

## **RULES OF CLOSED BID AUCTION PROPERTY SALE**

### **ERMD, LLC**

**1510 West McNeese St.**

**Lake Charles, LA 70605**

**Seller:** ERMD, LLC represented by its Managing Member Howard Rigg, M.D.

**Bidder:** Any qualified individual who makes a bid on this sale and submits the required bidding material and fee. A bidder may also be referred to as a prospective Buyer.

**Buyer:** A qualified individual, or business entity that a qualified individual represents, whose bid has been accepted by the Seller.

### **RULES:**

1. Opening bid of this sale is \$3,100,000.00 USD.
2. Reserve price for this sale is \$3,100,000.00 USD.
3. In order for a bid to be considered, a prospective Buyer must fill out a bid form and submit it to Seller by US mail to the above address.
4. Each bid must be accompanied by certified and verifiable proof of guaranteed financing in order for that bid to be considered.
5. Each bid must be submitted with a check in the amount of \$150.00 made payable to ERMD, LLC. This submission fee is non-refundable.
6. Each bid must be accompanied by official photo ID (e.g., DL or passport).
7. Seller is not responsible for bid forms not received. Therefore, certified mail is recommended.
8. All bidders understand that this sale is between ERMD, LLC, represented solely by the managing member of ERMD, LLC, and all qualified prospective buyers.
9. The bidding period will begin February 1, 2026 and last until April 30, 2026 unless ended early.
10. Any bid that is below the opening bid will not be considered.
11. Offers to buy only a portion of the property will not be considered
12. If a bidder has supplied adequate contact information to the Seller, the bid will be considered and the bidder will be notified as to whether or not the bid has been accepted.
13. Seller reserves the right to close the bidding period early if an acceptable bid is submitted to the buyer.

14. All bids received by the Seller will be handled exclusively by the Seller and all bids are to be kept strictly confidential. No bid from a prospective buyer will be made available to any other bidder by the Seller.
15. A bidder may be an individual who is making a bid on his/her behalf alone or a bidder may represent a group of which the actual bidder must be a principal (e.g., an owner, executive manager, CEO, etc.) and must have written authority to submit a bid and sign a purchase agreement.
16. No third party, such as a realtor, straw buyer, land manager, non-principal corporate representative, etc., will be allowed any sanctioned or approved involvement in the sale process. Discovery of unauthorized involvement by a third party will give the Seller the right to cancel the sale regardless of the stage to which the sale has progressed.
17. The Buyer indemnifies the Seller from any fees, charges or other claims, either explicit or implied, made by any person or entity not authorized to be directly involved in the sale process.
18. If a bid is accepted by the Seller, the successful bidder will have ten days to sign a binding purchase agreement.
19. Within ten days of signing the purchase agreement, Buyer will make an earnest payment of 5.0% of the bid price, in the form of a bank check, to ERMD, LLC, which will be placed in escrow. Failure to do so will result in cancellation of the sale. The escrow agent is the law firm of LUNDY LLP.
20. After bid is accepted, there is a 90-day limit to allow for sale closing.
21. Delays from financing, appraisals, inspections or other administrative delays may result in cancellation of the sale by the Seller and result in forfeiture of a portion of Buyer's earnest deposit (see No. 34 below).
22. Seller does not agree to any accommodation to a third party in order to satisfy financing requirements required by any prospective Buyer.
23. If a purchase agreement is signed and earnest payment received, Buyer is entitled to a one day showing of 8 hours beginning at 9AM and ending at 5PM on a day to be mutually agreed upon on by Seller and Buyer.
24. Showing to an accepted Buyer will allow the Buyer to meet with the Seller and engage in a walk through, discuss history and condition of the property, receive information regarding repairs and upgrades, review available documents and inspect the inside and outside of buildings as well as the grounds.

25. The sale of all property, including buildings, is “as is” with no guarantees, warranties or promises to cover any deficiencies or defects discovered after the sale.
26. Buyer is responsible for due diligence in obtaining adequate information of property condition.
27. Any inspection person or team will be required to sign a non-disclosure agreement, as will the Buyer, for all on-site inspections or walk throughs.
28. All inspections must be done physically on-site.
29. Should Buyer’s inspection(s) reveal any significant defects, Buyer shall immediately notify Seller in writing of any claimed defects; in all cases such notification shall occur prior to thirty (30) days before closing. Upon being notified of defects, Seller reserves the right to decide if claimed defects are significant and substantial, whether the defect(s) claimed should affect the sale price of the property, whether defect(s) will be repaired at the Seller’s expense or not and if Seller will withdraw sale offer to Buyer.
30. If closing does not happen within the 90-day limit after signing of purchase agreement, the Seller has the right to cancel the sale.
31. Buyer and Seller will agree that this sale is under the jurisdiction of the State of Louisiana and any dispute will be covered by laws and authority of the State of Louisiana.
32. Buyer and Seller acknowledge that they each have a duty and obligation to produce a transparent, respectful and good faith business transaction.
33. Closing will be attended by legal counsel chosen by the managing member of ERMD, LLC to assure compliance with applicable laws, regulations and business order.
34. If the sale process is ultimately not successful, due to Buyer related delay, Buyer understands that ERMD, LLC will retain 25% of the earnest deposit with the remainder being returned to Buyer and, further, the reimbursement of all of Seller’s attorney fees should litigation be entered into arising from the sale process.
35. Any qualified bidder, having submitted all required bid material, may request a showing of the property before bid acceptance or rejection occurs. The cost of a showing will be \$2,500.00 USD payable by check to ERMD, LLC and must be received before a showing occurs. Day and time of showing will be agreed upon by the Seller and Buyer. Payment for a showing will be credited to the prospective Buyer at closing if that

