

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
WESTERN DIVISION

FILED
JUN 15 2012
MAGISTRATE JUDGE P MICHAEL MAHONEY
United States District Court

UNITED STATES OF AMERICA,)
)
Plaintiff,)

v.)

No. 12 CV 50153

HAVE FAITH IN MONEY, A QUARTER)
HORSE AND 400 OTHER QUARTER)
HORSES AND 21 EMBRYOS, ALL)
IDENTIFIED ON ATTACHMENT A, 13)
SADDLES IDENTIFIED ON)
ATTACHMENT B, AND FROZEN)
STALLION SEMEN IDENTIFIED ON)
ATTACHMENT C)
)
Defendants.)

**PROTECTIVE ORDER DIRECTING THE
INTERLOCUTORY SALE OF CERTAIN PROPERTY**

This matter coming before the Court on the government's motion for entry of a protective order directing the interlocutory sale and disposal of certain property pursuant to the provisions of Title 18, United States Code, Section 983(j)(1), and the Court being fully advised, finds as follows:

(a) On May 1, 2012, a verified complaint for forfeiture was filed pursuant to 18 U.S.C. § 981(a)(1)(C) for the forfeiture of Have Faith in Money, a quarter horse, and 310 other quarter horses, as properties which constitute and derive from proceeds obtained from violations of 18 U.S.C. § 1343;

(b) Also on May 1, 2012, the Court entered a Post-Complaint Protective Order, allowing, among other things, that the United States may take all necessary steps to ensure the health and well-being of the defendant horses;

(c) On May 25, 2012, a verified amended complaint for forfeiture was filed pursuant to 18 U.S.C. § 981(a)(1)(C) for the forfeiture of Have Faith in Money, a quarter horse, and 394 other quarter horses, 21 embryos, 13 saddles and frozen stallion semen from 8 horses, all listed in Attachments A, B and C, of the amended complaint (“defendant properties”), as properties which constitute and derive from proceeds obtained from violations of 18 U.S.C. § 1343.

(d) Also on May 25, 2012, the Court entered a Post-Complaint Protective Order, allowing, among other things, that the United States may take all necessary steps to ensure the health and well-being of the defendant properties.

(e) On June 14, 2012, a verified second amended complaint for forfeiture was filed pursuant to 18 U.S.C. § 981(a)(1)(C) for the forfeiture of Have Faith in Money, a quarter horse, and 400 other quarter horses, any unborn foals subsequently born to any of those 401 horses, 21 embryos, 13 saddles and frozen stallion semen from 8 horses, all listed in Attachments A, B and C, of the amended complaint (“defendant properties”), as properties which constitute and derive from proceeds obtained from violations of 18 U.S.C. § 1343.

(f) Also on June 14, 2012, the Court entered a Post-Complaint Protective Order, allowing, among other things, that the United States may take all necessary steps to ensure the health and well-being of the defendant properties.

(g) The United States requested action by this Court because the financial responsibilities relating to the proper care and maintenance of the defendant properties is burdensome and the owner does not have the means to continue meeting

the financial obligations. The high costs associated with providing the daily necessities for the defendant properties, particularly the horses, affects the value of the property and jeopardizes the availability of any equity, after satisfaction of obligations, that will be available for forfeiture to the United States. Furthermore, some of the defendant horses require medical attention; for example, some are mares with recently birthed foals, and/or are pregnant, or are due to birth foals within the next month;

(h) Pursuant to 18 U.S.C. § 983(j), this Court has jurisdiction to enter orders or to take other action to preserve and to protect property to insure that property or its equity will be available for forfeiture in the event of conviction;

(i) Title 18, United States Code, Section 983(j)(1) provides in pertinent part:

Upon application of the United States, the Court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, create receiverships, appoint conservators, custodians, appraisers, accountants, or trustees, or take any other action to seize, secure, maintain, or preserve the availability of property subject to civil forfeiture—

(A) upon the filing of a civil forfeiture complaint alleging that the property with respect to which the order is sought is subject to civil forfeiture;

(j) Accordingly, in order to preserve the availability of the equity in the property subject to forfeiture, the United States, along with defendant RITA A. CRUNDWELL, agree to the interlocutory sale of the defendant properties by the United States Marshals Service, and agree that the proceeds from the sales, after payment of certain verifiable costs, be retained in an escrow account maintained by the United States Marshals Service, pending further order of this Court. Due to the

variety and volume of defendant properties, more than one sale by various methods may be necessary in order to dispose of all the defendant properties.

(k) The United States requested that, pending sale of the defendant properties, the United States Marshals Service be permitted continued access to the properties where the defendant properties are located for the limited purpose of securing the defendant properties and taking whatever steps are necessary to prepare the properties for sale and preserve the value of the properties for forfeiture. In addition, the United States requested that the United States Marshals Service be permitted to access the properties commonly known as 1679 U.S. Route 52, Dixon, Illinois ("1679 U.S. Route 52") and 1556 Red Brick Road, Dixon, Illinois ("1556 Red Brick Road"), including their buildings and facilities and all farm and horse equipment located on those properties for the purposes of advertising, marketing and conducting sales of the defendant properties.

(l) The United States further requested that the United States Marshals Service or any authorized agent of the United States Marshals Service be authorized to prepare and sign any and all documents relating to the sale and transfer of ownership of the defendant properties.

Accordingly, it is hereby ORDERED, ADJUDGED, AND DECREED:

1. That, the government's motion for entry of a protective order directing the interlocutory sale and disposal of the defendant properties is granted; it is further ordered,

2. That, in order to effectuate the sale and disposal of the defendant properties, the United States Marshals Service shall retain the services of professionals familiar with the quarter horse industry and with other properties as identified in Attachments A, B and C of the amended verified complaint for forfeiture, including but not limited to appraisers, veterinarians, breeders, and auctioneers; it is further ordered,

3. That, the United States Marshals Service, upon advice and consultation of the above identified professionals, shall determine the most appropriate disposal method for each of the defendant properties. In the event of sale, the United States Marshals Service shall sell the defendant properties in the most commercially feasible manner, including but not limited to live and online auctions; it is further ordered,

4. In furtherance of the interlocutory sale and disposal, the United States Marshals Service and its contractors shall be allowed access to the properties where the defendant properties are located, for the limited purpose of securing the defendant properties and preparing them for disposal; it is further ordered,

5. In furtherance of the interlocutory sale and disposal, the United States Marshals Service and its contractors shall be allowed access the properties commonly known as 1679 U.S. Route 52, Dixon, Illinois ("1679 U.S. Route 52") and 1556 Red Brick Road, Dixon, Illinois ("1556 Red Brick Road"), including their buildings and facilities and all farm and horse equipment located on those properties for the purposes of advertising, marketing and conducting sales of the defendant properties.

6. In furtherance of the interlocutory sale and disposal, the United States Marshals Service or its authorized agent is authorized to prepare and sign any and all documents relating to the sale and transfer of ownership of the defendant properties.

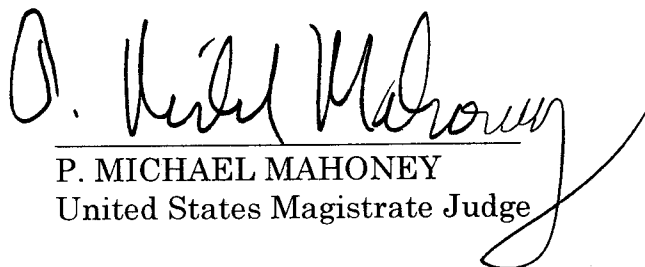
7. That, the proceeds from the sale(s) of the defendant properties, after the payment of verifiable costs, shall be retained in the United States Marshals Service Seized Assets Deposit Fund pending further order of this Court; it is further ordered,

8. That, the net proceeds from the sale(s) will be substituted as the property in this action pending final judgment in this case; it is further ordered,

9. Rita A. Crundwell shall execute any documents necessary to effectuate the interlocutory sale and disposal of the defendant properties; it is further ordered,

10. That, the United States Marshals Service may incur certain costs and shall be permitted to deduct from the proceeds of the sale of the defendant properties any reasonable and necessary costs incurred to effectuate the sale(s) of the properties and to maintain the properties pending sale; it is further ordered,

11. This Court shall retain jurisdiction in this matter to take additional action and enter further orders as necessary to implement and enforce this protective order directing the interlocutory sale of the above-identified real property.


P. MICHAEL MAHONEY
United States Magistrate Judge

DATED: 6/15/12