

## Third Point agrees truce with activist shareholders over UK fund

Campaign ends as Dan Loeb's London unit appoints investor-backed independent director



Dan Loeb's UK fund had drawn accusations of hypocrisy in its dispute with investors given Third Point's role in shareholder activism © Bloomberg

Joshua Oliver FEBRUARY 18 2022

Dan Loeb's London-listed investment company has reached a truce with a group of disgruntled shareholders, bringing to a close a public spat that has dogged the billionaire investor.

The New York hedge fund manager, who is waging an activist campaign against Shell, has had to defend the London offshoot of his Third Point fund from a group of activist British shareholders, prompting [accusations of hypocrisy](#) from the insurgent investors.

The 10-month-long public dispute appeared to be over after Third Point's London investment company on Friday appointed an independent director nominated by the activist shareholders. A statement from the company said the activist group had dropped its campaign for a general meeting and agreed to "refrain from taking certain other actions".

The board also selected a new chair and added a second new independent member.

Rupert Dorey, the new chair, said he was "delighted" by the appointments and "welcome[ed] the expertise and further independence that they will add".

Asset Value Investors, the largest of the activists, declined to comment. AVI and Third Point declined to provide further details of the agreement.

London-based AVI, which manages £1.2bn of assets, said in December: "It is in no one's interest that this dispute plays out any longer in public."

Third Point's London vehicle serves as a "feeder fund" passing investors' money through to Loeb's £18bn New York-based hedge fund. The shareholder dispute has centred on measures to reduce the persistent discount between shares in the roughly £1bn London-listed vehicle and its net asset value, which at present stands at 14 per cent.

Listed hedge funds have been [out of favour](#) in the London market for several years, contributing to discounts for Third Point and other managers such as Pershing Square.

AVI and its allies wanted to see the board adopt a more aggressive plan to close the gap. Their campaign drew Loeb's ire.

"Describing [AVI's] antics as infantile is an insult to crying babies," the billionaire wrote in a tweet late last year.

The truce came after the board agreed to appoint veteran corporate director Richard Boléat, who had been put forward by AVI, after vetting by an independent recruiter. A person close to the company said the board was convinced that Boléat was independent from AVI and the activist group.

Dorey replaces Steve Bates who [stepped down as chair](#) in December. The board said at the time that his departure came after “personal threats” to “attack him in other business areas”. The activist investor denied making threats.

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