

**IN THE UNITED STATES DISTRICT COURT FOR THE  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

UNITED STATES OF AMERICA	)	
	)	
- against -	)	Fed. R. Crim. P. 32.2(c)(2)
	)	
KENNETH RICE,	)	Cr. No. H-03-93-01
	)	
Defendant.	)	
	)	

**FINAL ORDER OF FORFEITURE**

WHEREAS, on June 18, 2007, this Court entered a Preliminary Order of Forfeiture, ordering Defendant Kenneth Rice to forfeit the following items ("the Subject Property") in which he had an interest:

- (a) real property known as 7207 Last Dollar Canyon, located in Telluride, Colorado, including lot 15A titled in the name of Summit Canyon Qualified Personal Residence Trust I and Summit Canyon Qualified Personal Residence Trust II,
- (a1) Lot 11A titled in the name of Summit Canyon, LLC;
- (b) a platinum, sapphire and diamond necklace, with 16 diamonds (total weight approximately 3.38 carats) and 226 sapphires (total weight approximately 15.05 carats) and a platinum, sapphire and diamond bracelet with approximately 6.65 carats of sapphires and approximately 1.68 carats of diamonds, purchased from Borsheim's Jewelry on June 15, 2000;
- (c) One 1995 Ferrari F355 Challenge, VIN no. ZFFPR41A2S0104478, registered to Ken Rice;
- (d) \$55,914 currently on deposit with the United States Marshals Service in substitution for an asset identified as one 1999 Shelby, VIN no. 5CXSA1810XL000027, registered to Kenneth Rice;
- (e) \$219,112.03 in Ameritrade account no. E240-052859, in the name of Kenneth D. Rice and Teresa K. Rice;

- (f) Contents of Bank of America account no. TX4-052400/06058489373, in the name of Kenneth D. Rice and Teresa K. Rice;
- (g) \$300,000 of Highland County FL Health Facilities Revenue Bond, and \$8,265.06 in cash and/or money market funds held in Goldman Sachs account no. 012-10733-0, in the name of Kenneth Rice;
- (h) The contents<sup>1</sup> of Sentinel Trust account number 21-25018, in the name of Ken Rice Restricted Agency Account, including cash and/or money market funds, all securities, a partnership interest based on a \$750,000 capital contribution in BBT Partners, LP;
- (h1) Cash in the amount of \$ 135,066.00 as substitute asset for Mr. Rice's interest in Sternhill Partners I, L.P., a limited partnership;
- (i) The contents of the Sentinel Trust account no. 08-25000, including all cash and/or money market funds and securities, in the name of the Ken and Teresa Rice Foundation;
- (j) The contents of Sentinel Trust, Account No. 11-25017, constituting the proceeds of the sale of the property located at 400 Elk Creek Road;
- (k) The contents of Sentinel Trust Account 11-25016, constituting the proceeds of the sale of a 2001 Ferrari 360 Challenge, VIN no. ZFFYR51800123311;

AND WHEREAS, the United States and Defendant Rice have sought the creation of two escrow accounts ("Foundation Escrow Account" and "Restrained Asset Tax Payment Escrow Account") by prior motion to this Court, to provide for the satisfaction of tax obligations and related costs generated by the assets subject to this Court's Restraining Order of December 24, 2003;

AND WHEREAS, the United States published in the Houston Chronicle, a newspaper of general circulation, notice of this forfeiture and of the intent of the United States to dispose of the Subject Property in accordance with the law and further notifying all third parties of their right to petition the court within thirty (30) days for a hearing to adjudicate the validity of their alleged legal interest in the Subject Property;

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<sup>1</sup> The contents of this account do not include Manulife Financial Venture Annuity #2101902, which is reflected on the account statement but not actually held in the account.

AND WHEREAS, Defendant has filed no claim to the Subject Property, and the time for him, and for all other third parties, to file such claims has expired with no such claims having been filed;

AND WHEREAS, Defendant was sentenced on June 18, 2007;

AND WHEREAS, pursuant to Rule 32.2(c)(2), it is now appropriate for the Court to enter a final order of forfeiture with respect to the Subject Property;

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the Subject Property is hereby forfeited to the United States of America pursuant to 18 U.S.C. §§ 981, 982 and 28 U.S.C. § 2461.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all right, title and interest to the property described above (items a.-k.) is hereby condemned, forfeited and vested in the United States of America; and

IT IS FURTHER ORDERED that the United States Marshals Service shall seize those forfeited assets not currently in its possession (a., g., h.), and shall dispose of all the Subject Property in accordance with the law; and

IT IS FURTHER ORDERED that the funds in the "Foundation Escrow Account" and "Restrained Asset Tax Payment Escrow Account" shall remain available and subject to this Court's Restraining Order, to pay taxes and associated costs as approved by this Court, until all taxes and related costs associated with the Restrained Assets shall be resolved. When all such issues have been resolved and disbursements made by agreement of the parties and approval of this Court, the funds remaining in the Escrow Accounts, if any, shall be, by agreement of the parties and approval of this Court, deemed forfeited to the United States; and

IT IS FURTHER ORDERED that the United States District Court shall retain jurisdiction in the case for the purpose of enforcing this Order; and

IT IS FURTHER ORDERED that the Clerk of the Court shall forward four certified copies of this Order to Lea A. Carlisle, Asset Forfeiture and Money Laundering Section, United States Department of Justice.

Signed:  
January 2, 2008

  
HONORABLE VANESSA D. GILMORE  
UNITED STATES DISTRICT JUDGE