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'The girls' back NXIVM with millions

Bronfman sisters are sharing their wealth with Keith Raniere

By James M. Odato Updated 2:10 pm, Wednesday, February 22, 2012

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Clare Bronfman, left, and Sara Bronfman, right, during an appearance by the Dalai Lama at the Palace Theatre in Albany, N.Y., Wed., May 6, 2009. (Philip Kamrass / Times Union)

Among the women close to Keith Raniere, none have been more generous financially than Sara and Clare Bronfman, some of the wealthiest female thirty-somethings in the nation.

They were instrumental in arranging for the Dalai Lama to appear in Albany to the delight of Raniere.

Routinely referred to, even by friends, as "the girls," the two women have entrusted Raniere with huge sums he allegedly lost through obsessive trading in commodity futures and real estate, according to court papers in a lawsuit filed by the Bronfmans against real estate developers in a Los Angeles-area luxury housing project.

It is unclear how the money flowed, who had legal possession or who had authority to make decisions. What is alleged in deposition testimony, is that Raniere was guiding or directing the investments.

Raniere allegedly **used at least $65 million of the Bronfman sisters' funds** so that he could test a mathematical formula to beat the commodities markets, according to sworn testimony of financial planner Barbara Bouchey, a former NXIVM board member, in the California case. Bouchey said **the money came from loans by the Bronfmans to various legal entities** and NXIVM CEO Nancy Salzman. **All of the money was lost**, according to court testimony in that real estate case.

As for real estate, Raniere put together a deal involving $26 million of the sisters' money that went into a residential housing development in Los Angeles. The deal soured after Raniere suggested to the Bronfmans that they replace their appointed on-site manager with a NXIVM consultant from Niagara Falls, according to deposition testimony. The sisters later sued their original on-site manager and won a jury award of $10.3 million after a trial in the case.

Clare Bronfman, in testimony in a Washington trial, **refused to acknowledge she covered Raniere's commodities losses** The Bronfman real estate funding has been **described in court papers as an investment** Neither Clare nor Sara Bronfman responded to repeated requests by the Times Union for an interview.

More Information

Based on court records, legal documents and numerous interviews, the Bronfmans have also been major underwriters of NXIVM's operations, Raniere-created foundations and several **legal cases** costing millions of dollars. The sisters have consistently supported Raniere since they became NXIVM followers more than eight years ago and set up residence in the Capital Region. Their wealth has helped pay for local real estate for NXIVM operations and housing for NXIVM leaders. And the sisters, or foundations they lead, have paid for things such as immigration services for people associated with Raniere's pursuits, and a **$40,000 piano** for his use. For years, their private jet ferried NXIVM personnel and associates. In return, they believe they are receiving a window to a better life.

"I believe the greatest gift one human can give to another is the gift of humanity – the opportunity to see oneself and others as human," Clare Bronfman wrote on **her web page** in the fall of 2009 – well after some of the soured investments occurred. "What Keith Raniere brings to the world is suc a gift."

Cathleen A. Mann is a cult expert who has been analyzing the dynamics of NXIVM, Raniere and the Bronfmans. "They have been his meal ticket for a long time," she says. "In their defense, I think they've been completely snookered by him."

In court testimony in the real estate case, Clare Bronfman was **asked whether she and her sister have willed their wealth to NXIVM by making NXIVM President Nancy Salzman the beneficiary**, but she was not required to answer. Clare Bronfman, with an **11th-grade education**, has risen in the company to oversee operations, she testified in a Washington case in which NXIVM alleged a former trainer had violated a confidentiality agreement by disclosing NXIVM intellectual property.

A spokesman for Edgar Bronfman Sr., the billionaire father of Clare, 32, and Sara, 35, who developed his fortune from the family's ownership of the Seagram's whiskey corporation, said his daughters are living their own lives. "He supports them in whatever they're doing," says Stephen Herbits. "He doesn't have anything to do with the organization." Eight years ago, Bronfman Sr. was quoted as calling NXIVM a cult. Herbits says that was then: "He felt that way initially, but after more engagement with the daughters and taking the course, he said, 'This is their life' ... He has basically said: 'I want to be your father, I don't want to be drawn into these particular activities.' At best he's neutral; he just doesn't engage in it."

In recent months, Sara Bronfman has drifted from NXIVM to become engaged in the economic restructuring of Libya and was appointed to the U.S. Libyan Chamber of Commerce. Clare Bronfman has appeared on behalf of NXIVM in court proceedings.

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