



Frank DeRose has launched an event-driven hedge fund through his startup fund management company, Ferrata Capital Management. The New York City-based company launched its flagship fund, Ferrata Capital Management LP, on January 1 with \$3 million in seed capital.

DeRose is the manager of the new fund. He has worked in corporate finance and private equity with Goldman Sachs, JP Morgan Chase and Swiss Re.

“I bring more investment banking, credit and private equity experience to the table,” DeRose wrote in an email. He says his strengths are the ability to analyze and also operational experience.

The fund seeks companies that are going through management changes, other major reorganizations, including divestitures, arbitrage plays and distressed investments.

The fund charges an annual 2% management fee and 20% performance fee. The minimum investment is \$250,000 in the fund’s first year of operation and \$500,000 from then on.

DeRose’s fund is starting small and he hopes to keep it that way. He has set the maximum capacity of the fund at between \$80 million and \$100 million, hoping to keep it small and flexible.

DeRose declined to name the service providers he has selected, on advice from his attorney. “I have a CPA and top flight counsel handling issues related to capital accounting, taxes and legal matters. My broker dealer is a reputable player,” he stated.

DeRose says if he raises enough money with the new fund, he ultimately hopes to open an office in Europe or Asia .