

INVESTMENT TECHNOLOGY GROUP, INC.
Form SC 13D/A
April 09, 2015

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934
(Amendment No. 4)*

Investment Technology Group, Inc.
(Name of Issuer)

Common Stock, par value \$0.01 per share
(Title of Class of Securities)

46145F105
(CUSIP Number)

Rachael Clarke

Philadelphia Financial Management of San
Francisco, LLC

450 Sansome Street, Suite 1500

San Francisco, California 94111

(415) 352-4463

Justus Leachman

Voce Capital Management LLC

600 Montgomery Street, Suite 210

San Francisco, California 94111

(415) 489-2600

with a copy to:

Marc Weingarten

Schulte Roth & Zabel LLP

919 Third Avenue

New York, New York 10022

(212) 756-2000

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and
Communications)

April 8, 2015

(Date of Event Which Requires Filing of This
Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), Rule 13d-1(f) or Rule 13d-1(g), check the following box. ☐

(Page 1 of 15 Pages)

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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1 NAME OF REPORTING PERSON

BOATHOUSE ROW I,
L.P.

CHECK THE (a) " APPROPRIATE

2 BOX IF A (b) x MEMBER OF A GROUP

3 SEC USE ONLY SOURCE OF FUNDS

4 WC CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING

5 IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware, United States

NUMBER OF SHARES BENEFICIALLY 7 OWNED BY EACH REPORTING PERSON WITH:

8 SOLE VOTING POWER 0 SHARED VOTING POWER

9 486,784 SOLE DISPOSITIVE POWER

10 0 SHARED DISPOSITIVE POWER

	486,784
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON
12	486,784 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) ..
13	EXCLUDES CERTAIN SHARES PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
14	1.4% TYPE OF REPORTING PERSON
	PN

1 NAME OF REPORTING PERSON

BOATHOUSE ROW II,
L.P.

CHECK THE
APPROPRIATE " "

2 BOX IF A
MEMBER OF (b) x
A GROUP

3 SEC USE ONLY
SOURCE OF FUNDS

4 WC
CHECK BOX
IF
DISCLOSURE
OF LEGAL
PROCEEDING

5 IS
REQUIRED
PURSUANT
TO ITEMS
2(d) or 2(e)

CITIZENSHIP OR
PLACE OF
6 ORGANIZATION

Delaware, United States

NUMBER OF
SHARES
BENEFICIALLY **7**
OWNED BY

EACH
REPORTING
PERSON WITH:
8

SOLE
VOTING
POWER

0
SHARED
VOTING
POWER

9 160,681
SOLE
DISPOSITIVE
POWER

10 0
SHARED
DISPOSITIVE

POWER

11	160,681 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON
12	160,681 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) " EXCLUDES CERTAIN SHARES PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
13	
14	0.5% TYPE OF REPORTING PERSON PN

	NAME OF REPORTING PERSON
1	BOATHOUSE ROW OFFSHORE LTD. CHECK THE APPROPRIATE <input checked="" type="checkbox"/> "
2	BOX IF A MEMBER OF (b) x A GROUP
3	SEC USE ONLY SOURCE OF FUNDS
4	WC CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING
5	IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) CITIZENSHIP OR PLACE OF ORGANIZATION
6	Cayman Islands
NUMBER OF SHARES BENEFICIALLY 7 OWNED BY EACH REPORTING PERSON WITH:	SOLE VOTING POWER
8	0 SHARED VOTING POWER
9	583,440 SOLE DISPOSITIVE POWER
10	0 SHARED DISPOSITIVE

POWER

583,440

AGGREGATE
AMOUNT
BENEFICIALLY
OWNED BY EACH
PERSON

11

583,440
CHECK IF THE
AGGREGATE
AMOUNT IN
ROW (11) "

12

EXCLUDES
CERTAIN
SHARES
PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)

13

1.7%
TYPE OF REPORTING
PERSON

14

CO

1 NAME OF REPORTING PERSON

OC 532 OFFSHORE LTD.

CHECK THE APPROPRIATE " "

2 BOX IF A MEMBER OF(b) x A GROUP

3 SEC USE ONLY SOURCE OF FUNDS

4 WC CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING

5 IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) CITIZENSHIP OR PLACE OF ORGANIZATION

6 Cayman Islands
NUMBER OF SHARES BENEFICIALLY 7 OWNED BY EACH REPORTING PERSON WITH: **8** SOLE VOTING POWER 0 SHARED VOTING POWER

9 371,608 SOLE DISPOSITIVE POWER

10 0 SHARED DISPOSITIVE

POWER

371,608

AGGREGATE
AMOUNT
BENEFICIALLY
OWNED BY EACH
PERSON

11

371,608
CHECK IF THE
AGGREGATE
AMOUNT IN
ROW (11) "

12

EXCLUDES
CERTAIN
SHARES
PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)

13

1.1%
TYPE OF REPORTING
PERSON

14

CO

	NAME OF REPORTING PERSON
1	PHILADELPHIA FINANCIAL MANAGEMENT OF SAN FRANCISCO, LLC
	CHECK THE APPROPRIATE " "
2	BOX IF A MEMBER OF (b) x A GROUP
3	SEC USE ONLY
4	SOURCE OF FUNDS
	WC
	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING
5	IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)
	CITIZENSHIP OR PLACE OF ORGANIZATION
	California, United States
	SOLE VOTING POWER
7	
	0
	SHARED VOTING POWER
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:	8
	1,602,513
	SOLE DISPOSITIVE POWER
	9
	0

10 SHARED
DISPOSITIVE
POWER

11 1,602,513
AGGREGATE
AMOUNT
BENEFICIALLY
OWNED BY EACH
PERSON

12 1,602,513
CHECK IF THE
AGGREGATE
AMOUNT IN
ROW (11) ..
EXCLUDES
CERTAIN
SHARES

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)

14 4.7%
TYPE OF REPORTING
PERSON

IA

1 NAME OF REPORTING PERSON

JORDAN HYMOWITZ

CHECK THE APPROPRIATE " "

2 BOX IF A MEMBER OF (b) x

A GROUP

3 SEC USE ONLY
4 SOURCE OF FUNDS

AF
CHECK BOX
IF

DISCLOSURE
OF LEGAL
PROCEEDING

5 IS
REQUIRED
PURSUANT
TO ITEMS
2(d) or 2(e)
CITIZENSHIP OR
PLACE OF
6 ORGANIZATION

United States

NUMBER OF
SHARES
BENEFICIALLY **7**
OWNED BY

EACH
REPORTING
PERSON WITH: **8**

SOLE
VOTING
POWER
0
SHARED
VOTING
POWER

9 1,602,513
SOLE
DISPOSITIVE
POWER

10 0
SHARED
DISPOSITIVE
POWER

11	1,602,513 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON
12	1,602,513 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) .. EXCLUDES CERTAIN SHARES
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
14	4.7% TYPE OF REPORTING PERSON IN

1 NAME OF REPORTING PERSON

JUSTIN HUGHES
CHECK THE
APPROPRIATE " "

2 BOX IF A MEMBER OF (b) x
A GROUP

3 SEC USE ONLY
SOURCE OF FUNDS

4 AF
CHECK BOX
IF
DISCLOSURE
OF LEGAL
PROCEEDING

5 IS
REQUIRED
PURSUANT
TO ITEMS
2(d) or 2(e)
CITIZENSHIP OR
PLACE OF
6 ORGANIZATION

United States

NUMBER OF
SHARES
BENEFICIALLY **7**
OWNED BY
EACH
REPORTING
PERSON WITH:

8 SOLE
VOTING
POWER
0
SHARED
VOTING
POWER

9 43,377
SOLE
DISPOSITIVE
POWER

10 0
SHARED
DISPOSITIVE
POWER

11	43,377 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON
12	43,377 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) .. EXCLUDES CERTAIN SHARES
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
14	0.1% TYPE OF REPORTING PERSON IN

1 NAME OF REPORTING
PERSON

VOCE CAPITAL
MANAGEMENT LLC

CHECK THE
APPROPRIATE " "

2 BOX IF A
MEMBER OF (b) x
A GROUP

3 SEC USE ONLY
SOURCE OF FUNDS

4

OO
CHECK BOX
IF
DISCLOSURE
OF LEGAL
PROCEEDING

5 IS
REQUIRED
PURSUANT
TO ITEMS
2(d) or 2(e)
CITIZENSHIP OR
PLACE OF
6 ORGANIZATION

California, United States
SOLE
VOTING
POWER

7 548,655
(including call
options to
purchase 4,400
shares of
Common
Stock)
8 SHARED
VOTING
POWER

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH:

9 0

SOLE
DISPOSITIVE
POWER

548,655
(including call
options to
purchase 4,400
shares of
Common
Stock)

SHARED
DISPOSITIVE
POWER

10

0
AGGREGATE
AMOUNT
BENEFICIALLY
OWNED BY EACH
PERSON

11

548,655 (including call
options to purchase 4,400
shares of Common
Stock)

CHECK IF THE
AGGREGATE
AMOUNT IN
ROW (11) ..

12

EXCLUDES
CERTAIN
SHARES
PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)

13

1.6%
TYPE OF REPORTING
PERSON

14

OO

CUSIP No. 46145F105 SCHEDULE 13D/A Page 10 of 15 Pages

1 NAME OF REPORTING PERSON

VOCE CAPITAL LLC

CHECK THE APPROPRIATE " "

2 BOX IF A MEMBER OF (b) x

A GROUP

3 SEC USE ONLY
4 SOURCE OF FUNDS

OO

CHECK BOX

IF

DISCLOSURE

OF LEGAL

PROCEEDING

5 IS

REQUIRED

PURSUANT

TO ITEMS

2(d) or 2(e)

CITIZENSHIP OR

PLACE OF

6 ORGANIZATION

Delaware, United States

SOLE

VOTING

POWER

7 548,655

(including call

options to

purchase 4,400

shares of

Common

Stock)

SHARED

VOTING

POWER

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH:

8

9 0

SOLE

DISPOSITIVE

POWER

548,655
(including call
options to
purchase 4,400
shares of
Common
Stock)
SHARED
DISPOSITIVE
POWER

10

0

AGGREGATE
AMOUNT
BENEFICIALLY
OWNED BY EACH
PERSON

11

548,655 (including call
options to purchase 4,400
shares of Common
Stock)

CHECK IF THE
AGGREGATE
AMOUNT IN

12

ROW (11) ..
EXCLUDES
CERTAIN
SHARES

PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)

13

1.6%
TYPE OF REPORTING
PERSON

14

OO

CUSIP No. 46145F105 SCHEDULE 13D/A Page 11 of 15 Pages

1 NAME OF REPORTING PERSON

J. DANIEL PLANTS

CHECK THE APPROPRIATE " "

2 BOX IF A MEMBER OF (b) x

A GROUP

3 SEC USE ONLY
4 SOURCE OF FUNDS

OO
CHECK BOX
IF

DISCLOSURE
OF LEGAL
PROCEEDING

5 IS
REQUIRED
PURSUANT
TO ITEMS
2(d) or 2(e)

CITIZENSHIP OR
PLACE OF
ORGANIZATION

6 United States
SOLE
VOTING
POWER

7 548,655
(including call
options to
purchase 4,400
shares of
Common
Stock)
SHARED
VOTING
POWER

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH:

8 0
9 SOLE
DISPOSITIVE

POWER

548,655
(including call
options to
purchase 4,400
shares of
Common
Stock)
SHARED
DISPOSITIVE
POWER

10

0

AGGREGATE
AMOUNT
BENEFICIALLY
OWNED BY EACH
PERSON

11

548,655 (including call
options to purchase 4,400
shares of Common
Stock)

CHECK IF THE
AGGREGATE
AMOUNT IN

12

ROW (11) ..
EXCLUDES
CERTAIN
SHARES

PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)

13

1.6%
TYPE OF REPORTING
PERSON

14

IN

Preamble

This Amendment No. 4 amends and supplements the Schedule 13D originally filed with the Securities and Exchange Commission on July 22, 2014, as heretofore amended (the "Schedule 13D"), relating to the Common Stock, par value \$0.01 per share, of Investment Technology Group, Inc., a Delaware corporation (the "Issuer"). Capitalized terms used herein and not otherwise defined have the meanings set forth in the Schedule 13D.

As a result of the Termination of the Joint Filing and Solicitation Agreement, dated April 9, 2015 (the "Termination Agreement"), the Reporting Persons have terminated their status as a "group" for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 13d-5(b)(1) promulgated thereunder with respect to the Common Stock. In connection with such termination, the beneficial ownership of each of the Reporting Persons has fallen below the Schedule 13D reporting threshold and this Amendment No. 4 constitutes an "exit filing" for each of the Reporting Persons.

Item 2. IDENTITY AND BACKGROUND

Item 2 of the Schedule 13D is hereby amended and restated in its entirety as follows:

As a result of the Termination Agreement, each of the Reporting Persons are no longer members of the Section 13(d) group and shall cease to be Reporting Persons immediately after the filing of this Amendment No. 4. A copy of the Termination Agreement is attached as Exhibit 2 to this Schedule 13D and is incorporated by reference herein.

Item 4. PURPOSE OF TRANSACTION

Item 4 of the Schedule 13D is hereby amended and supplemented as follows:

On April 8, 2015, Philadelphia Financial, Mr. Hughes and Voce Capital Management (collectively, the "Stockholder Group") entered into an agreement with the Issuer (the "Cooperation Agreement") regarding the composition of the Issuer's board of directors (the "Board"). Under the terms of the Cooperation Agreement, the Board (i) will, no later than five days following the execution of the Cooperation Agreement, increase the size of the Board to nine members and appoint R. Jarrett Lilien ("Mr. Lilien") to the Board; (ii) agreed to appoint Mr. Lilien as a member of the Board's Capital Committee; and (iii) agreed to include Mr. Lilien as a member of the Issuer's slate of recommended director candidates for election to the Board at the 2015 annual meeting of stockholders of the Issuer (the "Annual Meeting"). In addition, the Board agreed to commence a search process, promptly following the Annual Meeting, to add an additional director to the Board and to confer with the Stockholder Group regarding such search process.

Pursuant to the Cooperation Agreement, the Reporting Persons also agreed to certain customary standstill provisions, such provisions to last until the earlier of (x) the date which is 30 days prior to the last day on which notice of a stockholder's intent to make director nominations at or bring other business before the Issuer's 2016 annual meeting of stockholders must be submitted pursuant to the Issuer's Amended and Restated By-laws and (ii) such date, if any, of a breach by the Issuer in any material respects of its obligations under the Cooperation Agreement if such breach has not been cured within 30 days following written notice of such breach from the Stockholder Group. Each member of the Stockholder Group also agreed to cause all shares of Common Stock beneficially owned by it or him to be present for quorum purposes and to be voted in favor of any and all directors nominated by the Board for election or other business that may become any shareholder meeting during the Standstill Period, subject to certain exceptions. The foregoing summary of the Cooperation Agreement is qualified in its entirety by the full text of the Cooperation Agreement, a copy of which is attached as Exhibit 3 to this Schedule 13D and is incorporated by reference herein.

Item 5. INTEREST IN SECURITIES OF THE ISSUER

Item 5(e) of the Schedule 13D is hereby amended and restated in its entirety as follows:

(e) As a result of the Termination Agreement, on April 9, 2015, each of the Reporting Persons ceased to be the beneficial owner of more than 5% of the outstanding shares of Common Stock.

Item 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

Item 6 of the Schedule 13D is hereby amended and supplemented as follows:

The Reporting Persons are parties to the Termination Agreement, as defined and described in the Preamble above, and the Cooperation Agreement, as defined and described in Item 4 above. A copy of each of the Termination Agreement and the Cooperation Agreement is attached as Exhibit 2 and Exhibit 3, respectively, to this Schedule 13D and is incorporated by reference herein.

Except as set forth herein and as previously reported in the Schedule 13D, there are no contracts, understandings or relationships among the Reporting Persons or between the Reporting Persons and any other person with respect to the Common Stock.

Item 7. MATERIAL TO BE FILED AS EXHIBITS

Item 7 of the Schedule 13D is hereby amended and supplemented by the addition of the following:

Exhibit Description

- | | |
|---|---|
| 2 | Termination of Joint Filing and Solicitation Agreement, dated April 9, 2015 |
| 3 | Cooperation Agreement, dated April 8, 2015 |

SIGNATURES

After reasonable inquiry and to the best of his or its knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Date: April 9, 2015

BOATHOUSE ROW I, L.P.

By: /s/ Rachael Clarke

Name: Rachael Clarke

Title: Chief Compliance Officer of Philadelphia Financial Management of San Francisco, LLC

BOATHOUSE ROW II, L.P.

By: /s/ Rachael Clarke

Name: Rachael Clarke

Title: Chief Compliance Officer of Philadelphia Financial Management of San Francisco, LLC

BOATHOUSE ROW OFFSHORE LTD.

By: /s/ Rachael Clarke

Name: Rachael Clarke

Title: Chief Compliance Officer of Philadelphia Financial Management of San Francisco, LLC

OC 532 OFFSHORE LTD.

By: /s/ Rachael Clarke

Name: Rachael Clarke

Title: Chief Compliance Officer of Philadelphia Financial Management of San Francisco, LLC

PHILADELPHIA FINANCIAL MANAGEMENT OF SAN FRANCISCO, LLC

By: /s/ Rachael Clarke

Name: Rachael Clarke

Title: Chief Compliance Officer of Philadelphia Financial Management of San Francisco, LLC

/s/ Jordan Hymowitz

Jordan Hymowitz

/s/ Justin Hughes

Justin Hughes

VOCE CAPITAL MANAGEMENT LLC

By: Voce Capital LLC, its Managing Member

By: /s/ J. Daniel Plants

Name: J. Daniel Plants

Title: Managing Member

VOCE CAPITAL LLC

By: /s/ J. Daniel Plants

Name: J. Daniel Plants

Title: Managing Member

/s/ J. Daniel Plants

J. Daniel Plants