C. Authority:** The Assistant Director, AFD has delegated authority via USMS Policy Directive 13.1, [Re-Delegation of Authority to the Assistant Director](#), and is pursuant to the funding as outlined in [28 U.S.C. § 524\(c\)](#).
- D. Policy:** Chapter 5, Section V, of the [Asset Forfeiture Policy Manual](#) states that the purpose for the prohibition on sale of forfeited property to Department of Justice (DOJ) employees is to protect the integrity of the AFP. Prohibiting certain specified persons from purchasing AFP forfeited property protects the integrity and reputation of the United States Marshals Service (USMS) and DOJ, and eliminates the appearance of impropriety and/or partiality in these transactions.

The activities of AFP are also supported by contractors, agents, and employees of other federal, state, and local agencies who may pose a potential for a conflict of interest if they were to purchase forfeited property. Under [5 C.F.R. § 3801.104](#), DOJ employees are prohibited from, directly or indirectly, purchasing or using any property if the property has been forfeited to the United States Government and the forfeited property is offered for sale by DOJ and/or its agents.

In addition, DOJ employees are prohibited from using such property that has been purchased, directly or indirectly, by a spouse or minor child.

1. When property forfeited under AFP is offered for sale by the USMS, the potential purchaser and successful bidder must acknowledge and certify that policies and/or legal statutes applicable to the sale and purchase are not being violated.

2. The following persons are prohibited from purchasing property forfeited in AFP, directly or indirectly (through another person or agent), offered for sale and, therefore, are barred from placing bids to buy such property.

a. **DOJ Employees and Contractors:**

- 1) DOJ employees and their immediate family members as defined in F.2 of this policy directive.
- 2) Vendors under contract with the USMS in AFP, including appointed monitors and trustees, their sub-contractors and employees who provide contract/management services for personal and real properties and complex assets, and their immediate family members

b. **Defendants in Criminal Cases:** Titles [18 U.S.C. § 1963\(f\)](#) and [21 U.S.C § 853\(h\)](#) of the [Comprehensive Crime Control Act of 1984](#) prohibit the United States Government from reverting to a defendant or any person acting in concert with or on behalf of such defendant, property that was involved in the same defendant's conviction on charges, or violations of [18 U.S.C. § 1962 or 21 U.S.C. § 841 et seq.](#)

c. **Civil Forfeiture Action:** As a matter of policy, the USMS extends the purchase restrictions of a criminal case to any person whose conduct gave rise to a civil forfeiture of the property or to anyone acting in concert with or on behalf of, such a person. This general prohibition may be lifted in civil forfeiture actions on a case by case basis due to extenuating circumstances, as determined by AFD and the relevant United States Attorney's Office (USAO), with the concurrence of the Ethics Officer, Office of General Counsel (OGC).

d. **Other Third Parties:**

- 1) Other governmental and non-governmental agents who are involved in the AFP are included in this prohibition and;
- 2) Any person, who in the reasonable judgment of the USMS, in consultation with the USAO and/or Asset Forfeiture and Money Laundering Section, may act on behalf of, or serve as an agent of a prohibited purchaser.

- e. Special circumstances may rebut the presumption that someone is or is not a prohibited purchaser in any given case. For a case-specific determination of whether a particular person is a prohibited purchaser, USMS employees should notify AFD of the potential conflict and contact the Ethics Team, OGC, at the request of the potential purchaser.
3. AFD, in consultation with OGC, where applicable, maintains the decision-making authority in determining if a person/party is or is not considered a prohibited purchaser as outlined above.

E. Procedures:

1. Procedures for disposal of forfeited property via sale are located in the [Asset Forfeiture \(AF\) eManuals](#) available on the AFD website and are incorporated into this policy by reference.

F. Definitions:

1. **Other governmental and non-governmental agents who are involved in the AFP:** Contractors, their employees, and agents; employees of any federal agency who, directly or indirectly, perform duties associated with the seizure and forfeiture of property by DOJ; and employees of any state or local governmental agency who, directly or indirectly, perform duties associated with the seizure and forfeiture of property by DOJ which participates in the DOJ Equitable Sharing Program.
2. **Immediate Family Members:** Any person 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.

G. Cancellation Clause: This is a new policy directive and remains in effect until superseded or cancelled.

H. Authorization and Date of Approval:

By Order of:

Effective Date:

 /S/
Stacia A. Hylton
Director
U.S. Marshals Service

4/23/2012