

## News Flash: Water Wet, Ice Cold, Dreier Bankrupt



Marc Dreier (center) with football ex-player Michael Strahan and actor William Shatner. No, really. Notice how this photo really plays up Dreier's Oompa Loompa ancestry.

The law firm Dreier LLP will seek bankruptcy protection after its founder was jailed for cheating hedge funds out of more than \$100 million.

[Marc Dreier](#), who is being held on federal criminal charges, may seek protection too, said the receiver, lawyer Mark Pomerantz, who was appointed to run the firm.

Prosecutors say Dreier, 58, a graduate of Harvard Law School and Yale College, convinced two unidentified hedge funds to give him more than \$100 million, by falsely claiming he was selling notes issued by New York developer Sheldon Solow at a discount. At a court hearing, prosecutors said they had discovered additional losses for a total of \$380 million.

Separately, Eton Park Capital Management, the New York-based hedge fund, wrote down loans stemming from deals with Dreier. The loans were worth less than 1% of the investments Eton Park manages. Eric Mindich, a former Goldman Sachs partner, founded the firm in 2004 with \$3.5 billion, a record for a hedge-fund start-up size at the time. The firm now manages \$13 billion.

Via [Bloomberg](#).