**U.S. Department of Justice**

*United States Attorney*
*Eastern District of New York*

MRM
F. #2024R00800

*610 Federal Plaza*
*Central Islip, New York 11722*

November 4, 2026

By E-mail

The Honorable Anne Y. Shields
United States Magistrate Judge
Eastern District of New York
100 Federal Plaza
Central Islip, New York 11722

Re: United States v. Nicholas Del Franco
Criminal Docket No. 26-305 (GRB)

Dear Judge Shields:

The government submits this letter motion seeking the detention of the defendant Nicholas Del Franco (hereinafter "Del Franco" or the "defendant") pursuant to 18 U.S.C. §§ 3142(e)(1) and (f)(2) on the grounds that the defendant poses a serious risk of flight and is an economic danger to the community. The defendant is scheduled to make his initial appearance on the above-captioned indictment (hereinafter the "Indictment") later this afternoon.

## I. Background

### A. The Indictment

As set forth in the Indictment, [1] Del Franco has committed multiple wire frauds, in violation of 18 U.S.C. § 1343, between November 2023 and the present. Del Franco has committed multiple wire frauds through various advance fee and/or prepaid interest schemes (the Line of Credit Advance Fee Scheme (Indictment ¶¶ 10-12 and 23-24), the Family Office Prepaid Interest Scheme (Indictment ¶¶ 13-17 and 25-26) and the Private Investors Prepaid Interest Scheme (Indictment ¶¶ 18-22 and 27-28)). As forth in the Indictment, Del Franco's criminal conduct has caused losses in excess of $5 million, collectively, across over a dozen victims. The majority of Del Franco's criminal conduct charged in the Indictment occurred between November 2023 and December 2025.

[1] The EDNY Indictment identified multiple individuals defrauded by Del Franco by the identifiers Victim-1 through Victim-6. To maintain continuity, if referred to herein, those individuals will be identified by the same identifiers used in the Indictment.

Earlier today, Del Franco was arrested at his residence in New Jersey pursuant to an arrest warrant issued in connection with the Indictment.

B. The California Indictment and Bail Conditions

Separate and apart from the charges in the Indictment, Del Franco is currently under indictment in the Central District of California, where his is charged with wire fraud and money laundering, in violation of 18 U.S.C. §§ 1343 and 1957, respectively. See United States v. Nicholas Del Franco, et ano., Central District of California Docket 25-CR-210 (DOC), ECF Doc. No. 1, (filed October 15, 2025) (hereinafter the "CDCA Indictment") (attached as Exhibit 1). The CDCA Indictment charges Del Franco with criminal conduct wholly distinct from the criminal conduct charged in Indictment. In the CDCA Indictment, Del Franco is charged for conduct related to an advance fee scheme occurring between September 2020 and November 2021, that resulted in a loss of approximately $2.79 million.

On or about December 28, 2025, Del Franco was arrested in the District of New Jersey and made his initial appearance on the CDCA Indictment in the District of New Jersey the following day. At his initial appearance, Del Franco was released on conditions, including a $100,000 unsecured bond. See District of New Jersey Docket 25-MJ-8353 (JSA), ECF Doc No. 3, Order Setting Conditions of Release (the "DNJ Bond") (attached as Exhibit 2). The charges contained in the CDCA Indictment remain pending at this time, and at all times prior to his arrest this morning, Del Franco remained subject to the conditions of the DNJ Bond and was subject to pretrial supervision in the District of New Jersey.

C. The Defendant's Continued Criminal Conduct and Violation of the DNJ Bond

Following his arraignment on the CDCA Indictment and his release on the DNJ Bond, Del Franco has resided in New Jersey and has continued to commit violations of the wire fraud statue, 18 U.S.C. § 1343, and the money laundering statute, 18 U.S.C. § 1956, in violation of the terms of the DNJ Bond. Specifically, the DNJ Bond, which was signed by Del Franco on December 29, 2025, instructed that Del Franco "must not violate any federal, state or local law while on release." DNJ Bond at 1.

As set forth more fully below, Evidence obtained by the FBI since Del Franco's release on the DNJ Bond in December of 2025 establishes that Del Franco, while on release in the District of New Jersey and subject to the conditions of the DNJ Bond, has continued to perpetrate the Family Office Scheme, victimizing several additional potential borrowers and stealing in excess of $900,000. Specifically, Del Franco defrauded three individuals (hereinafter, "Victim-7," "Victim-8" and "Victim-9," respectively) by falsely claiming that he represented a wealthy family whose "family office" was seeking to extend loans and/or investments to the victims' and/or their companies and that, as a condition of the loan or investment, the victim would need to prepay a percentage of the loan or investment as "prepaid interest." Further, it appears that Del Franco used the bank accounts of another potential victim to launder the proceeds of his crimes.

1. Victim-7

In the case of Victim-7, Victim-7 reported to law enforcement that in and between May 2026 and July 2026, Del Franco negotiated with Victim-7 and Victim-7's business associates and promised a loan totaling $4 million conditioned upon the prepayment of $203,000 in "prepaid interest." Also, during the course of the negotiations Victim-7 and his business associates met with Del Franco at the Colts Neck Pub in Colts Neck, New Jersey (the "Bar"). Law enforcement obtained video from this meeting that was stored on the Bar's surveillance camera system. Additionally, one of Victim-7's business associates took a photo with Del Franco at the meeting and subsequently provided that photo to law enforcement.

Victim-7 and his business associates subsequently provided a total of $203,000 in purported prepaid interest from a bank account in the Commonwealth of Pennsylvania to a bank account in the State of New Jersey controlled by Del Franco, via Del Franco's wife, Nastasha Del Franco. The name of this Del Franco controlled account was "Family Office LLC." After Victim-7 provided the "prepaid interest" to the Family Office LLC account, the loan funding promised by Del Franco was never provided. Del Franco stole the money and used it for his own purposes, including, but not limited to, payments to his wife's J.P. Morgan Chase account, payments to a lawyer who at that time was representing Del Franco in connection with the CDCA Indictment, and a boat rental company in Naples, Florida.

2. Victim-8

In the case of Victim-8, Victim-8 reported to law enforcement that in August of 2026, Del Franco negotiated with Victim-8 and promised a "family office" investment totaling $7.6 million into Victim-8's companies conditioned upon the prepayment of $532,000 in "prepaid interest." Victim-8 provided a total of $532,000 in "prepaid interest" from a bank account in the State of Tennessee to a bank account in the Commonwealth of Massachusetts controlled by Witness-1 (hereinafter "Witness-1's Account").

From Witness-1's Account, approximately half of the funds were then transferred to bank accounts controlled by Del Franco or his wife, Nastasha Del Franco. After Victim-8 provided the "prepaid interest" to what they believed to be the "family office," the investment funding promised by Del Franco was never provided.

Witness-1 reported to law enforcement that they transferred the funds from the Witness-1 Account at the direction of Del Franco and that Del Franco permitted Witness-1 to keep a portion of the funds. Witness-1 explained that this was because Del Franco owed Witness-1 money from a loan deal in which Witness-1 did not receive funding promised by Del Franco after Witness-1 made advance-fee payments to a bank account controlled by Del Franco via his wife.

3. Victim-9

In the case of Victim-9, Victim-9 reported to law enforcement that in August 2026, Del Franco negotiated with Victim-9 and promised a loan totaling $8,023,000 to Victim-9's companies conditioned upon the prepayment of $259,000 in "prepaid interest." Victm-9

advised law enforcement that Victim-8 introduced them to Del Franco and that, based upon their conversations with Victim-8, Victim-9 understood Del Franco's source of funding to be a wealthy "family office."

Victim-9 provided a total of $259,000 in "prepaid interest," which included $100,000 from a bank account in the State of Texas to the bank account in the Commonwealth of Massachusetts controlled by Witness-1. From Witness-1's Account, at least $150,000 of the funds provided by Victim-9 were subsequently transferred to a bank account for a law firm at Del Franco's direction. This law firm is currently the counsel for Del Franco in connection with the CDCA Indictment. An additional $97,000 went to an account controlled by Del Franco. After Victim-9 provided the "prepaid interest" to what he believed to be the "family office," the investment funding promised by Del Franco was never provided.

D. The Defendant's Estimated Guidelines

If convicted of the charges contained in the Indictment, Del Franco faces up to 20 years' imprisonment. An estimate of Del Franco's sentencing guidelines is set forth below:

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|---|---|
| Base Offense Level: 2B1.1(a)(1) | 7 |
| Plus: Loss in excess of $5,000,000 2B1.1(b)(1)(J) | +18 |
| Plus: 10 or more victims 2B1.1(b)(2)(A)(i) | +2 |
| Plus: Sophisticated Means 2B1.1(b)(10)(C) | +2 |
| Plus: Leader 3B1.1(c) | +2 |
| Total: | 31 |

Based upon a Criminal History Category of I and a total offense level of 31, Del Franco faces an estimated Guidelines range of imprisonment of 108-135 months. [2]

II. Argument

In light of the defendant's rampant, undeterred criminal conduct, and the extremely substantial punishments that he faces in connection with the Indictment and the CDCA Indictment, it is clear that Del Franco is a serious risk of flight and also poses a danger to the community. There are no conditions or combination of conditions that can reasonably assure the defendant's appearance in court and the safety of the community. 18 U.S.C. § 3142(e).[3] Therefore, the Court should enter an order of detention pending trial.

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[2] This estimate does not take into account the potential punishment that Del Franco faces in connection with the CDCA Indictment. The sentence imposed in the event Del Franco is convicted in connection with the CDCA Indictment can be imposed consecutively to any sentence imposed in the above-captioned matter.

[3] In addition, while the instant application is not an application to revoke Del Franco's DNJ Bond, in that context, committing additional crimes while on release would create a

A. Legal Framework

Under the Bail Reform Act, 18 U.S.C. §§ 3141 et seq., federal courts are empowered to order a defendant's detention pending trial upon a determination that "no condition or combination of conditions would reasonably assure the appearance of the person as required and the safety of any other person and the community[.]" 18 U.S.C. § 3142(e). If the court finds by a preponderance of the evidence that the defendant presents a flight risk and that no conditions will reasonably assure the defendant's continued presence, the court should order detention. United States v. Chimurenga, 760 F.2d 400, 405 (2d Cir. 1985). Similarly, a defendant should be detained if the court finds that release on bail would pose a danger to the community, 18 U.S.C. § 3142(e), though detention based on dangerousness must "be supported by clear and convincing evidence," 18 U.S.C. § 3142(f).

Whether detention is sought on the basis of flight or dangerousness, the Bail Reform Act lists four factors to be considered in the detention analysis:

> (1) "the nature and circumstances of the offense charged";
> (2) "the weight of the evidence against the person";
> (3) "the history and characteristics of the person, including . . . the person's character, . . . past conduct, . . . [and] criminal history, and record concerning appearance at court proceedings"; and
> (4) "the nature and seriousness of the danger to any person or the community that would be posed by the person's release."

Under the Bail Reform Act, the government may proceed by proffer, United States v. Ferranti, 66 F.3d 540, 541 (2d Cir. 1995); see also United States v. LaFontaine, 210 F.3d 125, 130-31 (2d Cir. 2000) (explaining that the government is entitled to proceed by proffer in a detention hearing); United States v. Martir, 782 F.2d 1141, 1145 (2d Cir. 1986), (same). Furthermore, "[t]he rules of evidence do not apply in a detention hearing." United States v. Ferranti, 66 F.3d 540, 542 (2d Cir. 1995); see also United States v. Agnello, 101 F. Supp. 2d 108, 110 (E.D.N.Y. 2000) ("[E]vidence may be supplied through proffers and hearsay information, and the rules of evidence do not apply.").

Courts have recognized that the term "dangerous" is not limited to physical force and violence. United States v. Ferranti, 66 F.3d 540, 543 (2d Cir. 1995). Wrecking economic harm while on release also poses a danger to the community. See e.g., United States v. Dupree, 833 F. Supp. 2d 241, 253 (E.D.N.Y. 2011); United States v. Madoff, 586 F. Supp. 2d 240, 252 (S.D.N.Y. 2009) ("The court may also consider 'economic harm' as evidence of dangerousness.").

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rebuttable presumption that the defendant poses a danger to the safety of the community. See 18 U.S.C. § 3148(b).

While the instant application is not an application to revoke the DNJ Bond, the legal standards set forth in 18 U.S.C. § 3148 that would apply in that context are certainly instructive as to Congress's view of individuals who commit additional federal crimes while on pretrial release. Specifically, pursuant to 18 U.S.C. § 3148, if a court finds that there is probable cause to believe that a defendant has committed a crime while on release and finds either that there is no condition or combination of conditions of release that will assure that defendant will not flee or pose a danger to the safety of any other person or the community or that defendant is unlikely to abide by any condition or combination of conditions of release, the Court "shall enter an order of revocation and detention." 18 U.S.C. § 3148(b).

Further, pursuant to 18 U.S.C. § 3148(b)(2)(B), if there is probable cause to believe a defendant committed a federal, state or local felony while on release, then a rebuttable presumption arises that no condition or combination of conditions will assure that the person will not pose a danger to the safety of any other person or the community. See United States v. Gotti, 794 F.2d 773, 777 (2d Cir. 1986) ("Where there is probable cause to believe the released defendant has committed a crime, he may thereafter be detained upon a finding, by only a preponderance of the evidence, that no conditions of release will guard against flight or dangerousness or that the person is unlikely to abide by any release condition."). "[P]robable cause under section 3148(b)(1)(A) requires only that the facts available to the judicial officer warrant a man of reasonable caution in the belief that the defendant has committed a crime while on bail." Id. (internal citations omitted); see also United States v. Galanis, 656 F. App'x 560, 562 (2d Cir. 2016) ("Probable cause does not require refutation of every possible innocent explanation for the conduct at issue."). Indeed, this standard "does not demand certainty but only a 'fair probability' that ... evidence of a crime will be found." Id. (quoting Illinois v. Gates, 462 U.S. 213, 238 (1983)).

B. Application

An analysis of the factors identified in the Bail Reform Act make clear that the defendant poses a risk of flight and a danger to the community.

First, the charged crimes that Del Franco is charged with are extremely serious. The defendant is charged with victimizing over a dozen people and stealing $5 million. This doesn't include the additional victim and loss that Del Franco is charged with in the CDCA Indictment, nor does it include Victim-7, Victim-8, Victim-9 and their losses. Taken together, the CDCA Indictment victim, the victims in the EDNY Indictment, and the victims of Del Franco's conduct since he was subject to the DNJ Bond, have collectively lost approximately $8.69 million to Del Franco and his fraud schemes.

The seriousness of Del Franco's conduct as charged in the Indictment is highlighted by the extremely substantial prison term he faces. Even though Del Franco has no prior convictions and an estimated Criminal History Category of I, the nature of his crimes and the losses caused yield an estimated Guidelines range of 108 to 135 months' imprisonment, much longer than any state prison term Shaw has served in his life. The possibility of a severe sentence is an important factor in assessing a defendant's likelihood of flight. See United States v. Jackson, 823 F.2d 4, 7 (2d Cir. 1987).

Second, the evidence of the defendant's guilt is strong, providing "a considerable incentive to flee." United States v. Millan, 4 F.3d 1038, 1046 (2d Cir. 1993); see also United States v. Palmer-Contreras, 835 F.2d 15, 18 (1st Cir. 1987) (per curiam) (where "the evidence against defendants is strong, the incentive for relocation is increased"). Here, the government's case against Del Franco is overwhelmingly strong. The evidence consists of victim-witnesses who were defrauded by Del Franco, text messages and phone record that corroborate the victim-witnesses, sham loan agreement prepared at Del Franco's direction, and bank records that demonstrate indisputably that the victims advance fees were stolen by Del Franco for his own purposes.

Third, the history and characteristics of the defendant weigh in favor of detention, making him both a flight risk and an economic danger. As outlined above, Del Franco has committed his crimes across the country, from California, to New York, to New Jersey and elsewhere. Despite his arrest in December 2025, the terms of the DNJ Bond and his pretrial supervision, Del Franco has continued to victimize individuals across the country. AS set forth above, there is probable cause that Victim-7, Victim-8 and Victim-9 were all taken in by Del Franco's Family Office Prepaid Interest fraud scheme in 2026.[4]

When Del Franco signed the DNJ Bond, that was his agreement with a federal court to secure his release. In essence, it was Del Franco's promise to a federal judge that he would abide by the conditions placed on his release, and not commit further crimes. As with his sham loan agreements, Del Franco's promise to the court was not worth the paper it was written on. Del Franco immediately returned to his fraudulent, criminal ways. As set forth above the investigation has revealed that in the months since his release, Del Franco has committed additional federal wire frauds, and has induced others to assist him in laundering the proceeds of his crimes. Indeed, Del Franco has stolen over $900,000 while on pretrial release. This court cannot trust that Del Franco will abide by any condition of release when he has already demonstrated that he will not abide the most important condition, the condition requiring him to stop breaking the law.

Further, Del Franco's conduct while subject to the DNJ Bond and facing the CDCA Indictment reveals that he will commit crime and steal from others to fund his own defense. Now, facing the Indictment, Del Franco's incentive to engage in such conduct has only increased. This in turn increases the economic danger that Del Franco poses.

Fourth, the government submits that in addition to being a risk of flight, the defendant poses a danger to the community based on the crimes charged and on his criminal conduct generally. The concept of "dangerousness" encompasses not only the effect of a defendant's release on the safety of identifiable individuals, such as victims and witnesses, but

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[4] Because there is probable cause to believe that the defendant has committed additional federal crimes while on release, including wire fraud and money laundering, in the context of a motion to revoke the DNJ Bond there will be a rebuttable presumption that no condition or combination of conditions will assure that the defendant will not pose a danger to the safety of the community.

also "'the danger that the defendant might engage in criminal activity to the detriment of the community.'" United States v. Millan, 4 F.3d 1038, 1048 (2d Cir. 1993) (quoting legislative history).

Here, Del Franco's fraudulent conduct to date has been unchecked while subject to conditions of pretrial release. If allowed to continue, Del Franco would pose an economic danger countless potential victims across the country. Indeed, as recently as last week, Del Franco was in contact with Victim-8, proposing that Victim-8 pay him prepaid interest for an even larger investment from investors that Del Franco claims to represent.

Importantly, from the beginning of the instant investigation in 2024 to date, no individual identified by the investigation as having been promised a loan or funding by Del Franco has ever received the promised funds.

III. Conclusion

For the reasons set forth above, the government respectfully requests that the Court order that the defendant Nicholas Del Franco be detained pending trial.

Respectfully submitted,

JOSEPH NOCELLA, JR.
United States Attorney

By: /s/
Michael R. Maffei
Assistant U.S. Attorney
(631) 715-7890

cc: Counsel to the Defendant (by hand)
Pretrial Services (by email)