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BY ECF 

Hon. Nicholas G. Garaufis
United States District Court
225 Cadman Plaza
Brooklyn, New York 11201

Re: United States v. Nancy Salzman
18 Cr. 204 (NGG)

Dear Judge Garaufis:

Nancy Salzman is a 66 year old woman who for most of the past twenty years has been fooled, controlled, humiliated, and ultimately led to engage in criminal conduct by an egotistical, self-important, sex fiend who told all who would listen about his (fake) solution for mankind's problems. That is not to say that Nancy did not have agency or free will, or that she lacks responsibility for her conduct. Indeed, she lives every day bearing and appreciating the full weight of her wrongdoing while she served as Keith Raniere's collaborator and enabler within the Nxivm community.

It bears underscoring nevertheless that a depraved but influential Raniere exploited her (along with scores of others) to serve his interests by pretending to be someone he never was -- namely, a seeker for universal good, gifting the world his "new ethical understanding" that would allow "humanity to rise to its noble possibility." (PSR at ¶ 6)¹ But as the trial of this matter revealed, the only goal Raniere ever really pursued was what was best for him.

How such a path could be taken by an intelligent, talented woman who, until meeting Raniere, had led a scrupulously law-abiding and productive life, is mystifying. But her particular weaknesses combined with Raniere's undeniable powers of control over the human will of certain people and uncanny ability to neutralize the judgment of these individuals, took Ms. Salzman on a terrible decades-long journey which even today she struggles to fully understand. Given all of her current circumstances and characteristics, including her serious health problems, the indispensable role she plays in the care of her elderly and very ill mother, her full, complete, and early guilty plea

¹ The self-described philosophy of Nxivm as stated on its official website.

and acceptance of responsibility (which broke a defense logjam and paved the way for all but the lead defendant to enter guilty pleas), we respectfully urge this Court to impose a sentence of principally two years home confinement, a sentence it is submitted which will satisfy all the goals of federal sentencing.

INTRODUCTION

Robert A. Soloway and I represent Ms. Salzman, who will come before you for sentence on September 8, 2021. Other than as specifically stated herein, we have no objection to the factual recitations or Sentencing Guidelines calculations contained in the Probation Report of Probation Officer Jennifer Fisher (the "PSR").

I. Nancy Salzman's Personal History and Characteristics, and Nxivm's Formation

A. Letters in Support of Nancy Salzman

Annexed hereto as Exhibits A, B, and C, respectively, are letters written to the Court in support of Ms. Salzman separated into three categories. Exhibit A contains seven family letters written respectively [REDACTED]

[REDACTED] Exhibit B contains nine letters from a group of Nancy's close friends who have written to tell their personal stories of Nancy's kindness and compassion, and how those traits have positively impacted, and in some cases, profoundly altered the course of their lives for the better. Many in this group express thanks to Nancy for being there when they needed her special brand of help, and while each story is different, they share the common thread of demonstrating that there is far more that defines Nancy Salzman than the criminal activity of which she stands convicted. Exhibit C is comprised of 23 letters from members of the Nxivm community who have encountered Nancy in her role as a teacher and counselor. They sing Nancy's praises as a communicator, a facilitator of positive change in troubled lives, and an extraordinarily compassionate and effective life coach. Collectively, these letters leave no doubt that for decades, Nancy was for most who met her an exemplary, honorable, and rare person, recognized widely for her commitment to helping others.

Taken together, the attached letters reflect the positive ways in which Nancy has impacted scores of people throughout her life through counseling, parenting, teaching, coaching, and the expenditure of her concern, her time, and her presence. Despite the crimes of which she is guilty -- committed after she catastrophically became involved with Raniere -- the letters stand as a testament to how she has consistently touched and inspired scores of ordinary people for decades, and how in return, they have not forgotten or abandoned her.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

But Nancy's caring touch, as noted, was never limited to those close to her by consanguinity. Instead, the attached letters abound with praise for Nancy from many demographics and even far flung corners of the globe.

[REDACTED] has known Nancy almost 20 years. She credits Nancy with saving her marriage through counseling, with acting as a role model, and being "the kind of person whom I aspired to be like." After reciting the specifics of Nancy's help for her and her own family, the many people she witnessed who have benefitted from Nancy's gifts and caring hard work, and her personal regret for not seeing how Nancy was being victimized by Ranieri's cruelty, and failing to help her, she concludes:

I have no wish to paint a picture of Nancy as a victim or a martyr as she is quite simply one of the most phenomenal human beings I've ever met. Her crime, I believe, was that she was too trusting and that she was blindsided by her desire to make the world a better place for all humans. She believed that Keith Ranieri wanted the same things as she did, which was to help humans be happier, kinder and more joyful towards themselves and others. Her crime was that her own vision for the world was so pure, it blinded her to any wrongdoing as she simply could not hypothesize an alternative, malicious viewpoint. If you take nothing else away from this account of Nancy Salzman's character, please know this. You will never find a more noble human with a more pure intent than Nancy. I know her soul. And I can tell you that there is nothing there but kindness and good intent. The world would be a far worse place without Nancy in it.

[REDACTED] letter is annexed as part of collective Exhibit B.

[REDACTED]

[REDACTED]

I can say without hesitation that the quality of my life is better than it ever would have been had I not met [Nancy]. As a direct result of her help and the time and effort she put into my life over the past 15 years I have a better relationship with both of my parents (with whom I've had a difficult relationship most of my life), I have a much better relationship with my sister, and I feel better about myself than I ever did before I met her ... People in her life benefit greatly from the time and effort she puts into helping people, and those people go out positively and affect the people around them, and I think that is a hugely important thing in the world today. Nancy is absolutely one of the most caring and hard-working people I've ever met.

[REDACTED] letter is annexed as part of collective [REDACTED].

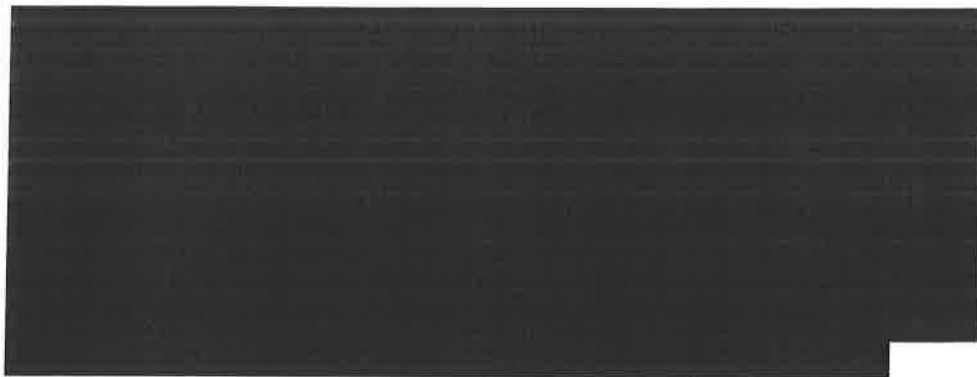
Those to whom [REDACTED] refers have provided the Court an enormous variety of individual positive outcomes for which Nancy is credited. These individuals have no motive to fabricate, but every motive to seek to assist someone who has given so much of herself to assist them. That is why they have written this Court in such numbers.

[REDACTED]

[REDACTED]

[REDACTED] letter is annexed hereto as part of collective [REDACTED]

[REDACTED]



letter is annexed as part of collective .

These excerpts are truly the tip of an iceberg. Additional letters expressing similar sentiments as to Nancy's generosity and her ability and drive to help others are attached.

B. Nancy's Background and Career

For years before her involvement with Raniere, Nancy worked hard to build a solid professional reputation and thriving career. She has always contributed dutifully to raising and supporting her two daughters, and been economically independent through her own labor.² At the moment in life that she met Raniere, Nancy was in the midst of a full life, at the apex of her self-made successful career. In contrast, she suffers now from serious health problems, and bears the onus of caring for her surviving parent.

Nancy graduated from New Jersey's Muhlenberg Hospital School of Nursing in 1975. Thereafter, she accepted a nursing position at St. Mary's Hospital in Waterbury, Connecticut before giving birth to her daughter, Lauren, one year later. After the birth, she developed an interest in exploring non-traditional approaches to controlling pain. She did course-work in the fields of bio-feedback and neuro-linguistic programming. (PSR at ¶ 205) Throughout the 1990's, she owned a private center for the treatment of those suffering from chronic pain referred to her by doctors and dentists. (PSR at ¶ 204, and letter of annexed as part of collective Exhibit B). She was good at her work and she worked tirelessly. Her practice grew, in both raw numbers of clients, and in scope. Because of her background in both nursing and disciplines focused on human performance and potential, she began to receive offers to train staff from large organizations in the upstate New York area in which she lived and worked. She did such work for, among other entities, Children's Hospital at Albany Medical Center, the New York State Department of Criminal Justice, American Express, Saint Cabrini Nursing Home, and the New York State Department of Health. (PSR at ¶ 203)

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The family was intact until 1991 at which point Nancy separated from her first husband, Michael, a physician. (PSR ¶ 186) At that time, her daughters were 14 and 11, respectively.

In 1997, Ms. Salzman received a particularly lucrative and challenging contract to provide staff training to the energy giant, Consolidated Edison, which was looking for ways to maximize the productivity of its workforce in several of its facilities and departments, including the Indian Point 2 nuclear power plant. Although she was flourishing professionally beyond all of her expectations, the opposite was true of her personal life. After five years of marriage, Nancy separated in 1997 from her second husband, Edward Pike, and was later divorced. (PSR ¶ 188) After this second failed marriage, she began to doubt her ability to have a successful relationship. When her self-esteem was at one of the lowest ebbs of her life, she had the misfortune of being introduced to Raniere [REDACTED]. She introduced him to Nancy as a “uniquely intelligent” entrepreneur interested in making her acquaintance. ([REDACTED] letter attached as part of collective Exhibit B)³

C. Nancy Meets Raniere and a Business Relationship is Formed and Grows

Raniere was young, clearly interested in Nancy, and keenly interested in hearing about her work and methods. At the meeting, he offered to help her find solutions to some of the complex problems which she had been hired to solve, including some questions that confronted her in her Con Edison project. Almost immediately they began an intimate physical relationship (initiated by him) and he used that relationship to begin working her into his plans. Only now that the depths of his severely hurtful depravity and abusiveness have been revealed to the light of day has Nancy realized that what he saw in her was a worker, able to do things he could not, and for which she would allow him to receive credit. Thus began a twenty year relationship characterized by intimidation and abuse.

Shortly after they met, Raniere began explaining his “revolutionary” theories for changing the world and, because she felt desperate for love and respect, she went along. Raniere was a facile speaker who belittled those who disagreed with him in ways that, for some peculiar reason, made the masses who worshiped him both love and fear him. Nancy was no exception. Raniere perceived everyone who opposed him as a schemer and traitor trying to destroy him because of fear of his great genius. Everything that went against him in life (including his own prior criminal behavior, and

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In hindsight [REDACTED] introduced them to her great regret. Noting that “Keith is exceptionally smart and knows how to indoctrinate and manipulate people,” she continues as to Nancy in particular:

Raniere had many victims but one of his first victims was Nancy. He used Nancy’s belief in his goodness to ride on the tailcoats of her hard work, dedication and skills for 20 years. He used her to promote himself and kept her working all the time to keep the company and community together. He kept her occupied all the time and hid from her what he was doing while she was hard at work.

[REDACTED] letter is annexed as part of collective Exhibit B.

forays into financial markets with other people's money that ended disastrously to the tune of tens of millions of dollars) he interpreted as the consequence of conspiracies by his enemies to discredit him. He created rules of behavior and a nomenclature for what would become Nxivm and convinced his followers that everything he told them was true, and indeed the only correct path. If they did not understand the rules or failed to follow them, it was their "ethical breach," and for their own good. Raniere corrected his followers through shunning, humiliation, and other punishments. He also enlisted the whole community in his punishments. As just one example, after Lauren became a Nxivm member, she would often be tasked with confronting her mother about her breaches, and to encourage her to acknowledge Raniere's near infallibility.

With Nancy, correction also often took the form of gratuitous abuse and public humiliation. Like many others, she was forced to diet to meet his ideal of a perfect woman and, no matter how thin she became, she was never thin enough. In the beginning, after meeting all of Raniere's demands, she was told without explanation that he would not continue a physical relationship with her. That, however, was not enough for him. Although he refused her a physical relationship, he did not want her to have intimate relationships with others, claiming that doing so "was not in her best interest." (PSR at ¶ 189) He directed her to report to him anyone with whom she considered having a relationship and each of these people were rejected by him for their supposed shortcomings. His dictates in such matters were supported by his acolytes, who carried out his every command. Nancy's devotion to Raniere was such that she accepted his orders and has had no romantic relationship for the past twenty years.

In addition, although Nancy did exceptional work to ensure that Nxivm's teachings would be well received and successful, she was never anything more than a tool for Raniere. She was discouraged from taking credit for her work and when she had the temerity to offer an opinion or speak, she was publicly shamed.

However, Raniere knew that there were limits to what Nancy would tolerate. Thus, when his depraved plan reached its crescendo in the creation of DOS, all of the members, including her daughter Lauren, were ordered to keep it secret from Nancy, and they did. DOS was at the heart of the government's case, and it is conceded by the government that Nancy played no role in it, and that she was not aware of its existence until it was publicly revealed to the Nxivm community.

II. Ms. Salzman Fully Accepts Responsibility for her Offense Conduct

The crimes to which Nancy pled guilty are indeed serious, and she fully accepts responsibility for her guilt. At the same time, her role in those crimes, and the treatment of others involved in them, should be considered by this Court in fashioning her sentence.

Nancy pled guilty to participation in a racketeering conspiracy and admitted to both of the specific racketeering acts alleged against her: To conspiring to commit identity theft (Racketeering Act 2A) and to conspiring to alter court records in a federal civil proceeding (Racketeering Act 3).

(PSR at ¶¶ 112-115) It bears noting that at the time of these acts, which occurred well over a decade ago, she was deeply under Raniere's influence, and wrongly believed that whatever she did on his behalf was for the greater good. These facts are neither a defense nor a legal excuse for her wrongdoing, but are pertinent to the severity of the sentence merited.

Further, beyond her personal involvement in these offenses, Nancy accepts responsibility for enabling the horrific crimes Raniere committed, even where she lacked any knowledge of their commission or nature. Indeed, she herself feels the weight of responsibility for not making herself more aware of the enormity of what "Vanguard" Raniere was doing at the helm of Nxivm, an entity that she had co-founded with him, and that was her life's work.

As to identity theft, while she herself lacked the technical ability to invade the on-line accounts of others, Nancy agreed between 2006 and 2008 that other Nxivm actors would invade the privacy of perceived critics of the company to try to stop them from continuing their criticisms of the company, or to gain unfair advantage over them in ongoing litigations. For this wrongful conduct, she accepts responsibility.⁴

Among Raniere's unscrupulous business tactics was the utilization of the great wealth of some of his followers to hire lawyers to misuse the court system, and thereby intimidate those he considered to be his enemies. As to conspiring to alter records, Nancy accepts responsibility for allowing others to alter videotapes that were turned over in civil discovery practice without revealing the edits to anyone outside the company. States the PSR as to this offense, including the roles of others:

In June, 2008, Raniere tasked Mark Vicente, a high level Nxivm member, among others, to alter videotapes and to remove certain segments from them without having the videotapes appear altered. [Clare] Bronfman together with another co-conspirator helped Vicente with altering the videotapes to remove content, including segments in which Nancy Salzman made unsubstantiated health claims about Nxivm's curriculum. These videotapes were then produced in discovery by Nxivm's attorneys with the false claim that they were provided in "unedited fashion."

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There is a limitation here however, as the government has painted Nancy's guilt of this offense with too broad a brush by including her in the retention of the Canadian investigation company, Canaprobe. (*See*, the August 18, 2021 letter of AUSA Tanya Hajjar, which states, "Nancy Salzman helped Nxivm retain private firms, including Interfor and Canaprobe, in order to investigate perceived enemies of Nxivm and Raniere.") In fact, while Nancy was privy to and involved in the work done by Interfor, and knew the nature of the services that firm rendered, Nancy was never aware of Canaprobe's retention by Nxivm, and neither played any role in its retention or direction, and had no knowledge of any services they rendered, despite the fact that records, about which she was ignorant, were recovered in her home at the time of her arrest.

(PSR at ¶ 115). Mark Vicente has never faced prosecution for his leadership and the employment of his technical expertise in the commission of this offense.⁵

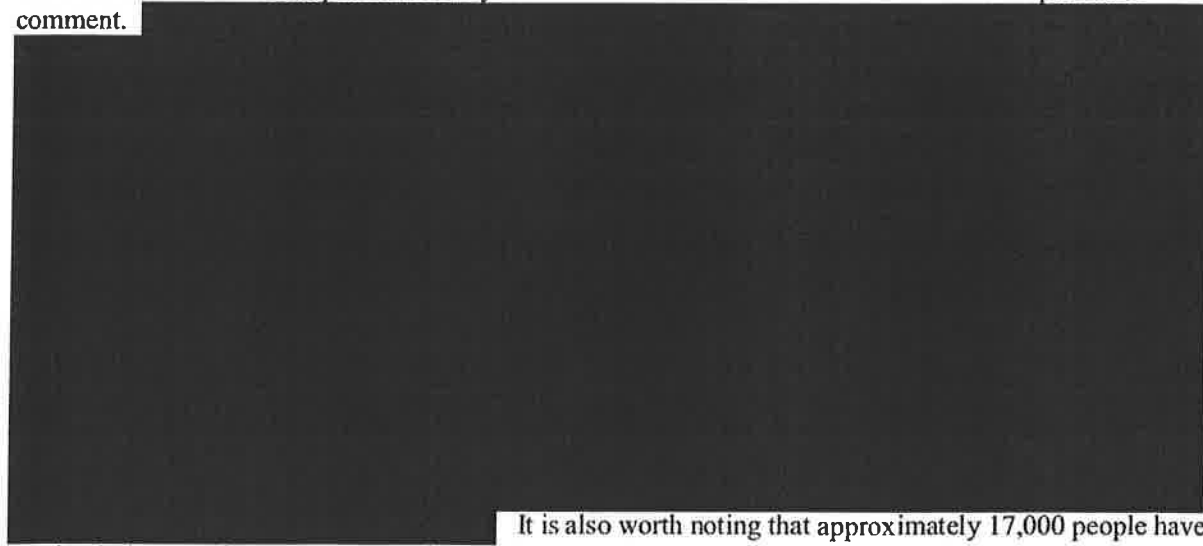
III. Important Post-Arrest Facts Weigh in Favor of a Non-Custodial Sentence

A. The Decision to Plead Guilty, Compliance with Supervision and Assistance to the Government

Since her arrest, Nancy has suffered both physically and emotionally. First, it was necessary for her to internalize the rejection of a belief system she had lived by for twenty years. Though her conscientious belief in some features of Nxivm's catechism waned with Raniere's accelerating mistreatment, entirely repudiating that system which she played a central role in formulating, memorializing, and teaching, still required not only jettisoning a philosophical framework she had believed in, but repudiating beliefs still held by many of her closest friends. Through study and psychic rigor, she found the strength to repudiate it all. She thus became the first defendant in the case to accept that many of the things she had been taught by Raniere were false, and that the man she had thought and had taught others was "infallible," was actually deeply flawed, and vicious to the core.

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We do not aver that Nancy did not engage in actions which were hurtful to some who participated in Nxivm. Indeed, the government has delivered nine victim impact letters excoriating Nancy for conduct which she finds truly jarring. And while we have no wish to denigrate the sentiments expressed in the victims' letters, we note that many of those who wrote left the organization over a decade ago, and were likely unaware of the level of abuse and manipulation Nancy endured from Raniere. But two of the letters in particular merit comment.



It is also worth noting that approximately 17,000 people have received classes of some sort at Nxivm and many of them found the training to be extremely helpful, including those who have written glowing endorsements of Nancy's work, and are collected for the Court's reference as collective Exhibit C.

Thus, Nancy brought the same zeal and incisive thinking she employed in her life's work to her examination of the discovery in the case. And while seeing in black and white what Nxivm had become was humiliating and frightening for her, she forced herself to be clear-eyed about the facts.

The consequence of these steps led her to plead guilty, notwithstanding the pressure and opprobrium directed at her by many former friends, including, of course, Ranieri himself. Her decision and genuine remorse for her wrongful conduct had ancillary benefit for the Court and justice system at large, because, following that guilty plea, others, most notably her daughter, Lauren, realized it was indeed possible to renounce Ranieri, despite the many who still steadfastly remained faithful to him.

After pleading guilty, but before Ranieri's trial, Ms. Salzman made the decision to try to cooperate with the government. [REDACTED]

[REDACTED], Nancy assisted where she could and provided valuable information that helped the government to prepare. In addition, and perhaps more importantly, she encouraged Lauren to plead guilty and to assist the government. While Lauren, of course, made this very important decision herself with the assistance of counsel, Nancy's active encouragement played an important role in her decision. ([REDACTED]).

Nancy was arrested on July 24, 2018. (PSR at p. 1) During the three years since, she has been subject to strict conditions of pre-trial release which have curtailed her freedom. Electronic monitoring has been applied throughout her supervision. For the first year of supervision, she was on home confinement, and for the two years since, she has been subject to curfew. Throughout this time, Nancy has always been compliant with all conditions of release. (PSR at ¶ 4)

B. Nancy's Health Struggles have Accelerated Since Her Arrest

[REDACTED]

See the letter of Nancy's orthopedist, [REDACTED] annexed as Exhibit F.

In concert with debilitating physical pain she endures at times, such insults pale beside the emotional anguish Nancy has endured since her arrest. First and foremost, she has struggled with the guilt of exposing Lauren to Ranieri's sadistic attentions. While Nancy had led a full life prior

to meeting Raniere, Lauren had not.

[REDACTED]
[REDACTED]
[REDACTED] nancy deeply believes that the pain to which her daughter has been exposed is entirely her fault and regrets her role in that debacle every day of her life.

In addition, during the pendency of her case, the health of Nancy's parents has failed, and her father recently passed away.

[REDACTED] Nancy has dedicated herself to their care and to the mission of allowing them both the dream of dying in the home they have resided in for over 70 years, instead of in an institution. That goal was achieved with respect to her father, and his letter memorializes the eternal gratitude he felt toward his daughter shortly before his death. Nancy was at his side until and the very end.

Now Nancy cares for her mother,

[REDACTED]
[REDACTED] Nancy's mother is alone.
[REDACTED] and would be gravely impacted by her incarceration.

CONCLUSION

It is respectfully submitted that no legitimate sentencing goal will be served by imposing a prison sentence upon Nancy Salzman. Regarding general deterrence, those who learn of her sentence will know that one who fully admits guilt, pleads guilty early in the case, and tries to help the government, will receive credit for doing so. Regarding individual deterrence, Nancy is a 66 year old woman with serious health problems and pressing obligations to her ill and elderly parent and family. Given her level of early acceptance, remorse, and success on supervision, she has shown she poses no danger to any individual or to the community at large. She has facilitated the guilty pleas of others, and is trying to plan for the life which lies ahead of her. She has herself assisted the government (though not "substantially" as a term of art) and encouraged her daughter to do so as well, and the latter became one of the government's most powerful witnesses. And she has shown great remorse for having participated in the indicted crimes.

Based on all of the above, we respectfully request of this Honorable Court that she be sentenced principally to no term of incarceration, but instead to a period of home confinement, to be followed by further period of supervised release.

Respectfully Submitted,

David Stern

David Stern / Robert A. Soloway

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encl