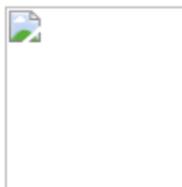


From: Neal Berger <[REDACTED]>

To: jeevacation@gmail.com

Subject: Eagle's View Capital Management, LLC- April 2014 Performance Update...

Date: Wed, 14 May 2014 18:10:21 +0000



Eagles View Capital Management LLC April 2014 Performance Update

May 14, 2014

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Should Hedge Funds Actually Hedge?

Dear Partners/Friends,

Eagle's View Capital Partners, L.P. is estimated at +0.73% for April with YTD 2014 performance estimated at +5.60% net of all fees and expenses.

Eagle's View Offshore Fund, Ltd. Class G is estimated at +0.35% for April with YTD 2014 performance estimated at +5.22% net of all fees and expenses.

Eagle's View Offshore Fund, Ltd. Class B ("High Alpha") is estimated at -0.90% for April with YTD 2014 performance estimated at -0.90% net of all fees and expenses. April was the first month of live performance for this Share Class which seeks to generate more substantial returns through a concentrated portfolio of some of our historically higher return opportunities.

April was a challenging month for the hedge fund industry with the average hedge fund delivering -0.17% MTD and +0.90% YTD according to the HFRI Fund Weighted Composite Index. The HFRI Fund of Funds Composite Index was -1.12% for April with YTD at -0.63%.

Eagle's View Capital Partners, L.P. is currently outperforming the HFRI Fund of Funds Composite Index by over +600 bps YTD through April 30 and Eagle's View Offshore Fund, Ltd. Class G is outperforming this Index by just under +600 bps YTD.

Importantly, since inception, Eagle's View Capital Partners, L.P. has delivered cumulative returns that are approximately 2.5X the HFRI Fund of Funds Composite Index with an annualized volatility of 2.73% (versus 4.14% for the HFRI Index) and a Sharpe Ratio of 2.74 (versus 0.77 for HFRI Fund of Funds Index). Eagle's View Capital Partners' beta to the equity markets is 0.12. As such, we believe Eagle's View Capital

Partners, L.P. has thus far delivered a return stream that has proven to be an uncorrelated source of alpha for investors.

While it has seemingly always been the case, many investors seem to compare hedge fund returns with equity returns. Almost all hedge funds show returns versus the S&P and investors discuss hedge fund performance versus equity performance with regularity.

We find this attachment and fixation of comparisons to the equity markets to be a bit puzzling. In our view, a hedge fund should actually be hedged and provide a return stream that bears little or no resemblance to the direction or magnitude of equity market performance both positive or negative. The original A.W. Jones hedge fund model sought to generate returns through individual stock selection both long and short while generally maintaining a more neutral (or "hedged") position to the overall market direction. We've come a long way baby!

Of course, there is no formal definition of a hedge fund. Some investors may define a hedge fund as any investment vehicle that seeks to charge a management fee and 20% of the profits. Others, believe a hedge fund should outperform equity markets during rallies yet also generate positive returns during equity selloffs. Still other investors believe hedge funds should generate more favorable risk/adjusted returns than equities while maintaining a high degree of correlation to the overall direction of the equity markets. Eagle's View believes hedge funds should deliver a return stream that is truly uncorrelated and differentiated from directional equity returns for better or for worse. Most investors already have some direct or indirect exposure to equities and we believe hedge funds should be a diversifier to a portfolio rather than a mere diluted proxy or duplication of what most investors already own. We thought this is why they are generally considered to be under the broad category of "alternative investments".

Simply put, we have a hard time reconciling the thought process of coupling hedge fund performance to the equity markets as we view these investments as separate and distinct. It is possible that investors view hedge funds and equities as being similar on the risk spectrum and as such, are seeking to demand similar return profiles. Taken in aggregate, we do not believe that hedge funds are as risky as the equity market and in our view, tend to fall somewhere between fixed income and equities on the risk spectrum. Obviously, idiosyncratic opportunities and strategies each having varying risk profiles, however, we are referring to the broader industry with respect to our assessment of where hedge funds fall within the risk spectrum.

Given the fixation with comparing hedge fund returns with equity returns, I'm not sure hedge funds should actually attempt to be hedged. If that is the case, let us at least rename the product for what it is, an "Un-Hedged Fund". As long as investors continue to seek to compare hedge fund performance with the direction and magnitude of equity performance, many Funds will seek to deliver correlation to equities for fear of disappointing their investor base. Eagle's View seeks to provide investors with a vehicle that is a true diversifier to an investor's portfolio. We believe 2014 has assisted us in highlighting the value Eagle's View provides within an investor's portfolio in that we've delivered higher nominal returns than all mainstream assets with lower volatility and steady performance. We believe investors should strongly consider adding an allocation to Eagle's View to their portfolio given these attributes.

Eagle's View is in the business of seeking to capitalize upon market inefficiencies and make positive expectancy investments. It is our view that structural and general market

inefficiencies tend to be more pronounced during more normalized and higher volatility regimes.

We do very little thinking about the overall direction or macro view of markets. We do not seek to invest with Managers who attempt to predict the course of the global macro-economic landscape as we do not believe anyone has an advantage in doing so. We simply do not attempt what we feel is a losing battle.

We are accepting new clients within our Fund of Funds products as well as within our Advisory business. Please contact me with further interest in our products/services.

Disclaimer: Past performance is not indicative of future results. This newsletter is provided for informational uses only and should not be used or considered an offer to sell, buy or subscribe for securities, or other financial instruments. Prospective investors may not construe the contents of this newsletter or any prior or subsequent communication from us, as legal, tax or investment advice. Each prospective investor should consult his/her personal Counsel, Accountant, and other Advisors as to the legal, tax, economic and other consequences of hedge fund investing and the suitability of such investing for him/her. Further, the contents of this newsletter should not be relied upon in substitution of the exercise of independent judgment. The information contained herein has been obtained from sources generally deemed by us to be reliable, however, all or portions of such information may be uniquely within the knowledge of parties which are unaffiliated with us or our affiliates and, therefore, may not be amenable to independent investigation or confirmation. In such cases, we have not undertaken to independently investigate or confirm the accuracy or adequacy of such information, but we have no reason to believe that such information was not accurate and adequate, to the best of our knowledge, when given. The index comparisons herein are provided for informational purposes only and should not be used as the basis for making an investment decision. There are significant differences between client accounts and the indices referenced including, but not limited to, risk profile, liquidity, volatility and asset composition. Funds included in the HFRI Monthly Indices must report monthly returns; report net of all fees returns; report assets in US Dollars, and have at least \$50 million under management or have been actively trading for at least twelve (12) months. Fund of Funds invest with multiple managers through funds or managed accounts. The strategy designs a diversified portfolio of managers with the objective of significantly lowering the risk (volatility) of investing with an individual manager. The Fund of Funds manager has discretion in choosing which strategies to invest in for the portfolio. A manager may allocate funds to numerous managers within a single strategy, or with numerous managers in multiple strategies. The minimum investment in a Fund of Funds may be lower than an investment in an individual hedge fund or managed account. The investor has the advantage of diversification among managers and styles with significantly less capital than investing with separate managers. PLEASE NOTE: The HFRI Fund of Funds Index is not included in the HFRI Fund Weighted Composite Index. It is important to note that investing in hedge funds involves risks. Please request and read the Private Placement Memorandum for a complete description of the risks of hedge fund investing. Hedge fund investing may involve, in addition to others, the following risks: the vehicles often engage in leveraging and other speculative investments which may increase the risk of investment loss; they can be highly illiquid; hedge funds are not required to provide periodic pricing or valuation information to investors; they may involve complex tax structures and thus delays in distributing important tax information may occur; hedge funds are not subject to the same regulatory requirements as mutual funds and they often charge high fees. Opinions contained in this Newsletter reflect the judgment as of the day and time of the publication and are subject to change without notice. Eagle's View Capital Management, LLC provides investment advisory services to clients other than the Funds, and results between clients may differ materially. Eagle's View Capital Management, LLC believes that such differences are attributable to different investment objectives and strategies between clients. Past performance is not a guarantee of future results. If you are not the intended recipient or have received this communication in error please notify the sender immediately and destroy this communication. Any unauthorized copying, disclosure or distribution of the material in this communication is strictly forbidden.

Kindest regards,

Neal Berger
President
Eagles View Capital Management LLC
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