

BGK:TRP
F. #2017R01840

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA,

FINAL ORDER OF FORFEITURE

- against -

18-CR-204 (S-1) (NGG)

NANCY SALZMAN,

Defendant.

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WHEREAS, on or about March 13, 2019, Nancy Salzman (the “defendant”), entered a plea of guilty to Count One of the above-captioned Superseding Indictment, charging a violation of 18 U.S.C. § 1962(d);

WHEREAS, on or about March 3, 2020, this Court entered a Second Amended Consent Preliminary Order of Forfeiture (“Second Amended Preliminary Order”) pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, finding all right, title and interest in:

- (i) The real property located at 8 Hale Drive, Halfmoon, New York 12065, together with its respective buildings, appurtenances, improvements, fixtures, attachments, easements and furnishings;
- (ii) Fifteen thousand six hundred seventy dollars and zero cents (\$15,670.00) in United States currency seized on or about March 27, 2018 from 3 Oregon Trail, Waterford, New York 12188;
- (iii) Three hundred ninety thousand one hundred eighty dollars and zero cents (\$390,180.00) in United States currency seized on or about March 27, 2018 from 3 Oregon Trail, Waterford, New York 12188;

- (iv) One hundred nine thousand seven hundred twenty-seven dollars and zero cents (\$109,727.00) in United States currency seized on or about March 27, 2018 from 3 Oregon Trail, Waterford, New York 12188;
- (v) The real property located at 7 Generals Way, Clifton Park, New York 12065, together with its respective buildings, appurtenances, improvements, fixtures, attachments, easements and furnishings, and all proceeds traceable thereto;
- (vi) The real property located at 455 New Karner Road, Albany, NY 12205, together with its respective buildings, appurtenances, improvements, fixtures, attachments, easements and furnishings, and all proceeds traceable thereto;
- (vii) The real property located at 457 New Karner Road, Albany, NY 12205, together with its respective buildings, appurtenances, improvements, fixtures, attachments, easements and furnishings, and all proceeds traceable thereto;
- (viii) The real property located at 447 New Karner Road, Albany, NY 12205, together with its respective buildings, appurtenances, improvements, fixtures, attachments, easements and furnishings, and all proceeds traceable thereto; (items (vi) through (viii), the “New Karner Road Properties”);
- (ix) First Principles Incorporated, a Delaware corporation associated with FEIN 14-1816403 and Delaware File No. 3002353, and all assets rights thereof, including but not limited to bank accounts and intellectual property rights (hereinafter, “First Principles Incorporated”); and
- (x) One Steinway grand piano located at 3 Oregon Trail, Clifton Park, New York (the “Steinway Piano”)

(items (i) through (x), collectively hereinafter the “Forfeited Assets”), forfeitable to the United States, pursuant to 18 U.S.C. § 1963(a), as: (a) any interest the person acquired or maintained in violation of 18 U.S.C. § 1962; (b) any interest in, security of, claim against or property or contractual right of any kind affording a source of influence over any enterprise which the person has established, operated, controlled, conducted or participated in the conduct of, in violation of 18 U.S.C. § 1962; (c) any property constituting, or derived from,

any proceeds which the person obtained, directly or indirectly, from racketeering activity in violation of 18 U.S.C. § 1962; and/or (d) substitute assets, pursuant to 18 U.S.C. § 1963(m);

WHEREAS, legal notice of the forfeiture was published in this district on the official government website, www.forfeiture.gov, for thirty (30) consecutive day periods as follows: July 25, 2019 through and including August 23, 2019 (ECF No. 796); August 3, 2019 through and including September 1, 2019 (ECF No. 797); and March 14, 2020, through and including April 12, 2020 (ECF No. 898);

WHEREAS, on or about July 22, 2019, August 13, 2019, and March 10, 2020, the government served via certified mail return receipt, notice to all persons known to the government who might have an interest in the Forfeited Assets. *See* Certificates of Service, at ECF Nos. 788 and 1081;

WHEREAS, on or about September 9, 2019, Keith Raniere, by and through his counsel, Paul DerOhannesian, filed a letter asserting a 10% ownership interest in First Principles, Inc. (the “Raniere Claim”) (ECF No. 794);

WHEREAS, on or about January 17, 2020, the Court entered an Order dismissing the Raniere Claim (ECF No. 840);

WHEREAS, counsel for Sara Bronfman (also known as “Sara Bronfman-Igtet”) contacted the United States and represented that Sara Bronfman has an interest in the New Karner Road Properties pursuant to the constructive trust doctrine;

WHEREAS, on or about December 26, 2019, Sara Bronfman, by and through her counsel, J. Bruce Maffeo, Esq., entered into a Stipulation with the United States agreeing to a settlement with respect to the New Karner Road Properties, in full and final satisfaction of her claims (the “Bronfman Stipulation”) (ECF No. 823);

WHEREAS, the Bronfman Stipulation provided the following, in relevant part: (a) the United States Marshals Service shall sell the New Karner Road Properties pursuant to their ordinary procedures; (b) at or following the closing for the sale of one or more of the New Karner Road Properties, Sara Bronfman will receive a payment equal to 20% of the purchase price from the proceeds of such sale; (c) the total amount of payments from the sale of all three New Karner Road Properties shall, however, be capped at \$200,000.00; and (d) the payment shall be subject to any offset pursuant to the Treasury Offset Program; and

WHEREAS, apart from Keith Raniere and Sara Bronfman, no other party has filed with the Court any petition or claim in connection with any of the Forfeited Assets and the time to do so under 21 U.S.C. § 853(n)(2) has expired.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED, that pursuant to 18 U.S.C. §§ 1963(a) and 1963(m), and the Second Amended Preliminary Order, all right, title, and interest in the Forfeited Assets are hereby condemned, forfeited, and vested in the United States of America, subject to the terms of the Bronfman Stipulation as to the New Karner Road Properties.

IT IS FURTHER ORDERED that the United States Marshals Service, or its duly authorized agents and/or contractors be, and hereby are, directed to dispose of the Forfeited Assets in accordance with all applicable laws and regulations.

IT IS FURTHER ORDERED that the defendant shall fully assist the government in effectuating the surrender and forfeiture of the Forfeited Assets to the United States. The defendant shall take whatever steps are necessary to ensure clear title to the Forfeited Assets passes to the United States, including the execution or production of any

and all documents necessary to effectuate the surrender and forfeiture of the Forfeited Assets to the United States. These documents shall include, but are not limited to, a transfer agreement with respect to the defendant's interest in First Principles Incorporated, and the production of business records, financial statements, and/or tax returns, at the direction of the United States Marshals Service.

IT IS FURTHER ORDERED that the defendant will cooperate and grant access to the United States Marshals Service as necessary to facilitate the seizure and forfeiture of the Steinway Piano.

IT IS FURTHER ORDERED that the United States Marshals Service shall sell the New Karner Road Properties pursuant to their ordinary procedures consistent with the terms of the Bronfman Stipulation.

IT IS FURTHER ORDERED that the United States District Court for the Eastern District of New York shall retain jurisdiction over this case for the purposes of enforcing the Preliminary Order and this Final Order of Forfeiture and any supplemental orders of forfeiture as may be necessary.

IT IS FURTHER ORDERED that the Clerk of Court shall enter final judgment of forfeiture to the United States in accordance with the terms of this Final Order of Forfeiture and the Second Amended Preliminary Order, and the Final Order of Forfeiture shall be made part of the defendant's sentence and included in the judgment of conviction.

IT IS FURTHER ORDERED that the Clerk of Court shall send by inter-office mail six (6) certified copies of this executed Final Order of Forfeiture to the United States Attorney's Office, Eastern District of New York, Attn: Senior Law Clerk Elizabeth Valeriane, 271-A Cadman Plaza East, Brooklyn, New York 11201.

Dated: Brooklyn, New York
_____, 2021

SO ORDERED:

HONORABLE NICHOLAS G. GARAUFIS
UNITED STATES DISTRICT JUDGE
EASTERN DISTRICT OF NEW YORK