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Hedge Fund ALERT

Canada Player Seeks US Investors

A Toronto manager that has generated strong returns for clients at home is turning its attention to investors in the U.S.

The effort would see **Venator Capital** launch a new version of its value-focused Venator Income Fund specifically for investors in the States, likely with a different name that would reflect the vehicle's opportunistic approach. It hopes to have the entity up and running by midyear with an initial $50 million or more.

Venator Income Fund employs a fundamental bottom-up strategy to assemble a long-biased portfolio of corporate bonds, high-dividend equities and convertible bonds in North America. It has produced an annualized return of 12.3% since its inception in August 2008, topping a 9.4% return for the S&P 500 index over the same period. The fund was up 13.7% last year. It was down 5.8% in 2015 for its only full-year loss. Its best year was 2009, when it was up 42.7%.

Investors in the U.S. version of the fund would pay fees equal to 1% of assets and 10% of profits. The performance fee would kick in only if the vehicle has produced a 5% gain in the previous calendar year. Canadian investors pay a 1.5% management fee, reflecting costs that wouldn't apply to the U.S. version. They also pay a performance fee of 10%.

Venator started this year with $276 million under management, including $76 million in its Venator Income Fund. The rest of the capital is in the firm's equity-focused Venator Founders Fund, which has produced an annualized gain of 12.4% since its inception in March 2006, and Venator Select Fund, a concentrated "best-ideas" vehicle with an annualized return of 17.2% since inception in September 2013.

Venator is led by chief executive **Brandon Osten,** who previously was a researcher at **Cormark Securities** predecessor **Sprott Securities.** He manages the firm's investments alongside president **Stephen Andersons,** also formerly of Sprott, and associate portfolio manager **Jeff Parks.** ❖

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Endowment-Style Shop Targeting Hedge Funds

A wealth-management startup that's adapting an "endowment model" for family offices and foundations plans to deploy a chunk of its assets to hedge funds.

Ivy Road Partners of Charlottesville, Va., expects to launch later this year, allocating client capital among five portfolios including a fund of hedge funds and a separate pool that will invest in long-only equity vehicles run by hedge fund managers. Ivy Road has identified 6-8 fund operators for each of those portfolios.

The business is led by chief executive **Clay Thomson,** who previously spent seven years at **Investure,** a Charlottesville firm that functions as an outsourced chief investment officer for endowments including those of **Middlebury College, Smith College** and **Trinity College.** Other clients include the **Carnegie Endowment for International Peace, Colonial Williamsburg** and the **Henry Luce Foundation.**

Working with Thomson at Ivy Road are **James Aldige,** formerly a partner at **Tiger**

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Mezvinsky and Partners Disband Eaglevale

Eaglevale Partners, a global-macro shop co-founded by **Hillary Clinton's** son-in-law, **Marc Mezvinsky,** is no longer in business.

The New York firm shut down last month, sources said. Eaglevale, led by Mezvinsky and two former colleagues from **Goldman Sachs,** enjoyed early backing from blue-chip names including Goldman chairman **Lloyd Blankfein** and **Avenue Capital** founder **Marc Lasry.** But the flagship Eaglevale Partners Fund suffered from weak performance, and last year the firm shuttered a small vehicle focused on investments in Greek debt after it lost an estimated 90%.

One source said Eaglevale "never got scale," suggesting that it failed to gather enough assets to be profitable — despite Mezvinsky's obvious advantages in the fund-raising arena. On a gross basis, the firm was managing $326 million at year-end 2015 — the bulk of it in a separate account for an institutional client. Eaglevale's

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Pollack Pulls the Plug on Destrier Capital

Destrier Capital, a long/short equity shop led by **Michael Pollack,** appears to have exited the hedge fund business.

The New York firm returned its investors' money around the end of the year, a source said. It's unclear how much outside capital Destrier was running at that point, but its gross assets totaled $336 million at yearend 2015. Its net assets were likely only a bit less, considering that the fund was designed to run with average gross exposure of 110%.

Pollack launched Destrier in 2012 with $20 million of his own money. He had spent the previous four years managing his personal wealth, and before that spent seven years as a partner and portfolio manager at **Glenhill Capital.** At Glenhill, he helped manage a $2 billion global equity portfolio.

He quit Glenhill in 2008 after surviving a terrorist attack in Mumbai that left 164 dead. Though he wasn't injured, Pollack was badly shaken by the experience.

It's unclear why he pulled the plug on Destrier. The fund maintained relatively

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THE GRAPEVINE

Al Boston resurfaced in January at **Holocene Capital, Brandon Haley's** highly anticipated startup. Boston's role at the New York equity shop presumably would be similar to his former responsibilities as head trader at **Citadel** unit **Surveyor Capital** before he was caught in a round of layoffs a year ago. Haley, also a Citadel alumnus, has been eyeing an early-2017 launch for Holocene's debut fund — which is expected to start with some $1.2 billion. His hiring of Boston follows a flurry of staff additions late last year.

Greylock Capital has a new head of marketing, investor relations and business development. **Michael Reeves,** a managing director, joined the debt-fund operator this month from **Shelter Growth Capital,** where he led a marketing and investor-relations effort upon the firm's

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