



U.S. Department of Justice

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**FOR IMMEDIATE RELEASE**

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**PRESS RELEASE**

**NXIVM PRESIDENT NANCY SALZMAN SENTENCED TO 42 MONTHS'**  
**IMPRISONMENT FOR RACKETEERING CONSPIRACY**

Earlier today, Nancy Salzman, also known as "Prefect," the former president and co-founder of Nxivm, was sentenced to 42 months' imprisonment and ordered to pay a \$150,000 fine by United States District Judge Nicholas G. Garaufis for racketeering conspiracy, including predicate acts of conspiracy to commit identity theft and conspiracy to obstruct justice. Salzman agreed to forfeit several real properties, more than \$500,000 in cash and a Steinway grand piano. Salzman pleaded guilty in March 2019.

Jacquelyn M. Kasulis, Acting United States Attorney for the Eastern District of New York, Michael J. Driscoll, Assistant Director-in-Charge, Federal Bureau of Investigation, New York Field Office (FBI), Thomas Fattorusso, Acting Special Agent-in-Charge, Internal Revenue Service-Criminal Investigation, New York (IRS-CI), and Peter C. Fitzhugh, Special Agent-in-Charge, Homeland Security Investigations, New York (HSI) announced the sentence.

"In her misguided loyalty and blind allegiance to Keith Raniere, the defendant engaged in a racketeering conspiracy designed to intimidate Nxivm's detractors and that inflicted harm on Nxivm's members," stated Acting U.S. Attorney Kasulis. "Today's sentence holds the defendant accountable for her crimes and we hope that it brings some measure of closure to the vulnerable women who were victimized and abused." Ms. Kasulis also expressed her appreciation to the New York State Police and the United States Attorney's Office for the Northern District of New York for their assistance during the investigation and prosecution.

"Serving as Raniere's right hand for more than a decade, Nancy Salzman's conduct supported Nxivm's objectives to recruit victims, stave off critics and alter evidence connected to a federal lawsuit. Today's sentence does little to erase the suffering of Nxivm's victims, but it serves as another reminder of the government's commitment to seeing this case through to the end," stated FBI Assistant Director-in-Charge Driscoll.

"Today, Nancy Salzman was held accountable for the role she played in this devious criminal enterprise," stated IRS-CI Acting Special Agent-in-Charge Fattorusso. "As

with many conspiracies, the financial aspects of this investigation required the expertise of IRS Criminal Investigation to unravel the layers of falsehood and deceit.”

“Salzman was essential to the NXIVM criminal enterprise, not merely a peripheral co-defendant. As the co-founder with Keith Raniere, Salzman had immense influence on NXIVM, which included conspiracy to commit identity theft and conspiracy to alter records,” stated HSI Special Agent-in-Charge Fitzhugh. “HSI New York’s strong relationship with its federal partners allows for the seamless and effective investigations that lead to the arrest, prosecution, and sentencing of those involved.”

For more than a decade and until her arrest in July 2018, Nancy Salzman was a high-ranking member of a criminal enterprise led by her co-defendant Keith Raniere. The primary purpose of the enterprise was to promote Raniere and recruit individuals into various purported self-help organizations that Raniere founded, including Nxivm and affiliated programs, and a secret society within Nxivm called “DOS.”

Between August 2005 and November 2008, Nancy Salzman, along with Raniere, participated in the unlawful surveillance and investigation of perceived critics and enemies of Raniere and Nxivm. As part of the scheme, Nancy Salzman agreed to unlawfully surveil these perceived enemies in an attempt to gain advantage over them and stop them from criticizing the company. On March 27, 2018, a search warrant was executed on Salzman’s residence. Law enforcement agents recovered a box containing purported private banking information of many individuals perceived to be critics and enemies of Raniere, including journalists, judges and an expert on cults.

The defendant also conspired to obstruct justice by altering videotapes that were to be produced in discovery in a federal lawsuit in New Jersey. In 2003, Nxivm and affiliated entities filed a copyright infringement suit against a former Nxivm student, her parents and a cult deprogrammer. In 2008, attorneys representing the former student filed counterclaims against Nxivm alleging that the defendant had misrepresented the nature and effectiveness of Nxivm’s programs. During the course of the pending litigation, the defendant and others agreed to alter the videotapes to remove segments that they believed would have supported the former student’s claims and to make it look as if the videos were unedited. These altered videotapes were then produced in discovery by Nxivm’s attorneys with the false claim that they were provided in “unedited fashion.”

Raniere was convicted by a federal jury of racketeering and racketeering conspiracy, sex trafficking, attempted sex trafficking and sex trafficking conspiracy, forced labor conspiracy and wire fraud conspiracy. On October 27, 2020, Raniere was sentenced to 120 years’ imprisonment. On September 30, 2020, Nxivm executive board member Clare Bronfman was sentenced to 82 months’ imprisonment for identity theft and immigration offenses. On April 19, 2019, Kathy Russell, a bookkeeper for Nxivm, pleaded guilty to visa fraud and is awaiting sentencing.

The government’s case is being handled by the Office’s Organized Crime and Gangs Section. Assistant United States Attorneys Tanya Hajjar and Kevin Trowel are in charge

of the prosecution. Assistant United States Attorney Tanisha Payne of the Criminal Division's Asset Recovery Section is handling forfeiture matters.

**The Defendant:**

NANCY SALZMAN (also known as "Prefect")  
Age: 67  
Clifton Park, New York

**Defendants Previously Sentenced:**

KEITH RANIERE (also known as "Vanguard" and "Grandmaster")  
Age: 61  
Waterford, New York

CLARE BRONFMAN  
Age: 42  
Clifton Park, New York

ALLISON MACK  
Age: 39  
Brooklyn, New York

LAUREN SALZMAN  
Age: 45  
Clifton Park, New York

**Defendant To Be Sentenced:**

KATHY RUSSELL  
Age: 63  
Clifton Park, New York

E.D.N.Y. Docket No. 18-CR-204 (S-2) (NGG)