

News

**Money man stays mum on spending habits**

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Four New York residents who handed \$8 million to Hampstead investment adviser **Perry Newman** received grim news yesterday: Only \$121,000 remains in the bank accounts in his name and that of his company, Dover Financial Corp., says a report by bankruptcy trustee Bernard Gourdeau of RSM Richter.

Gourdeau said he will begin tracking "where the money went and if some of it can be retrieved." Asked how long the process might take, he said: "Months, maybe a year or two."

At a creditors' meeting in Montreal yesterday, Newman refused to answer questions on where the money may have gone, Gourdeau said.

Last month, Newman and his company were declared bankrupt in Quebec Superior Court. The principal claimant, Edith Olanoff, is owed \$7.5 million.

Olanoff turned over the money to Newman to invest. According to the bankruptcy petition, Newman "deceived" Olanoff by claiming he was investing her funds carefully and making significant profits. Instead, he was financing his living expenses from the Dover Financial account, Olanoff's lawyer said last month.

Montreal police and the FBI are investigating Newman for fraud.

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