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ASSET FORFEITURE TECHNIQUES
IDENTIFYING, PRESERVING AND DISPOSING OF COMPLEX CRIMINAL ASSETS

ASSET FORFEITURE TECHNIQUES

IDENTIFYING, PRESERVING AND DISPOSING OF COMPLEX CRIMINAL ASSETS

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AGENDA



- Provide an Overview of an effective Forfeiture Business Model
- Discuss alternative Management and Statutory frameworks for Forfeiture Funding
- Discuss policies, practices and controls as well as the Human Resources, Information Technology, and Contractor Support needed to operate an effective Forfeiture Program
- Discuss interplay of investigative techniques with asset investigations leading to forfeiture in Complex asset cases
- Describe Pre-seizure Planning, Asset Restraint techniques and Custody/Management/Disposal practices in Complex asset cases

Please ask questions as we go along or interrupt where the discussion is too elementary to be helpful... Our Goal Is to Spend More Time on what is Relevant and Helpful to your Specific Needs

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Diagnostic Planning and Forfeiture Business Model



Any good Strategy must have Ways, Means and Ends

- **Ways:** Investigative and Forfeiture Methods, Practices, People, Processes, Facilities, Information Technology, Contractor Support, Equipment, Vehicles, Protective Gear, Awards for Information, and so much more...
- **Means:** Money either from your General Fund, a special Forfeiture Fund or another lawful funding source
- **Ends:** The long-term Goals and Objectives of combating crime, disrupting criminal organizations, recovering victim proceeds, preventing corruption and other bad conduct/outcomes as well as providing immediate Tactical needs to support Operational Requirements

The Strategic Process must be Continuous in order to anticipate and address emerging patterns of crime and threats. Because, changes in Statutes, Regulations and favorable Case Law often take longer than expected.

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Flow Diagrams



- Diagnostic Strategic Planning and Change Model
- Asset Forfeiture Program Business Model

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OUR MISSION:



Asset Identification, Preservation and Forfeiture in furtherance of High Impact Law Enforcement



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A Brief Overview of US Forfeiture as it relates to Program Administration



- Much has been written on U.S. Asset Forfeiture laws by both supporters and critics.
- U.S. Forfeiture laws today have expanded to cover most federal criminal offenses, although the U.S. does not have a single comprehensive forfeiture statute that covers proceeds and instrumentalities used or derived from all types of offenses.

Types of non- conviction based forfeiture

- *Summary forfeiture authorizes law enforcement to summarily make on-the-spot seizures of property to which no one claims ownership, without a requirement for a legal proceeding. Summary forfeiture is applied in cases of seizure of **contraband** goods where the ownership is vested with the law enforcement because no legal ownership can be claimed of property that is not legal, e.g., illegal narcotics.*
- *Administrative forfeiture authorizes law enforcement to seize property during an investigation if there is probable cause to believe that the property is subject to forfeiture.*
- Once property is seized, law enforcement commences an administrative forfeiture and notices are sent to any person with an interest in the property and interested in contesting forfeiture within a prescribed period of time.
- If forfeiture of the property is not contested within the period prescribed by law, law enforcement can require forfeiture of the property by making a declaration of forfeiture that has the same force and effect as a judicial order.

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Alternative Statutory frameworks for Forfeiture Program Operations



- The General Fund approach:
 - All forfeitures go to the general treasury and the forfeiture program receives Appropriated Funds like other government organizations
- The special Forfeiture Fund approach:
 - Forfeitures go to a Forfeiture Fund where 'permissible expenses' of Operating the Forfeiture Program (including returns to victims) are paid directly from the Forfeiture Fund
- **Both approaches have advantages and disadvantages and both require Transparency, Due Process and total impartiality in the application of the Rule of Law**

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USING A CENTRAL REPOSITORY FOR FORFEITURE MONEY (the "Fund")



- Forfeited Cash & Financial Instruments
- Proceeds of Sale of Forfeited Property
- Share of National, Foreign, and Local Forfeitures
- Interest Earned on Investment of Balances

- WHY? Because it can pay for Forfeiture Program operating and infrastructure costs without burdening Appropriated resources

- ... but Impartiality, Transparency and Due Process are important considerations along with Victim recovery priority claims.

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Determining the Right Mix of Operating Costs to Grow Program Effectiveness



- Economic model:
 - Total costs of Agents, Prosecutors, Judges, Analyst, Property Managers, Contractor Services, Financial and Management, Rent, Vehicles, IT and more are the 'all in' law enforcement costs
 - But there are Capital Expenditures for Training, Development and replacing infrastructure including prisons, etc.
 - These are measured against the benefits to Society of reducing crime, disrupting criminal organizations and recovering criminal proceeds on behalf of identifiable victims
- Accounting model excludes many of these costs if paid from Appropriated funds
- Must always measure 'Total or all in Costs' against Societal Benefits
- Must always keep Overhead and Admin to an absolute minimum so that more is available to increase the true law enforcement impacts of case work.

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Key ways to keep Overhead and Infrastructure Costs Low






- Small professional management group and experts deployed centrally to cover Forfeiture Program (as distinct from Agents, Prosecutors and Legal experts spread by locale and functional organization).
- Shared facilities for Training, Information Technology, Investigative Resources— don't build separate stand-alone centers of expertise if that expertise/service is common to all or most functions.
- Use contract services in geographically deployed areas on 'As needed' basis not Full Time
- Establish and enforce cost effective Admin/overhead limits (say 5% of total program costs)
- If a Funded new initiative is approved and is unsuccessful 'kill it quick', if it is successful make a routine part of you operation and drive down its costs [do not let core operating cost creep up constantly].
- Your overhead and fixed operating costs must be declining over time as a % of Forfeiture Revenue otherwise it is not truly a strong Program

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What Good it does for your Organization



- Preserves Agency Appropriations
- Dependable Source of Funds for Forfeiture Program Costs
- Enables an Aggressive Forfeiture Program to keep pace with ever-changing criminal techniques
- Source of Funds to Expand and Improve Forfeiture Program
- Credits law enforcement achievements: Victim Recoveries, Official/Permissible Uses that reduce taxpayer burden, provides Surpluses paid into the General Fund.

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Forfeiture Program Expenses



- Asset Management and Disposition
- Forfeiture Case Related Expenses
- Victim/lienholder & Equitable Sharing Payments
- Forfeiture Program IT & Training
- Services to Process Forfeiture Cases
- Experts and Consultants
- Services to Locate Forfeitable Assets
- Local Officer Costs in Joint Operations
- Awards Based on Forfeiture

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Other Considerations: Forfeiture Fund Administration



- Stewardship, Transparency and Due Process are paramount in sustaining public confidence
- Seizing, Tracking, Protecting, Notifying Owners/Victims, Disposing of the property...
- Avoiding any appearance of 'Policing for Profit' or impartiality that erodes public confidence
- Justifiable, Lawful and non-extravagant Expenses and Permissible Uses
- Effective financial policies and Independent Audits
- Application of Surplus Funds from forfeiture to General Fund

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Variability in Major Forfeiture Violations



Forfeitures by Primary Statutory Category

2013					2014				
Asset count	Forfeiture	Average Value	% of Items	% of Value	Asset count	Forfeiture	Average Value	% of Items	% of Value
4,464	1,247,245,321	279,401	22.20%	58.14%	5,155	3,402,990,861	660,134	25.21%	74.93%
10	684,379	68,438	0.05%	0.03%	3	1,880,723	626,908	0.01%	0.04%
38	1,277,971	33,631	0.19%	0.06%	33	3,328,979	100,878	0.16%	0.07%
749	163,629,979	218,465	3.72%	7.63%	829	448,275,366	540,742	4.05%	9.87%
14,765	692,226,029	46,883	73.42%	32.27%	14,334	682,204,796	47,593	70.09%	15.02%
75	39,891,372	531,885	0.37%	1.86%	84	2,702,672	32,175	0.41%	0.06%
1	15,000	15,000	0.00%	0.00%	1	561	561	0.00%	0.00%
9	192,205	21,356	0.04%	0.01%	11	212,475	19,316	0.05%	0.00%
20,111	\$ 2,145,162,254	\$ 106,666	100.00%	100.00%	20,450	\$ 4,541,596,433	\$ 222,083	100.00%	100.00%

2015					2016 (through August 31st)				
Asset count	Forfeiture	Average Value	% of Items	% of Value	Asset count	Forfeiture	Average Value	% of Items	% of Value
4,268	874,927,909	204,997	24.05%	53.34%	4,023	1,979,265,141	491,987	32.08%	79.77%
0	-	-	-	-	5	251,405	50,281	0.04%	0.01%
57	5,419,733	95,083	0.32%	0.33%	66	13,245,073	200,683	0.53%	0.53%
548	180,215,119	328,860	3.09%	10.99%	279	46,313,357	165,998	2.23%	1.87%
12,774	573,654,488	44,908	71.99%	34.97%	8,105	432,073,029	53,309	64.64%	17.41%
92	5,880,206	63,915	0.52%	0.36%	56	3,664,444	65,437	0.45%	0.15%
3	1,290	430	0.02%	0.00%	0	-	-	-	-
1	104,287	104,287	0.01%	0.01%	5	6,449,376	1,289,875	0.04%	0.26%
17,743	\$ 1,640,203,032	\$ 92,442	100.00%	100.00%	12,539	\$ 2,481,261,825	\$ 197,884	100.00%	100.00%

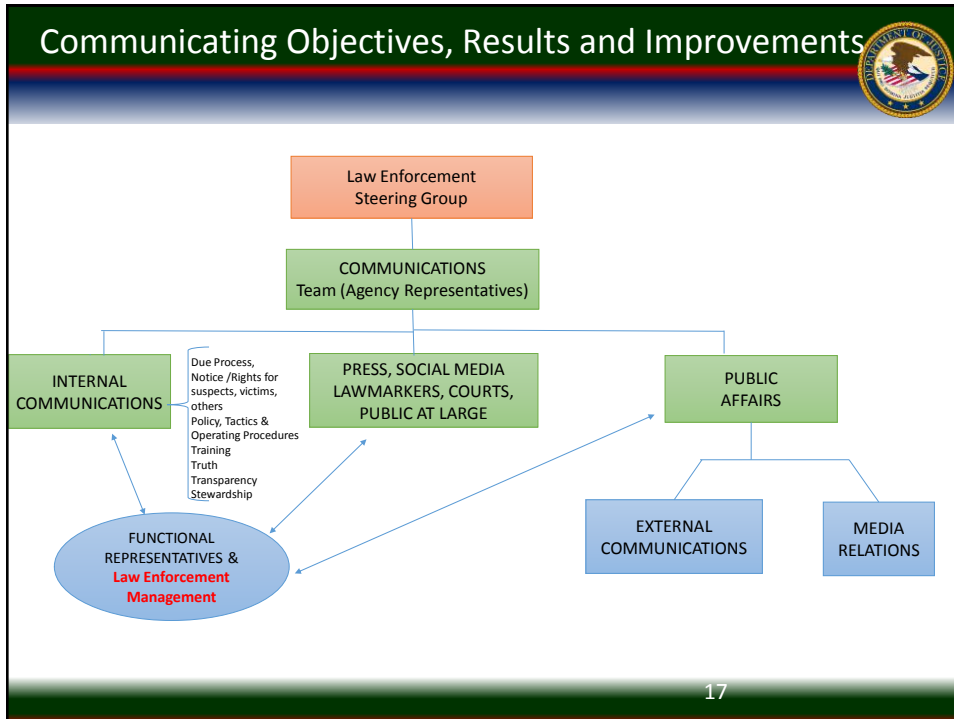
Portfolio Concepts--Stratification



FY 2013					FY 2014				
Asset count	Forfeiture	Average Value	% of Items	% of Value	Asset count	Forfeiture	Average Value	% of Items	% of Value
2,550	766,162.62	300.46	12.68%	0.04%	2,724	850,282.05	312.14	13.32%	0.02%
5,316	15,502,794.41	2,916.25	26.43%	0.72%	5,594	15,195,665.82	2,716.42	27.35%	0.33%
7,453	88,943,109.41	11,933.87	37.06%	4.15%	7,091	85,014,054.34	11,989.01	34.67%	1.87%
1,897	67,376,446.64	35,517.37	9.43%	3.14%	2,019	71,454,115.72	35,390.84	9.87%	1.57%
1,262	90,938,284.09	72,058.86	6.28%	4.24%	1,263	90,523,939.47	71,673.74	6.18%	1.99%
1,343	285,671,504.72	212,711.47	6.68%	13.32%	1,438	312,321,699.92	217,191.72	7.03%	6.88%
163	112,841,537.61	692,279.37	0.81%	5.26%	196	138,124,114.25	704,714.87	0.96%	3.04%
71	92,640,869.42	1,304,800.98	0.35%	4.32%	81	114,505,737.62	1,413,651.08	0.40%	2.52%
56	1,390,340,569.05	24,827,867.30	0.28%	64.82%	44	3,713,606,823.36	84,400,155.08	0.22%	81.77%
20,111	\$ 2,145,041,277.97	\$ 106,660.10	100.00%	100.00%	20,450	\$ 4,541,596,432.55	\$ 222,082.96	100.00%	100.00%

FY 2015					FY 2016 (through August 31st)				
Asset count	Forfeiture	Average Value	% of Items	% of Value	Asset count	Forfeiture*	Average Value	% of Items	% of Value
2,856	879,612.21	307.99	16.09%	0.05%	2,121	553,788.33	261.10	16.92%	0.02%
4,105	12,101,198.48	2,947.92	23.13%	0.74%	2,378	6,985,559.33	2,937.58	18.96%	0.28%
6,077	73,789,169.06	12,142.37	34.24%	4.50%	4,030	49,623,011.75	12,313.40	32.14%	2.00%
1,733	61,812,425.27	35,667.87	9.77%	3.77%	1,391	49,614,008.20	35,667.87	11.09%	2.00%
1,204	86,476,813.43	71,824.60	6.78%	5.27%	997	71,899,861.73	72,116.21	7.95%	2.90%
1,448	308,888,144.52	213,320.54	8.16%	18.84%	1,318	289,714,911.11	219,814.04	10.51%	11.67%
191	130,936,945.88	685,533.75	1.08%	7.98%	179	124,042,091.30	692,972.58	1.43%	5.00%
68	91,091,058.17	1,339,574.38	0.38%	5.55%	68	95,283,575.69	1,401,229.05	0.54%	3.84%
65	873,946,429.19	13,655,412.96	0.37%	53.29%	57	1,794,650,558.50	31,485,097.52	0.45%	72.30%
17,747	\$ 1,639,921,796.21	\$ 92,405.58	100.00%	100.00%	12,539	\$ 2,482,367,365.94	\$ 197,971.72	100.00%	100.00%

Applying a required threshold of \$50,000 or more to non-cash seizures would yield over 90% of current total Forfeiture Revenue while eliminating significant Program costs associated with 80% of low value, non-cash property



Selected Sample/handouts—Forfeiture Fund Administration

- Forfeiture Statutes (*US Forfeiture in a Box*)
- Sample Forfeiture Repository Fund Statute
- Policy Guides assuring Transparency and impartiality
- Policies and practices in furtherance of effective law enforcement techniques:
 - Equitable Sharing Program
 - Joint Law Enforcement Operations
 - International Cooperation
- Budget allocation and permissible use request
- Sample financial statement and independent audit
- Discretionary uses and Application of surplus funds

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Other Necessary Elements



- Computer System tracking of Custody, Location, Value, Condition, and legal status of Seized, Forfeited, Restrained assets
- Manual procedures and policies
- Transparency and independent validation

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International Cooperation



- Most countries can assist one another with the enforcement of forfeiture orders, but not directly in the enforcement of restitution orders alone.
- Victims' interests are served when we use forfeiture tools to recover for victims.
- Our goal as forfeiture practitioners should be to insure that there is no safe haven in the world for proceeds of crime.

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US CRIMINAL FORFEITURE



- Require personal Jurisdiction (*in personam*) meaning the defendant must be present;
- Included in the criminal case and needs a criminal conviction in the U.S.;
- The ADVANTAGE is that the Government can forfeit the criminal's legitimate property if illicit assets cannot be found.

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Laundering of Monetary Instruments



- Criminalizes the movement of funds into or out of the United States with intent to carry on "Specified Unlawful Activity"
- SUA includes many US crimes, but also foreign crimes such as bribery of a public official, embezzlement of a public funds, and fraud against a foreign bank;
- Criminal and *in rem* Forfeiture target
 - The illicit funds and,
 - Facilitating property

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UN Convention Against Corruption



- Article 31: Each State to take measures to enable tracing, freezing, seizure and confiscation of proceeds of corruption, and property obtained with such proceeds.
- Articles 54 and 55: Each State to take measures to provide mutual legal assistance through:
 - Enforcement of foreign order to freeze, seize and confiscate proceeds of corruption, and
 - The freezing, seizing and confiscation of proceeds of foreign crimes of corruption through the requested State's own civil or criminal processes.

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Criminal Forfeiture and Assets Overseas

18 U.S.C. Section 981(k)



- Where forfeitable funds are in a foreign bank, and cannot be seized, U.S. may seize funds in that foreign bank's correspondent accounts at a bank in the United States;
- Correspondent account funds are deemed to be the foreign criminal deposits;
- In Practice: Last resort, if mutual legal assistance not available.

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Criminal Forfeiture and Assets Overseas (continued)



- Court can order Defendant to repatriate funds to the United States;
- Failure to comply could increase sentence or lead to contempt of court;
- If failure to comply, assistance from foreign government necessary

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U.S. IN REM FORFEITURE



- Need only in rem jurisdiction - - court must exercise some control over the property;
- Only property derived from or involved in the crime in the U.S.;
- **ADVANTAGE:** Criminal conviction not necessary, can forfeit property from dead criminals or fugitives.

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In REM Forfeiture and Assets Overseas



- Basis for forfeiture as if property were located in the U.S.
- Other country takes action on U.S request to give U.S. court control over property (ex. Freeze a bank account)
- Jurisdiction over foreign assets of terrorists targeting the United States

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Obstructionist Litigants



- Sanctions for failure to produce bank records located in a foreign bank: can include dismissal of the party's claim if the records are material and claimant could obtain the records or waive bank secrecy laws, but does not. 18 U.S.C. Section 986(d)
- Fugitive disentitlement doctrine: claim dismissed if party knows of *In Rem* forfeiture proceeding, but stays away from the United States in order to avoid criminal charges.

28 U.S.C Section 2466

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ASSISTANCE FROM THE U.S.



- Investigatory assistance/mutual legal assistance
- U.S. initiates its own forfeiture action
 - Criminal Forfeiture
 - *In rem* Forfeiture
- Enforce foreign forfeiture judgments
- Provisional restraint mechanisms

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Investigatory Assistance and Mutual Legal Assistance



- Informal “police to police” assistance;
- INTERPOL;
- FUI information sharing through Egmont Group;
- Formal mutual legal assistance request (pursuant to treaty);
- Letter rogatory or other assistance request (where no treaty is in place).

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Tips on International Assistance in Asset Recovery



- Don't publicize your investigation, or assets will be gone;
- Always find out as much as possible through informal channels first;
- Find out what can be obtained informally, and what requires formal legal assistance request;
- May need a first request for investigation, a second to seize, confiscate, or take other action.

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Tips on International Assistance in Asset Recovery (continued)



- If a formal request or other legal action is necessary, the prosecutor should speak directly with attorneys in the foreign country to learn what possible tools are available and practical for your case;
- In the United States, contact should be with the Department of Justice's Office of International Affairs or the International Unit of AFMLS.

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Request to the U.S. for Evidence



- Purpose for which evidence sought;
- Summary of facts, including connection between the target and the evidence;
- Legal description of offenses charged or investigated;
- Detailed description of evidence;
- Identifying information on individuals;

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Request to the U.S. for Evidence (2)



- Search/Seizure
 - Affidavit establishing Probable Cause that evidence is:
 - Relevant to the investigation, and
 - Can be found at that location
 - Full description of the property to be seized.
- Date by which evidence needed;
- Confidentiality requirements.

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What is forfeitable? In the U.S.



- Property derived from commission of crime
- Property which facilitates the commission of crime
- Substitute assets

Complex Cases versus Complex Assets



- BCCI
- Enron
- Stanford
- Madoff
- Casino (criminals running the business)
- 15 Grocery Stores (unprofitable w/o illicit activity)
- 200 Race Horses
- Mobster's Trash Company (environmental liabilities)
- Luxury Hotels (major construction)
- Movies Royalty Rights
- Intellectual Property
- Internet Sites

Do your homework; avoid Liabilities and Negative Value Assets

Investigative analysis in Complex Cases



- Criminals have become more sophisticated in finding ways to prevent forfeiture, examples:
 - Assets are held in the name of nominees
 - Individuals
 - Corporate entities
 - Property which has no title records
 - Gold, cash, fine art etc.
 - Assets are located in foreign countries under the belief that only domestic assets can be seized
 - Forfeiture proof partnership agreements
 - Innocent owner defenses

Techniques to identify Complex assets



- Search warrants
- Subpoenas for financial records
- Tips, informants, interviews,
- Cooperating parties
- Physical Surveillance
- Financial Intelligence Unit records
- Trash runs
- Public record searches
- Electronic surveillance
- Electronic communications
- Commercial databases

Timing



- If the target knows he is under investigation, he may dissipate or move assets beyond our reach
- Most financial investigations must remain covert until the government is ready to seize or restrain property

Timing



- Best way to start financial investigation is with a commercial credit report
 - Shows where target
 - Has bank accounts
 - Owns property
 - Is employed
 - Names of family members
 - Credit cards – which can be subpoenaed to show purchases
- Commercial databases

Timing of specific techniques



- Search warrant – not covert; usually the last technique used before arrest and seizure
- Subpoenas for financial records – can be covert; courts usually order non-disclosure
- Interviews – investigators can usually assume that individuals will inform the target that they have been contacted by law enforcement
- Physical Surveillance – can be covert
- FIU records – usually covert

Timing of specific techniques



- Trash runs – can be covert
- Public record searches – usually covert, but some risk of disclosure by employees of the public record agency
- Electronic surveillance – usually covert, but some risk.
 - Example: subject may locate GPS tracker on car
 - Court may order disclosure before investigation complete

Timing of specific techniques



- Electronic communications
 - The type of court order required varies with the type of communication to be intercepted
 - Stored emails are often the easiest to obtain and most useful in terms of locating assets
 - Intercepted voice communications are often the hardest to obtain and require the most effort to extract information
 - Can be covert as long as court will order service providers not to disclose interception

Methods of Proof



- Tracing – proving that specific property is a proceed of the crime
- Net worth analysis – proving that target's net worth increased during the period of time he was engaged in criminal activity leading to an inference that assets are proceeds
- Rebuttable presumption – some forfeiture laws contain a presumption that a defendant's assets acquired during period of criminal activity are proceeds of crime

Asset Preservation Options



- For countries that have non-conviction based (NCB) forfeiture, an NCB seizure warrant is an option
 - Allows government to take physical custody of property.
But along with custody comes responsibility
- Some NCB countries allow for restraining/preservation order
- Most countries allow criminal court to order restraint/preservation of assets

But do your pre-seizure work and be ready to release negative value properties!!!!

Why use a restraining order



- Well suited for complex assets that costs money to store or maintain
 - Operating businesses
 - Real property, Development projects
 - Animals
- Well suited for property that can effectively be preserved without seizure
 - Bank accounts
 - Investment (shares) accounts

When to seize property to preserve



- When property can be removed, dissipated or put beyond reach of court
 - Cash
 - Jewelry
 - Vehicles
 - Anything that can be moved, spent or hidden is usually seized

Operating Businesses and Commercial Assets



- Solution to preserve a business is often a restraining/preservation order that
 - Prevents sale or transfer of the business
 - Allows business to operate
 - Requires monitoring by asset management agency or experts hired to monitor
 - Alternative is to hire professional manager
 - Insure that if business becomes unprofitable, changes can be made

Interlocutory Sale



- Some countries permit an **interlocutory sale** before conclusion of the forfeiture proceedings
- Property owner will sometimes consent to such a sale if the alternative is that the asset will diminish in value before forfeiture case is concluded
- Such sale is particularly appropriate where maintenance costs are high

Other Considerations



- Approach the financial investigation like a criminal investigation
 - Prepare to prove your case in court with appropriate documentation and witness testimony
- For every crime, the investigator should be able to account for the proceeds of that crime
 - Follow the money

Alternatives to Seizure



- Asset preservation method must be
 - Appropriate to the property
 - Only seize when necessary
 - Consider the costs of the various preservation options **and whether your Fund authority and management capability permit**
 - Physical seizure usually costs something
 - Property storage costs may quickly exceed the value of the property
 - » Is there a way to “quick release” an asset if forfeiture is not financially practical?

Summary – Alternatives to Seizure



- If a **restraining order/preservation order** is used, there must be a method to insure compliance
 - Defendants sometimes decide they have nothing to lose by violating a preservation order
 - Financial institutions generally will comply with a preservation order
 - For business assets **monitoring is essential**

Disposal Methods



- Methods of disposal and the options for ethical and professional liquidation of forfeited assets.
- The primary goal in asset recovery is to preserve, retain and if possible increase the value of asset during management to obtain the highest return at disposal.

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Public Auctions



- Selling assets via public auction provides the most transparent method of disposal of forfeited assets.
- This method uses public notice through advertising in newspapers of general circulation, and are most effective and less costly when posted on the internet.
- One method used in the United States is through an internet service provider or establishing a web site.
- The use of public web sites allow you to reach millions of potential buyers increasing the recovery for victims.

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Unsolicited Offers



- Often we will receive unsolicited offers prior to the asset being placed on the market. Some unsolicited offers come from interested parties that have a solid reason for buying the asset (e.g. an innocent partner, or an adjacent land owner).
- The Government can at its discretion entertain these types of offers after forfeiture of the asset. However, in most instances an arms length transaction should be based on the best offer after publication of the proposed sale with the opportunity for other individuals to submit an offer.

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Interlocutory Sale or Judicial Order



- The use of an interlocutory sale can be beneficial when the asset is dissipating and will lose value if not disposed of quickly. An example would be a large vessel or aircraft requiring expensive storage or maintenance costs. Or assets that will expire such as foods, animals or operating businesses with innocent co-owners.
- A benefit of a Judicially ordered sale allows for the immediate liquidation of asset with the proceeds deposited in the forfeiture holding fund pending the courts final disposition. This negates any long term management expenses to the Government. Additionally it preserves the value of the asset.
- Another scenario that applies to this type of court ordered sale is when the defendant agrees to the sale of the seized assets with the Prosecutor.
- The incentive for the defendant is that they are only giving consent to the sale of the assets not to the disposition of the proceeds. The Judiciary will ultimately determine if the proceeds are to be forfeited to the Government or returned to the defendant.

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Managing Complex Assets



- Forfeiting and operating complex assets requires the ability to determine the viability and sustainability of the asset. For example, consider the confiscation of a grocery store chain that operates in 12 locations. The owners have been convicted of laundering proceeds from the sale of illegal drugs through the companies accounts receivables to launder the money.
- How could this effect the profitability of the company?
- Inflated revenue, defaults on leases, unsustainable continued operations, negative impact on local economy are all possibilities.
- Conducting a proper due diligence is an essential tool to avoid and identify these issues by crafting the appropriate restraining / protective order.

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Authority to destroy assets



- Several categories of confiscated assets will require Policies to address the destruction procedure for the following types of items:
- Firearms, hazard and dangerous materials, perishable items and items rendered illicit or illegal based on legal requirements.
- Some examples would be food items, vehicles with missing or altered identification numbers, weapons and explosives to name a few.
- Narcotics should be retained by the confiscating Law Enforcement Agency rather than the Asset Management group.

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Experts, contractors and professionals for the management and disposal of certain assets



- Must have experts on staff and contractors in place, vetted and ready to address unique issues when seizing assets that require specialized expertise, training or certifications.
- Examples can be as simple as a veterinarian to assess and care for the seizure of valuable animals, or as complex as an accounting firm to conduct a business valuation of an complex income producing asset.
- But know who you are dealing with or you could be living through a nightmare like our Casino example.

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Receivers, Trustees, Private Counsel



- You will occasionally need to appoint a receiver to manage large multiple asset seizures and complex asset cases.
- Two methods used to assign or appoint these individuals are with a Judicial order or by the issuance of a procurement device with the Government Agency responsible for the administration of assets.
- If a receiver or trustee is appointed by way of a Judicial order they are required to report to the Judiciary and the Government, as outlined in the order.
- Any services regulated by your Government's procurement and contracting rules and regulations may take longer than the priorities in the case permit so it is best to have universal procurement capabilities in place in advance.

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Discussion and Questions

