

Freedom Acquisition Holdings, Inc.

Form 424B4

December 26, 2006

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**Filed pursuant to rule 424(b)(4)  
Registration Nos. 333-136248 and 333-139593**

**PROSPECTUS**

\$480,000,000  
Freedom Acquisition Holdings, Inc.  
48,000,000 Units

Freedom Acquisition Holdings, Inc. is a blank check company recently formed to acquire one or more operating businesses through a merger, stock exchange, asset acquisition, reorganization or similar business combination. Our efforts in identifying a prospective target business will not be limited to a particular industry. We do not have any specific merger, stock exchange, asset acquisition, reorganization or similar business combination under consideration or contemplation. We will have no more than 24 months to consummate a business combination. If we fail to do so, we will liquidate and distribute to our public stockholders the net proceeds of this offering, plus certain interest, less certain costs, each as described in this prospectus. We have not, nor has anyone on our behalf, contacted, or been contacted by, any potential target business or had any substantive discussions, formal or otherwise, with respect to such a transaction.

This is the initial public offering of our units. Each unit consists of one share of common stock and one warrant. We are offering 48,000,000 units. We expect that the public offering price will be \$10.00 per unit. Each warrant entitles the holder to purchase one share of our common stock at a price of \$7.50 commencing on the later of our consummation of a business combination or one year from the date of this prospectus, provided in each case that there is an effective registration statement covering the shares of common stock underlying the warrants in effect. The warrants will expire five years from the date of this prospectus, unless earlier redeemed.

Our principal stockholders and sponsors, Berggruen Holdings North America Ltd. and Marlin Equities II, LLC, have agreed to purchase in equal amounts an aggregate of 4,500,000 warrants at a price of \$1.00 per warrant (\$4.5 million in the aggregate) in a private placement that will occur immediately prior to this offering. The proceeds from the sale of the warrants in the private placement will be deposited into a trust account and subject to a trust agreement, described below, and will be part of the funds distributed to our public stockholders in the event we are unable to complete a business combination. The sponsors' warrants will be substantially similar to the warrants included in the units sold in this offering. Each of Berggruen Holdings and Marlin Equities has agreed not to transfer, assign or sell any of these warrants (including the common stock to be issued upon exercise of these warrants) until one year after we consummate a business combination.

In addition, Berggruen Holdings and Marlin Equities have agreed to purchase in equal amounts an aggregate of 5,000,000 units at a price of \$10.00 per unit (\$50.0 million in the aggregate) in a private placement that will occur immediately prior to our consummation of a business combination. These private placement units will be identical to the units sold in this offering. Each of Berggruen Holdings and Marlin Equities has agreed not to transfer, assign or sell any of these units or the common stock or warrants included in these units (including the common stock to be issued upon exercise of these warrants), until one year after we consummate a business combination.

Currently, no public market exists for our units, common stock or warrants. Our units have been approved for listing on the American Stock Exchange under the symbol FRH.U upon consummation of this offering. The common stock and warrants comprising the units will begin separate trading five business days (or as soon as practicable thereafter) following the earlier to occur of the expiration of the underwriters' over-allotment option or their exercise in full, subject to our filing a Current Report on Form 8-K with the SEC containing an audited balance sheet reflecting our

receipt of the gross proceeds of this offering and issuing a press release announcing when such separate trading will begin. We expect that once the securities comprising the units begin separate trading, the common stock and warrants will be traded on the American Stock Exchange under the symbols FRH and FRH.WS, respectively. We cannot assure you, however, that our securities will be listed or will continue to be listed on the American Stock Exchange.

The underwriters may also purchase up to an additional 7,200,000 units from us, at the public offering price less the underwriting discounts and commissions, within 30 days from the date of this prospectus to cover over-allotments, if any.

**Investing in our securities involves a high degree of risk. See Risk Factors beginning on page 20 for a discussion of information that should be considered in connection with investing in our securities.**

**Neither the Securities and Exchange Commission nor any state securities regulator has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

	<b>Per Unit</b>	<b>Total</b>
Public offering price	\$ 10.00	\$ 480,000,000
Underwriting discounts and commissions(1)	\$ 0.70	\$ 33,600,000
Proceeds, before expenses, to us	\$ 9.30	\$ 446,400,000

(1) Includes \$16.3 million, or \$0.34 per unit, payable to the underwriters for deferred underwriting discounts and commissions from the funds to be placed in the trust account described below. Such funds will be released to the underwriters only on consummation of an initial business combination, as described in this prospectus.

The underwriters are offering the units on a firm commitment basis. The underwriters expect to deliver the units to purchasers on or about December 28, 2006. Of the proceeds we receive from this offering and the sale of the sponsors warrants to our sponsors described in this prospectus, approximately \$466.5 million, or approximately \$9.72 per unit, will be deposited into the trust account, of which \$16.3 million is attributable to the deferred underwriters discounts and commissions, at Continental Stock Transfer & Trust Company, as trustee.

**Citigroup**

**Ladenburg Thalmann & Co. Inc.**

The date of this prospectus is December 21, 2006

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**PROSPECTUS SUMMARY**

*This summary only highlights the more detailed information appearing elsewhere in this prospectus. As this is a summary, it does not contain all of the information that you should consider in making an investment decision. References in this prospectus to we, us or our company refer to Freedom Acquisition Holdings, Inc. References to public stockholders refer to purchasers in this offering. Unless we tell you otherwise, the information in this prospectus assumes that the underwriters will not exercise their over-allotment option.*

*Except as otherwise specified, all information in this prospectus and all per share information has been adjusted to reflect (i) a four-fifths (4/5) reverse stock split that was effected on November 29, 2006, (ii) a 1-for-3 stock dividend that was effected on December 14, 2006 and (iii) a 1-for-5 stock dividend that was effected on December 21, 2006 (which is after the date of our financial statements included in this prospectus).*

We are a blank check company formed under the laws of the State of Delaware on June 8, 2006. We were formed to acquire a currently unidentified operating business or several operating businesses through a merger, stock exchange, asset acquisition, reorganization or similar business combination, which we refer to throughout this prospectus as a business combination. To date, our efforts have been limited to organizational activities. We have not, nor has anyone on our behalf, contacted, or been contacted by, any potential target business or had any substantive discussions, formal or otherwise, with respect to such a transaction.

Our efforts in identifying prospective target businesses will not be limited to a particular industry. Instead, we intend, after consummation of this offering, to focus on various industries and target businesses in the United States and Western Europe that may provide significant opportunities for growth. However, we may decide to pursue an acquisition outside of these geographies if we believe it is an attractive opportunity.

We will seek to capitalize on the significant private equity investing experience and contacts of our principal stockholders and sponsors, Berggruen Holdings North America Ltd., which we refer to in this prospectus as Berggruen Holdings, and Marlin Equities II, LLC, which we refer to in this prospectus as Marlin Equities. However, our ability to benefit from these contacts will be limited by conflict of interest procedures which require that certain business opportunities be presented to other companies before they are made available to us.

Berggruen Holdings and Marlin Equities share a similar investment philosophy focused on businesses with sustainable competitive advantages, a strong market position and strong free cash flow characteristics. Businesses that Berggruen Holdings and Marlin Equities have previously invested in have a history of profitability and cash flow generation. The principals of Berggruen Holdings and Marlin Equities have invested together in the past and have a complementary long-term perspective on their investment holdings. However, our ability to benefit from these investment philosophies will be limited by the conflict of interests procedures described elsewhere in this prospectus.

Founded in June of 1984 and advised by Nicolas Berggruen, our president and chief executive officer, Berggruen Holdings (which includes its predecessor companies) is a private investment company investing internationally in an extensive range of asset classes on an opportunistic basis, including direct private equity, stocks and bonds, hedge funds, private equity funds, and real estate. Berggruen Holdings and related entities have made over 50 control and non-control private equity investments over the last 20 years. Those have mostly been in branded consumer goods businesses, services, light manufacturing, distribution, telecom and media, both in the United States and Europe. In connection with such acquisitions, Berggruen Holdings was not subject to the conflict of interest procedures described elsewhere in this prospectus that we will be subject to which generally require that if a business opportunity is competitive with a Berggruen Holdings portfolio company, it must first be presented to such company before it is

made available to us. We believe Berggruen Holdings is well positioned to source a business combination as a result of its extensive infrastructure which includes eight offices and a network of investment professionals worldwide. Although none of these investment professionals, other than Mr. Berggruen, will be employees of ours, and although we have no offices located outside of New York, Berggruen Holdings has agreed to make four investment professionals located at the Berggruen Holdings offices in New York, Los Angeles and London available at no cost to us to actively

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source an acquisition for us. None of Mr. Berggruen or any individuals and entities associated with him are required to commit any specified amount of time to our affairs.

Marlin Equities is an investment vehicle majority owned by its managing member, Martin E. Franklin, the chairman of our board of directors, and Ian G.H. Ashken, the other principal member who has been Mr. Franklin's business partner for over 15 years. Mr. Franklin has over 20 years of experience in numerous businesses and has been involved in originating, structuring, negotiating, managing and consummating more than 75 transactions. None of Mr. Franklin or any individuals and entities associated with him are required to commit any specified amount of time to our affairs. Marlin Equities does not have any portfolio companies. Therefore, Mr. Franklin does not have any potential conflict of interests with any entity other than Jarden Corporation, the conflict of interests procedures for which are described elsewhere in this prospectus.

We believe that the extensive network of private equity sponsor relationships as well as relationships with management teams of public and private companies, investment bankers, attorneys and accountants developed by the principals of Berggruen Holdings and Marlin Equities should provide us with significant business combination opportunities. However, in each of these cases, our ability to benefit from these extensive relationships will be limited by the conflict of interest procedures which require that (i) if a business opportunity is competitive with a Berggruen Holdings portfolio company, it must first be presented to such company before it is made available to us and (ii) if a business opportunity fits within Jarden Corporation's publicly announced acquisition criteria, it must first be presented to Jarden before it is made available to us. Since Marlin Equities is a newly formed investment vehicle whose first investment will be in us, it does not have any operations and its network, relationships and contacts that we expect to benefit from will be the network, relationships and contacts of Mr. Franklin.

Each of Berggruen Holdings, which is controlled by Mr. Berggruen, and Marlin Equities, which is controlled by Mr. Franklin, has agreed to purchase in equal amounts (i) an aggregate of 4,500,000 warrants at a price of \$1.00 per warrant (\$4.5 million in the aggregate) in a private placement that will occur immediately prior to this offering, and (ii) an aggregate of 5,000,000 units at a price of \$10.00 per unit (\$50.0 million in the aggregate) in a private placement that will occur immediately prior to our consummation of a business combination, which will not occur until after the signing of a definitive business combination agreement and the approval of that business combination by a majority of our public stockholders.

The proceeds from the sale of the co-investment units will provide us with additional equity capital to fund a business combination. We believe that the net proceeds of this offering and the private placement offerings will enable us to pursue either spin off transactions with larger, well established companies or acquisitions of mid-cap companies with valuations between approximately \$500 million and \$1.5 billion. Our sole employee, Mr. Berggruen, does not have experience in acquiring businesses in this specified target range. In addition, we believe that the co-investment demonstrates our management team's commitment of significant capital on the same terms as our public stockholders, which helps differentiate our management team from the management teams of other similar companies. However, we may need to raise additional funds, in addition to the co-investment, through a private offering of debt or equity securities if such funds were required to consummate a business combination. Subject to compliance with applicable securities laws, we would only consummate such financing simultaneously with the consummation of a business combination.

Our sponsors have agreed to act together for the purpose of acquiring, holding, voting or disposing of our shares and will be deemed to be a group for reporting purposes under the Securities Exchange Act of 1934. The \$4.5 million of proceeds from the sale of the sponsors' warrants will be added to the proceeds of this offering and will be held in the trust account pending our consummation of a business combination on the terms described in this prospectus. If we do not complete such a business combination, then the \$4.5 million proceeds from the sale of the sponsors' warrants will be part of the liquidating distribution to our public stockholders, and the warrants will expire worthless. As the

proceeds from the sale of the co-investment units will not be received by us until immediately prior to our consummation of a business combination, these proceeds will not be deposited into the trust account and will not be available for distribution to our public stockholders in the event of a liquidating distribution. Each of our sponsors has agreed to provide our audit committee, on a quarterly basis, with evidence that such sponsor has sufficient net liquid assets available to



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consummate the co-investment. In the event that a sponsor is unable to consummate the co-investment when required to do so, such sponsor has agreed to surrender and forfeit its founders' units to us.

Our initial business combination must be with one or more target businesses whose fair market value, individually or collectively, is equal to at least 80% of the sum of the balance in the trust account (excluding deferred underwriting discounts and commissions of \$16.3 million or \$18.8 million if the underwriters' over-allotment option is exercised in full) at Continental Stock Transfer & Trust Company referenced on the cover of this prospectus at the time of such business combination plus the proceeds of the co-investment. This may be accomplished by identifying and acquiring a single business or multiple operating businesses, which may or may not be related, contemporaneously. Although there is no limitation on our ability to raise funds privately or through loans that would allow us to acquire a company with a fair market value greater than 80% of the sum of the balance in the trust account plus the proceeds of the co-investment, no such financing arrangements have been entered into or contemplated with any third parties to raise such additional funds through the sale of securities or otherwise. If our initial business combination involves a transaction in which we acquire less than a 100% interest in the target company, the value of the interest that we acquire will be equal to at least 80% of the sum of the balance in the trust account (excluding deferred underwriting discounts and commissions) plus the proceeds of the co-investment. In all instances, we would be the controlling shareholder of the target company. The key factors that we will rely on in determining controlling shareholder status would be our acquisition of at least 51% of the voting equity interests of the target company and control of the majority of any governing body of the target company. We will not consider any transaction that does not meet such criteria.

Each of Berggruen Holdings and Marlin Equities has advanced \$125,000 to us (\$250,000 in the aggregate) as of the date of this prospectus to cover expenses related to this offering. These advances are non-interest bearing, unsecured and are due within 60 days following the consummation of this offering. The loans will be repaid out of the proceeds of this offering not placed in trust.

Mr. Berggruen and our other directors have advised us that they do not intend to participate in this offering. However, they may purchase our units, common stock and/or warrants in the open market following this offering.

Our executive offices are located at 1114 Avenue of the Americas, 41st Floor, New York, New York 10036, and our telephone number is (212) 380-2230.

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*In making your decision on whether to invest in our securities, you should take into account not only the backgrounds of the members of our management team, but also the special risks we face as a blank check company and the fact that this offering is not being conducted in compliance with Rule 419 promulgated under the Securities Act of 1933. You will not be entitled to protections normally afforded to investors in Rule 419 blank check offerings.*

**Securities offered:** 48,000,000 units, each unit consisting of:

one share of common stock; and

one warrant.

**Trading commencement and separation of common stock and warrants:** The units will begin trading on or promptly after the date of this prospectus. The common stock and warrants comprising the units will begin separate trading five business days (or as soon as practicable thereafter) following the earlier to occur of expiration of the underwriters over-allotment option or their exercise in full, subject to our having filed the Current Report on Form 8-K described below and having issued a press release announcing when such separate trading will begin.

**Separate trading of the common stock and warrants is prohibited until we have filed a Current Report on Form 8-K:** In no event will the common stock and warrants be traded separately until we have filed a Current Report on Form 8-K with the SEC containing an audited balance sheet reflecting our receipt of the gross proceeds of this offering. We will file the Current Report on Form 8-K upon the consummation of this offering, which is anticipated to take place three business days from the date of this prospectus. If the over-allotment option is exercised following the initial filing of such Current Report on Form 8-K, a second or amended Current Report on Form 8-K will be filed to provide updated financial information to reflect the exercise of the over-allotment option.

**Number of securities to be outstanding:**

	<b>Prior to this Offering</b>	<b>After this Offering</b>	<b>After the Co-Investment</b>
Units	12,000,003	60,000,003	65,000,003
Common Stock	12,000,003	60,000,003	65,000,003
Warrants	12,000,003	64,500,003(1)	69,500,003(1)

(1) Includes 4,500,000 sponsors warrants described below.

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**Warrants:**

**Exercisability:** Each warrant is exercisable to purchase one share of our common stock.

**Exercise price:** \$7.50

**Exercise period:** The warrants will become exercisable on the later of:

- the consummation of our initial business combination with one or more target businesses; or
- one year from the date of this prospectus,

provided in each case that there is an effective registration statement covering the shares of common stock underlying the warrants in effect.

The warrants will expire at 5:00 p.m., New York time, on December 28, 2011 or earlier upon redemption.

**Redemption:** Once the warrants become exercisable and except as described below with respect to the warrants attached to the founders' units and the sponsors' warrants, we may redeem the outstanding warrants:

- in whole but not in part;

- at a price of \$.01 per warrant;

- upon a minimum of 30 days' prior written notice of redemption; and

- if, and only if, the last sale price of our common stock equals or exceeds \$14.25 per share for any 20 trading days within a 30 trading day period ending three business days before we send the notice of redemption.

**Reasons for redemption limitations:** We have established the above conditions to our exercise of redemption rights to provide:

- warrant holders with adequate notice of exercise only after the then-prevailing common stock price is substantially above the warrant exercise price; and

- a sufficient differential between the then-prevailing common stock price and the warrant exercise price so there is a buffer to absorb the market reaction, if any, to our redemption of the warrants.

If the foregoing conditions are satisfied and we issue a notice of redemption, each warrant holder can exercise his, her or its warrant prior to the scheduled redemption date. The price of the common stock may not exceed the \$14.25 trigger price or the warrant exercise price after the

redemption notice is issued.

**Founders Units:**

On July 20, 2006, Berggruen Holdings, Marlin Equities and our three independent directors purchased an aggregate of 12,000,003 of our units (after giving effect to our reverse stock split and stock dividends) for an aggregate purchase price of \$25,000 in a private

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placement. We sometimes collectively refer to Berggruen Holdings, Marlin Equities and our three independent directors as our founders.

Each unit consisted of one share of common stock and one warrant. We refer to these units, shares of common stock and warrants included in the units as the founders' units, founders' common stock and founders' warrants throughout this prospectus.

The founders' units are identical to those sold in this offering, except that:

each of our founders has agreed to vote its founders' common stock in the same manner as a majority of the public stockholders who vote at the special or annual meeting called for the purpose of approving our initial business combination. As a result, they will not be able to exercise redemption rights (as described below) with respect to the founders' common stock if our initial business combination is approved by a majority of our public stockholders;

each of our founders has agreed that the founders' common stock included therein will not participate with the common stock included in the units sold in this offering in any liquidating distribution; and

the founders' warrants included therein will:

become exercisable after our consummation of a business combination if and when the last sales price of our common stock exceeds \$14.25 per share for any 20 trading days within a 30 trading day period beginning 90 days after such business combination; and

be non-redeemable so long as they are held by our founders or their permitted transferees.

Pursuant to a registration rights agreement between us and our founders, the holders of our founders' units and founders' common stock will be entitled to certain registration rights one year after the consummation of a business combination and the holders of our founders' warrants and the underlying common stock will be entitled to certain registration rights 90 days after the consummation of a business combination.

Each of our founders has agreed, subject to certain exceptions described below, not to sell or otherwise transfer any of its founders' units, founders' common stock or founders' warrants (including the common stock to be issued upon exercise of the founders' warrants) for a period of one year from the date of the consummation of a business combination.

Each of our founders is permitted to transfer its founders' units, founders' common stock or founders' warrants (including the common stock to be issued upon exercise of the founders' warrants) to our officer and our directors, and other persons or entities associated with such founder, but

the transferees receiving such securities will be subject to the same agreement as our founders.

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**Sponsors warrants purchased through private placement:** Our sponsors have agreed to purchase in equal amounts an aggregate of 4,500,000 warrants at a price of \$1.00 per warrant (\$4.5 million in the aggregate) from us in a private placement that will occur immediately prior to the consummation of this offering. We refer to these warrants as the sponsors warrants throughout this prospectus. The sponsors warrants will be purchased separately and not in combination with common stock in the form of units.

The proceeds from the sale of the sponsors warrants will be added to the proceeds from this offering to be held in the trust account pending our consummation of a business combination. If we do not complete a business combination that meets the criteria described in this prospectus, then the \$4.5 million purchase price of the sponsors warrants will become part of any liquidating distribution to our public stockholders following our liquidation and dissolution and the sponsors warrants will expire worthless.

The sponsors warrants will be non-redeemable so long as they are held by our sponsors or their permitted transferees. In addition, pursuant to the registration rights agreement, the holders of our sponsors warrants and the underlying common stock will be entitled to certain registration rights upon the consummation of a business combination. With those exceptions, the sponsors warrants have terms and provisions that are otherwise identical to those of the warrants being sold as part of the units in this offering.

Each of our sponsors has agreed, subject to certain exceptions described below, not to transfer, assign or sell any of its sponsors warrants (including the common stock to be issued upon exercise of the sponsors warrants) until one year after we consummate a business combination.

Each of our sponsors will be permitted to transfer its sponsors warrants (including the common stock to be issued upon exercise of the sponsors warrants) in certain limited circumstances, such as to our officer and our directors, and other persons or entities associated with such sponsor, but the transferees receiving such sponsors warrants will be subject to the same sale restrictions imposed on such entity.

**Co-Investment units purchased through private placement:** Our sponsors have agreed to purchase in equal amounts an aggregate of 5,000,000 of our units at a price of \$10.00 per unit for an aggregate purchase price of \$50.0 million from us in a private placement that will occur immediately prior to our consummation of a business combination, which will not occur until after the signing of a definitive business combination agreement and the approval of that business combination by a majority of our public stockholders. Each unit will consist of one share of common stock and one warrant. We refer to this private placement as the co-investment and these private placement units, shares of common stock and warrants as the co-investment units, co-investment common

stock and co-investment warrants, respectively, throughout this prospectus.



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The co-investment units will be identical to the units sold in this offering. However, as the proceeds from the sale of the co-investment units will not be received by us until immediately prior to our consummation of a business combination, these proceeds will not be deposited into the trust account and will not be available for distribution to our public stockholders in the event of a liquidating distribution. Our sponsors will not receive any additional carried interest (in the form of additional units, common stock, warrants or otherwise) in connection with the co-investment.

Pursuant to the registration rights agreement, the holders of our co-investment units and co-investment common stock will be entitled to certain registration rights one year after the consummation of a business combination and the holders of our co-investment warrants and the underlying common stock will be entitled to certain registration rights upon the consummation of a business combination.

Each of our sponsors has agreed, subject to certain exceptions described below, not to transfer, assign or sell any of its co-investment units, the co-investment common stock or co-investment warrants (including the common stock to be issued upon exercise of the co-investment warrants) until one year after we consummate a business combination.

Each of our sponsors will be permitted to transfer its co-investment units, co-investment common stock or co-investment warrants (including the common stock to be issued upon exercise of the co-investment warrants) to our officer and our directors, and other persons or entities associated with such sponsor, but the transferees receiving such securities will be subject to the same agreement as our sponsors.

Each of our sponsors has agreed to provide our audit committee, on a quarterly basis, with evidence that such sponsor has sufficient net liquid assets available to consummate the co-investment. In the event that a sponsor is unable to consummate the co-investment when required to do so, such sponsor has agreed to surrender and forfeit its founders' units to us.

**Right of first review; potential conflict of interests with affiliates of our sponsors and our independent directors:**

We have entered into an agreement with Berggruen Holdings that from the date of this prospectus until the earlier of the consummation of our initial business combination or our dissolution, we will have a right of first review that provides that if Berggruen Holdings, or one of its investment professionals, becomes aware of, or involved with, business combination opportunities with an enterprise value of \$500 million or more, Berggruen Holdings will first offer the business opportunity to us and will only pursue such business opportunity if our board of directors determines that we will not do so, unless such business combination opportunity is competitive with one of the portfolio companies of Berggruen Holdings in which case it would first be offered to such portfolio company. A business

combination opportunity will be considered competitive

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with a Berggruen Holdings portfolio company if the target company is engaged in the design, development, manufacture, distribution or sale of any products, or the provision of any services, which are the same as, or competitive with, the products or services which a Berggruen Holdings portfolio company designs, develops, manufactures, distributes or sells. Berggruen Holdings portfolio companies presently include a sunglasses and non-prescription reading glasses distributor, a print finishing company, a media storage company, a financial services company, a wood treatment company, an enterprise software business and an aerospace parts supplier. Berggruen Holdings may at any time, or from time to time, acquire additional portfolio companies or dispose of existing portfolio companies. Any such newly acquired portfolio company would be covered by this obligation.

Although Mr. Berggruen is the president of Berggruen Holdings, Mr. Berggruen is not on the board of directors of any of the portfolio companies of Berggruen Holdings and therefore does not owe any direct fiduciary duties to such portfolio companies. In addition, during the period while we are pursuing the acquisition of a target business, Mr. Berggruen has agreed to present business combination opportunities that fit within our criteria and guidelines to us. None of the investment professionals that are being made available to us by Berggruen Holdings owe any fiduciary duty to us, and none of them is required to commit any specified amount of time to our affairs. These individuals will only help identify target companies and assist with the due diligence of the target company. Each of those individuals has agreed with us that such individual will not present us with a potential business combination opportunity with a company (i) with which such individual has had any discussions, formal or otherwise, with respect to a business combination with another company prior to the consummation of this offering or (ii) that is competitive with any portfolio company of Berggruen Holdings until after such individual has presented the opportunity to such portfolio company and such portfolio company has determined not to proceed with that opportunity.

We recognize that Mr. Berggruen may be deemed an affiliate of Berggruen Holdings portfolio companies and that a conflict of interest could arise if an opportunity is an appropriate fit for one of such companies. We believe that the procedures established with respect to the sourcing of a deal by the employees of Berggruen Holdings, whereby a potential business combination opportunity with a company that is competitive with any portfolio company of Berggruen Holdings will not be presented to us until after such individual has presented the opportunity to such portfolio company and such portfolio company has determined not to proceed, eliminates such conflict for Mr. Berggruen.

Mr. Franklin is an executive officer of Jarden Corporation. Jarden's publicly announced acquisition criteria is to acquire focused, niche consumer product companies. We have entered into an agreement with

Mr. Franklin whereby (i) we have acknowledged that Mr. Franklin has committed to Jarden's Board of Directors that we generally

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do not intend to seek transactions that fit within Jarden's publicly announced acquisition criteria and (ii) we will not interfere with Mr. Franklin's obligations to Jarden. However, in order to avoid the potential for a conflict of interest, Mr. Franklin has further committed to Jarden that he will review any potential target company to determine whether such company fits within Jarden's publicly announced acquisition criteria. If Mr. Franklin determines that such company fits within such criteria, Mr. Franklin will first confirm with an independent committee of Jarden's Board of Directors that Jarden is not interested in pursuing a potential business combination opportunity with such company (whether such a transaction was sourced by Mr. Franklin, Mr. Berggruen, another Berggruen investment professional or any other person). If the independent committee concludes that Jarden was interested in that opportunity, we have agreed not to continue with that transaction. We do not believe that the potential conflict of interest with Jarden will cause undue difficulty in finding acquisition opportunities for us given the nature of Jarden's acquisition criteria.

We will not acquire an entity that is either a portfolio company of, or has otherwise received a financial investment from, our sponsors or their affiliates. Neither we nor any of our directors have given, or will give, any consideration to entering into a business combination with companies affiliated with our founders or our directors.

In addition, although we do not expect our independent directors to present investment and business opportunities to us, they may become aware of business opportunities that may be appropriate for presentation to us. In such instances they may determine to present these business opportunities to other entities with which they are or may be affiliated, in addition to, or instead of, presenting them to us.

**American Stock Exchange Listing**

Our securities have been approved for listing on the American Stock Exchange upon consummation of this offering. Although after giving effect to this offering we expect to meet on a pro forma basis the minimum initial listing standards set forth in Section 101(c) of the AMEX Company Guide, which only requires that we meet certain requirements relating to stockholders' equity, market capitalization, aggregate market value of publicly held shares and distribution requirements, we cannot assure you that our securities will continue to be listed on the American Stock Exchange as we might not meet certain continued listing standards such as income from continuing operations.

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**American Stock Exchange symbols  
for our:**

<b>Units:</b>	FRH.U
<b>Common stock:</b>	FRH
<b>Warrants:</b>	FRH.WS

**Offering and sponsors warrants private  
placement proceeds to be held in trust  
account and amounts payable prior to  
trust account distribution or  
liquidation:**

Approximately \$466.5 million, or approximately \$9.72 per unit (approximately \$535.9 million, or approximately \$9.71 per unit, if the over-allotment option is exercised in full) of the proceeds of this offering will be placed in a trust account at Continental Stock Transfer & Trust Company, pursuant to an agreement to be signed on the date of this prospectus. These proceeds include the \$4.5 million purchase price of the sponsors warrants and \$16.3 million in deferred underwriting discounts and commissions (or \$18.8 million if the underwriters over-allotment option is exercised in full). We believe that the inclusion in the trust account of the purchase price of the sponsors warrants and the deferred underwriting discounts and commissions is a benefit to our public stockholders because additional proceeds will be available for distribution to investors if a liquidation of our company occurs prior to our completing an initial business combination. Proceeds in the trust account will not be released until the earlier of consummation of a business combination or a liquidating distribution. Unless and until a business combination is consummated, proceeds held in the trust account will not be available for our use for any purpose, including the payment of expenses related to:

    this offering and

    investigation, selection and negotiation of an agreement with one or more target businesses, except there can be released to us from the trust account:

    interest income earned on the trust account balance to pay any income taxes on such interest, and

    interest income earned of up to \$3.9 million on the trust account balance to fund our working capital requirements, which include expenses for the due diligence and investigation of a target business or businesses; legal, accounting and other expenses associated with structuring, negotiating and documenting an initial business combination; administrative services and support payable to Berggruen Holdings, Inc., an affiliate of Mr. Berggruen, upon consummation of this offering; reserve for liquidation expenses; legal and accounting fees relating to our SEC reporting obligations; and general working capital that will be used for miscellaneous expenses and reserves.



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With these exceptions, expenses incurred by us while seeking a business combination may be paid prior to a business combination only from the net proceeds of this offering not held in the trust account (initially, approximately \$50,000). During the 30-day period immediately following the consummation of this offering, interest income on the trust account may be released to us on a weekly basis to fund our working capital requirements. The proceeds held in trust may be subject to claims which would take priority over the claims of our public stockholders and, as a result, the per-share liquidation price could be less than \$9.72 due to claims of such creditors.

There will be no fees, reimbursements or cash payments made to our directors or their affiliates other than:

    repayment of an initial \$250,000 loan that is non-interest bearing that was made to us by our sponsors to cover offering expenses, of which approximately \$200,000 has already been spent;

    a payment of an aggregate of \$10,000 per month to Berggruen Holdings, Inc., an affiliate of Mr. Berggruen, for office space, administrative services and secretarial support from the consummation of this offering until the earlier of our consummation of a business combination or our liquidation; and

    reimbursement of out-of-pocket expenses incident to identifying, investigating and consummating a business combination with one or more target businesses, none of which have been incurred to date.

Our audit committee will review and approve all expense reimbursements made to our directors.

Any expense reimbursements payable to members of our audit committee will be reviewed and approved by our board of directors, with any interested director abstaining from such review and approval.

We estimate that the amount of funds that will be available to us for expenses and working capital will be \$3.9 million from interest that will be paid out of the trust account. If we do not consummate a business combination within the 24 months following this offering, we expect our primary liquidity requirements during that period to include approximately \$1,700,000 for expenses for the due diligence and investigation of a target business or businesses; approximately \$1,700,000 for legal, accounting and other expenses associated with structuring, negotiating and documenting an initial business combination; an aggregate of up to \$240,000 for administrative services and support payable to Berggruen Holdings, Inc., an affiliate of Mr. Berggruen, representing \$10,000 per month for up to 24 months beginning upon consummation of this offering; \$125,000 as a reserve for liquidation expenses; \$34,000 for legal and



accounting fees relating to our SEC reporting obligations; and approximately \$101,000 for general working capital that will be used for miscellaneous expenses and reserves. These expenses are

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estimates only. Our actual expenditures for some or all of these items may differ from the estimates set forth herein.

**All amounts held in the trust account that are not paid to redeem common stock, released to us in the form of interest income or payable to the underwriters for deferred discounts and commissions will be released to us on closing of our initial business combination:**

All amounts held in the trust account that are not:

distributed to public stockholders who exercise redemption rights (as described below),

released to us as interest income, or

payable to the underwriters for deferred discounts and commissions,

will be released to us on closing of our initial business combination.

At the time we complete an initial business combination, following our payment of amounts due to any public stockholders who exercise their redemption rights, there will be released to the underwriters from the trust account their deferred underwriting discounts and commissions that are equal to 3.4% of the gross proceeds of this offering, or \$16.3 million (or \$18.8 million if the underwriters' over-allotment option is exercised in full). Funds released from the trust account to us can be used to pay all or a portion of the purchase price of the business or businesses with which our initial combination occurs. If the business combination is paid for using stock or debt securities, we may apply the cash released to us from the trust account to general corporate purposes, including for maintenance or expansion of operations of the acquired businesses, the payment of principal or interest due on indebtedness incurred in consummating our initial business combination or to fund the purchase of other companies, or for working capital.

**Stockholders must approve our initial business combination:**

We are required to seek stockholder approval before effecting our initial business combination, even if the business combination would not ordinarily require stockholder approval under applicable state law. If a majority of the public stockholders do not vote in favor of a proposed initial business combination but 18 months has not yet passed since the consummation of this offering, we may seek other target businesses with which to effect our initial business combination that meet the criteria set forth in this prospectus. If at the end of such 18 month period (or 24 months if a letter of intent, agreement in principle or definitive agreement has been executed within such 18 month period but as to which a combination is not yet complete) we have not obtained stockholder approval for an alternate initial business combination, we will dissolve as

promptly as practicable and liquidate and release only to our public stockholders, as part of our plan of distribution, the proceeds of the trust account, including accrued interest, net of income taxes payable on

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such interest and net of interest income of up to \$3.9 million previously released to us to fund our working capital requirements. The requirement that we seek stockholder approval before effecting our initial business combination is set forth in Article FIFTH of our amended and restated certificate of incorporation, which requires, in addition to the vote of our board of directors required by Delaware law, the affirmative vote of at least 80% of the voting power of our outstanding voting stock to amend. The requirement that we seek stockholder approval before effecting our initial business combination therefore may be eliminated only by a vote of our board and the vote of at least 80% of the voting power of our outstanding voting stock. Management will not request that the board consider such a proposal to eliminate or amend this provision. In addition, we will not seek stockholder approval to extend this 18 or 24 month period, as the case may be.

In connection with the stockholder vote required to approve our initial business combination, each of our founders has agreed to vote its founders common stock in the same manner as a majority of the public stockholders who vote at the special or annual meeting called for the purpose of approving our initial business combination. Each of our founders has agreed that if it acquires shares of common stock in or following this offering, it will vote all such acquired shares in favor of our initial business combination. As a result, our founders will not be able to exercise the redemption rights (as described below) with respect to any of our shares that they may acquire prior to, in or after this offering if our initial business combination is approved by a majority of our public stockholders. In addition, if within 90 days before the expiration of such 18 or 24 month period, as the case may be, we seek approval from our stockholders to consummate a business combination, the proxy statement related to such business combination will also seek stockholder approval for our board's recommended plan of distribution in the event our stockholders do not approve such business combination or if such business combination is not consummated for other reasons.

**Conditions to consummating our initial business combination:**

Our initial business combination must occur with one or more target businesses that have a fair market value of at least 80% of the sum of the balance in the trust account plus the proceeds of the co-investment (excluding deferred underwriting discounts and commissions of \$16.3 million or \$18.8 million if the underwriters' over-allotment option is exercised in full) at the time of such business combination. If our initial business combination involves a transaction in which we acquire less than a 100% interest in the target company, the value of that interest that we acquire will be equal to at least 80% of the sum of the balance in the trust account (excluding deferred underwriting discounts and commissions) plus the proceeds of the co-investment. In all instances, we would be the controlling shareholder of the target company. The key factors that we will rely on in determining controlling shareholder status would be our acquisition of at least 51% of the voting equity interests of the target company and control of the majority of any governing



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body of the target company. We will not consider any transaction that does not meet such criteria.

We will consummate our initial business combination only if a majority of the shares of common stock voted by the public stockholders are voted in favor of our initial business combination and public stockholders owning 20% or more of the shares sold in this offering do not exercise their redemption rights described below. Each of our founders has agreed that it will vote its founders' common stock in the same manner as a majority of the public stockholders. The requirement that we not consummate our initial business combination if public stockholders owning 20% or more of the shares sold in this offering exercise their redemption rights described below is set forth in Article FIFTH of our amended and restated certificate of incorporation and may only be eliminated by a vote of our board and the vote of at least 80% of the voting power of our outstanding voting stock. It is important to note that voting against our initial business combination alone will not result in redemption of a stockholder's shares for a *pro rata* share of the trust account, which only occurs when the stockholder exercises the redemption rights described below. Management will not request that the board consider such a proposal to eliminate or amend this provision.

**Redemption rights for stockholders voting to reject our initial business combination:**

Public stockholders voting against our initial business combination will be entitled to cause us to redeem their shares of common stock for a *pro rata* share of the aggregate amount then on deposit in the trust account, before payment of deferred underwriting discounts and commissions and including interest earned on their *pro rata* portion of the trust account, net of income taxes payable on such interest and net of interest income of up to \$3.9 million on the trust account balance previously released to us to fund our working capital requirements, if our initial business combination is approved and completed. Public stockholders who cause us to redeem their common stock for a *pro rata* share of the trust account will be paid their redemption price as promptly as practicable after consummation of a business combination and will continue to have the right to exercise any warrants they own. This redemption could have the effect of reducing the amount distributed to us from the trust account by up to approximately \$93.2 million (assuming redemption of the maximum of 19.99% of the eligible shares of common stock). We intend to structure and consummate any potential business combination in a manner such that 19.99% of our public stockholders voting against our initial business combination could cause us to redeem their shares of common stock for a *pro rata* share of the aggregate amount then on deposit in the trust account, and the business combination could still go forward.

The initial per share redemption price is approximately \$9.72 per share. Since this amount is less than the \$10.00 per unit price in this offering and may be lower than the market price of the common stock on the date of redemption, there may be a disincentive



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on the part of public stockholders to exercise their redemption rights. Because stockholders who exercise their redemption rights will receive their proportionate share of deferred underwriting compensation and the underwriters will be paid the full amount of the deferred underwriting compensation at the time of closing of our initial business combination, the non-redeeming stockholders will bear the financial effect of such payments to both the redeeming stockholders and the underwriters.

**Dissolution and liquidation if no business combination:**

Pursuant to the terms of the trust agreement by and between us and Continental Stock Transfer & Trust Company, our amended and restated certificate of incorporation and applicable provisions of the Delaware General Corporation Law, we will dissolve as promptly as practicable and liquidate and release only to our public stockholders, as part of our plan of distribution, the amount in our trust account, including (i) all accrued interest, net of income taxes payable on such interest and net of interest of up to \$3.9 million on the trust account balance previously released to us to fund our working capital requirements and (ii) all deferred underwriting discounts and commissions plus any remaining assets if we do not effect our initial business combination within 18 months after consummation of this offering (or within 24 months from the consummation of this offering if a letter of intent, agreement in principle or definitive agreement has been executed within 18 months after consummation of this offering and the business combination has not yet been consummated within such 18 month period).

We cannot provide investors with assurances of a specific timeframe for our dissolution and liquidation. Pursuant to our amended and restated certificate of incorporation, upon the expiration of such 18- or 24-month time period, as applicable, our purposes and powers will be limited to dissolving, liquidating and winding up. Also contained in our amended and restated certificate of incorporation is the requirement that our board of directors, to the fullest extent permitted by law, consider a resolution to dissolve our company at that time. Consistent with such obligations, our board of directors will seek stockholder approval for any such plan of distribution, and our founders have agreed to vote in favor of such dissolution and liquidation. As promptly as practicable upon the later to occur of (i) the approval by our stockholders of our plan of distribution or (ii) the effective date of such approved plan of distribution, we will liquidate our trust account to our public stockholders.

Each of our founders has agreed to waive its right to participate in any liquidating distribution as part of our plan of distribution with respect to the shares of founders' common stock acquired by it before this offering if we fail to consummate a business combination and to vote in favor of any such plan of distribution. There will be no distribution from the trust account with respect to our warrants, and all rights of our warrants will terminate on our liquidation.



We estimate that our total costs and expenses for implementing and completing our stockholder-approved dissolution and plan of

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distribution, if not done in connection with a shareholder vote with respect to a potential business combination, will be between \$75,000 and \$125,000. This amount includes all costs and expenses relating to filing our dissolution in the State of Delaware, the winding up of our company, printing and mailing a proxy statement, holding a stockholders meeting relating to the approval by our stockholders of our dissolution and plan of distribution, legal fees and other filing fees. We believe that there should be sufficient funds available either outside of the trust account or made available to us out of the net interest earned on the trust account and released to us as working capital, to fund the \$75,000 to \$125,000 in costs and expenses.

In the event we seek stockholder approval for our dissolution and plan of distribution and do not obtain such approval, we will nonetheless continue to pursue stockholder approval for our dissolution. Pursuant to the terms of our amended and restated certificate of incorporation, our powers following the expiration of the permitted time periods for consummating a business combination will automatically thereafter be limited to acts and activities relating to dissolving and winding up our affairs, including liquidation. If no proxy statement seeking the approval of our stockholders for a business combination has been filed 60 days prior to the date which is 18 months from the consummation of this offering (or 60 days prior to the date which is 24 months from the consummation of this offering if a letter of intent, agreement in principle or definitive agreement has been executed within 18 months after consummation of this offering and the business combination has not yet been consummated within such 18 month period), our board will, prior to such date, convene, adopt and recommend to our stockholders our dissolution and plan of distribution, and on such date file a proxy statement with the SEC seeking stockholder approval for such plan. Pursuant to the trust agreement governing such funds, the funds held in our trust account may not be distributed except upon our dissolution and, unless and until such approval is obtained from our stockholders, the funds held in our trust account will not be released (other than in connection with the funding of working capital, a redemption or a business combination as described elsewhere in this prospectus). Consequently, holders of a majority of our outstanding stock must approve our dissolution and plan of distribution in order to receive the funds held in our trust account and, other than in connection with a redemption or a business combination, the funds will not be available for any other corporate purpose.

**Audit committee to monitor compliance:**

We will establish and maintain an audit committee to, among other things, monitor compliance on a quarterly basis with the terms described above and the other terms relating to this offering. If any noncompliance is identified, then the audit committee will be charged with the responsibility to immediately take all action necessary to rectify such noncompliance or otherwise cause compliance with the terms of this offering.



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**Determination of offering amount:** We determined the size of this offering based on our estimate of the capital required to facilitate our combination with one or more viable target businesses with sufficient scale to operate as a stand-alone public entity. We believe that raising the amount described in this offering will offer us a broad range of potential target businesses possessing some or all of the characteristics we believe are important in evaluating target businesses.

**Risks**

We are a newly formed company that has conducted no operations and has generated no revenues. Until we complete a business combination, we will have no operations and will generate no operating revenues. In making your decision on whether to invest in our securities, you should take into account not only the background of our chairman of the board, president and chief executive officer and our other directors, but also the special risks we face as a blank check company including reliance on Mr. Berggruen's ability to choose an appropriate target business and either conduct due diligence or monitor due diligence conducted by others, conflicts of interest of Messrs. Berggruen and Franklin, and the control of our company exercised by Messrs. Berggruen and Franklin by virtue of their direct and indirect equity interests. In addition, you will experience immediate and substantial dilution from the purchase of our common stock. This offering is not being conducted in compliance with Rule 419 promulgated under the Securities Act. Accordingly, you will not be entitled to protections normally afforded to investors in Rule 419 blank check offerings. You should carefully consider these and the other risks set forth in the section entitled "Risk Factors" beginning on page 20 of this prospectus.

**Table of Contents****SUMMARY FINANCIAL DATA**

The following table summarizes the relevant financial data for our business and should be read with our financial statements, which are included in this prospectus. We have not had any significant operations to date, so only balance sheet data is presented.

<b>Balance Sheet Data:</b>	<b>October 31, 2006</b>	
	<b>Actual</b>	<b>As Adjusted</b>
Working capital (deficiency)	\$ (186,529)	\$ 450,227,281
Total assets	292,531	466,547,281
Total liabilities	265,250	16,320,000
Value of common stock which may be redeemed for cash (\$9.72 per share)		93,247,353
Stockholders' equity	27,281	356,979,928

The as adjusted information gives effect to the sale of the units we are offering including the application of the related gross proceeds, the receipt of \$4.5 million from the sale of the sponsors' warrants and the payment of the estimated remaining expenses of this offering. The as adjusted working capital and as adjusted total assets include \$16.3 million being held in the trust account representing deferred underwriting discounts and commissions.

The as adjusted working capital and total assets amounts include approximately \$466.5 million to be held in the trust account, which will be distributed on consummation of our initial business combination (i) to any public stockholders who exercise their redemption rights, (ii) to the underwriters in the amount of \$16.3 million in payment of their deferred underwriting discounts and commissions and (iii) to us in the amount remaining in the trust account following the payment to any public stockholders who exercise their redemption rights and payment of deferred discounts and commissions to the underwriters. All such proceeds will be distributed from the trust account only upon the consummation of a business combination within the time period described in this prospectus. If a business combination is not so consummated, we will dissolve and the proceeds held in the trust account, including the deferred underwriting discounts and commission and all interest thereon, net of income taxes on such interest and net of interest income of up to \$3.9 million on the trust account balance previously released to us to fund our working capital requirements, will be distributed to our public stockholders as part of a plan of distribution.

We will not consummate a business combination if public stockholders owning 20% or more of the shares sold in this offering vote against the business combination and exercise their redemption rights. Accordingly, we may effect a business combination if public stockholders owning up to approximately 19.99% of the 48,000,000 shares sold in this offering exercise their redemption rights. If this occurred, we would be required to redeem for cash up to approximately 19.99% of the shares of common stock sold in this offering, or 9,595,200 shares of common stock (11,034,480 if the underwriters exercise their over-allotment option in full) at an initial per-share redemption price of approximately \$9.72 for approximately \$93,247,353 in the aggregate (approximately \$107,122,012 in the aggregate if the underwriters exercise their over-allotment option in full). The actual per-share redemption price will be equal to the aggregate amount then on deposit in the trust account, before payment of deferred underwriting discounts and commissions and including accrued interest, net of income taxes on such interest and net of interest income on the trust account balance previously released to us as described above, as of two business days prior to the proposed consummation of the business combination, divided by the number of shares of common stock included in the units sold in this offering. We intend to structure and consummate any potential business combination in a manner such that 19.99% of our public stockholders voting against our initial business combination could cause us to redeem their

shares of common stock for a *pro rata* share of the aggregate amount then on deposit in the trust account, and the business combination could still go forward.

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**RISK FACTORS**

*An investment in our securities involves a high degree of risk. You should consider carefully all of the material risks described below, together with the other information contained in this prospectus before making a decision to invest in our units. If any of the following events occur, our business, financial condition and operating results may be materially adversely affected. In that event, the trading price of our securities could decline, and you could lose all or part of your investment.*

**We are a newly formed, development stage company with no operating history and no revenues, and you have no basis on which to evaluate our ability to achieve our business objective.**

We are a recently formed development stage company with no operating results, and we will not commence operations until obtaining funding through this offering. Because we lack an operating history, you have no basis on which to evaluate our ability to achieve our business objective of completing a business combination with one or more target businesses. We have no plans, arrangements or understandings with any prospective target businesses concerning a business combination and may be unable to complete a business combination. We will not generate any revenues from operations until after completing a business combination. If we expend all of the \$50,000 in proceeds from this offering not held in trust and interest income earned of up to \$3.9 million (net of income taxes on such interest) on the balance of the trust account that may be released to us to fund our working capital requirements in seeking a business combination but fail to complete such a combination, we will never generate any operating revenues.

**We may not be able to consummate a business combination within the required time frame, in which case, we would dissolve and liquidate our assets.**

Pursuant to our amended and restated certificate of incorporation, among other things, we must complete a business combination with a fair market value of at least 80% of the sum of the balance of the trust account plus the proceeds of the co-investment at the time of the business combination (excluding deferred underwriting discounts and commissions of \$16.3 million or \$18.8 million if the underwriters' over-allotment option is exercised in full) within 18 months after the consummation of this offering (or within 24 months after the consummation of this offering if a letter of intent, agreement in principle or a definitive agreement has been executed within 18 months after the consummation of this offering and the business combination relating thereto has not yet been consummated within such 18-month period). If we fail to consummate a business combination within the required time frame, we will, in accordance with our amended and restated certificate of incorporation dissolve, liquidate and wind up. The foregoing requirements are set forth in Article FIFTH of our amended and restated certificate of incorporation and may not be eliminated without the vote of our board and the vote of at least 80% of the voting power of our outstanding voting stock. We may not be able to find suitable target businesses within the required time frame. In addition, our negotiating position and our ability to conduct adequate due diligence on any potential target may be reduced as we approach the deadline for the consummation of a business combination. We do not have any specific business combination under consideration, and neither we, nor any representative acting on our behalf, has had any contacts with any target businesses regarding a business combination, nor taken any direct or indirect actions to locate or search for a target business.

**If we dissolve and liquidate before concluding a business combination, our public stockholders will receive less than \$10.00 per share on distribution of trust account funds and our warrants will expire worthless.**

If we are unable to complete a business combination and must dissolve and liquidate our assets, the per-share liquidating distribution will be less than \$10.00 because of the expenses of this offering, our general and administrative expenses and the planned costs of seeking a business combination. We expect these costs and expenses to include approximately \$1,700,000 for expenses for the due diligence and investigation of a target business or businesses; approximately \$1,700,000 for legal, accounting and other expenses associated with structuring, negotiating and documenting an initial business combination; an aggregate of up to \$240,000 for office space, administrative services and secretarial support payable to Berggruen Holdings, Inc., an affiliate of Mr. Berggruen, representing \$10,000 per month for up to 24 months beginning upon consummation of this offering; \$125,000 as a reserve for liquidation expenses; \$34,000 for legal and accounting fees relating to our SEC reporting obligations; and approximately \$101,000 for general working capital that will be used for



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miscellaneous expenses and reserves. If we were unable to conclude an initial business combination and expended all of the net proceeds of this offering, other than the proceeds deposited in the trust account, and without taking into account interest, if any, earned on the trust account, net of income taxes payable on such interest and net of up to \$3.9 million in interest income on the trust account balance previously released to us to fund working capital requirements, the initial per-share liquidation price would be \$9.72, or \$0.28 less than the per-unit offering price of \$10.00. Furthermore, our outstanding warrants are not entitled to participate in a liquidating distribution and the warrants will therefore expire worthless if we dissolve and liquidate before completing a business combination.

### **You will not receive protections normally afforded to investors in blank check companies.**

Since the net proceeds of this offering are designated for completing a business combination with a target business that has not been identified, we may be deemed a blank check company under the United States securities laws. However, because on consummation of this offering we will have net tangible assets in excess of \$5.0 million and will at that time file a Current Report on Form 8-K with the SEC that includes an audited balance sheet demonstrating this fact, we are exempt from SEC rules such as Rule 419 that are designed to protect investors in blank check companies. Accordingly, investors in this offering will not receive the benefits or protections of that rule. Among other things, this means our units will be immediately tradable and we will have a longer period of time to complete a business combination in some circumstances than do companies subject to Rule 419.

### **If third parties bring claims against us, the proceeds held in trust may be reduced and the per share liquidation price received by you will be less than \$9.72 per share.**

Our placing of funds in trust may not protect those funds from third party claims against us. Although we will seek to have all vendors that we engage after the consummation of this offering, prospective target businesses or other entities we engage execute agreements with us waiving any right, title, interest or claim of any kind in or to any monies held in the trust account, there is no guarantee that they will execute such agreements, or if executed, that this will prevent potential contracted parties from making claims against the trust account. Nor is there any guarantee that such entities will agree to waive any claims they may have in the future as a result of, or arising out of, any negotiations, contracts or agreements with us and will not seek recourse against the trust account for any reason. Accordingly, the proceeds held in trust may be subject to claims which would take priority over the claims of our public stockholders and, as a result, the per-share liquidation price could be less than \$9.72 due to claims of such creditors. If we are unable to complete a business combination and are forced to dissolve and liquidate, each of Mr. Berggruen and Mr. Franklin will, by agreement, be personally liable to ensure that the proceeds in the trust account are not reduced by the claims of prospective target businesses, vendors or other entities that are owed money by us for services rendered or products sold to us. Mr. Berggruen and Mr. Franklin have provided us with documentation showing sufficient liquid assets with which they could meet their respective obligations.

Additionally, if we are forced to file a bankruptcy case or an involuntary bankruptcy case is filed against us which is not dismissed, the funds held in our trust account will be subject to applicable bankruptcy law, and may be included in our bankruptcy estate and subject to claims of third parties with priority over the claims of our public stockholders. To the extent bankruptcy claims deplete the trust account, we cannot assure you we will be able to return to our public stockholders the liquidation amounts due them.

### **Our stockholders may be held liable for claims by third parties against us to the extent of distributions received by them.**

We will dissolve and liquidate if we do not complete a business combination within 18 months after the consummation of this offering (or within 24 months after the consummation of this offering if a letter of intent, agreement in principle or a definitive agreement has been executed within 18 months after the consummation of this

offering and the business combination relating thereto has not yet been consummated within such 18-month period). Under the Delaware General Corporation Law, stockholders may be held liable for claims by third parties against a corporation to the extent of distributions received by them in a dissolution

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conducted in accordance with the Delaware General Corporation Law. We do not intend to comply with the procedures set forth in Section 280 of the Delaware General Corporation Law, which prescribes various procedures by which stockholder liability may be limited. Because we will not be complying with Section 280, we will seek stockholder approval to comply with Section 281(b) of the Delaware General Corporation Law, requiring us to adopt a plan of dissolution that will reasonably provide for our payment, based on facts known to us at such time, of (i) all existing claims, including those that are contingent, (ii) all pending proceedings to which we are a party and (iii) all claims that may be potentially brought against us within the subsequent 10 years. However, because we are a blank check company, rather than an operating company, and our operations will be limited to searching for prospective target businesses to acquire, the only likely claims to arise would be from our vendors that we engage after the consummation of this offering (such as accountants, lawyers, investment bankers, etc.) and potential target businesses. We intend to have all vendors that we engage after the consummation of this offering and prospective target businesses execute agreements with us waiving any right, title, interest or claim of any kind in or to any monies held in the trust account. Although we have not received any such agreements, the claims that could be made against us should be significantly limited and the likelihood that any claim that would result in any liability extending to the trust is minimal. If our plan of distribution complies with Section 281(b) of the Delaware General Corporation Law, any liability of stockholders with respect to a liquidating distribution is limited to the lesser of such stockholder's *pro rata* share or the amount distributed to the stockholder. Our plan of distribution in compliance with Section 281(b) of the Delaware General Corporation Law does not bar stockholder liability for claims not brought in a proceeding before the third anniversary of the dissolution (or such longer period directed by the Delaware Court of Chancery). Accordingly, we cannot assure you that third parties will not seek to recover from our public stockholders amounts owed to them by us.

**We will dissolve and liquidate if we do not consummate a business combination, in which case our public stockholders will receive less than \$10.00 per share on distribution.**

Pursuant to our amended and restated certificate of incorporation, among other things, we must complete a business combination within 18 months after the consummation of this offering (or within 24 months after the consummation of this offering if a letter of intent, agreement in principle or a definitive agreement has been executed within 18 months after the consummation of this offering and the business combination relating thereto has not yet been consummated within such 18-month period). If we do not comply with this requirement, we will dissolve. The foregoing requirements are set forth in Article FIFTH of our amended and restated certificate of incorporation and may not be eliminated without the vote of our board and the vote of at least 80% of the voting power of our outstanding voting stock. Upon dissolution, we will distribute to all of our public stockholders, in proportion to their respective equity interest, an aggregate sum equal to the amount in the trust account (net of taxes payable and that portion of the interest earned previously released to us). Each of our founders has waived their rights to participate in any liquidating distribution with respect to its founders' common stock and has agreed to vote in favor of any dissolution and plan of distribution which we will present to our stockholders for vote. There will be no distribution from the trust account with respect to our warrants which will expire worthless. We will pay the costs of our dissolution and liquidation of the trust account from our remaining assets outside of the trust fund, and we estimate such costs to be between \$75,000 and \$125,000, if not done in connection with a shareholder vote with respect to a potential business combination. Upon notice from us, the trustee of the trust account will liquidate the investments constituting the trust account and will turn over the proceeds to our transfer agent for distribution to our public stockholders as part of our stockholder-approved dissolution and plan of distribution. Concurrently, we shall pay, or reserve for payment, from interest released to us from the trust account if available, our liabilities and obligations, although we cannot give you assurances that there will be sufficient funds for such purpose. The amounts held in the trust account may be subject to claims by third parties, such as vendors, prospective target business or other entities, if we do not obtain waivers in advance from such third parties prior to such parties providing us with services or entering into arrangements with them. We have not received any waiver agreements at this time and we cannot assure you that such waivers will be obtained or will be enforceable by operation of law. Accordingly, upon dissolution and

liquidation, the estimated per-share liquidating distribution will be \$9.72, which is less than \$10.00 per share because of the expenses of this offering, our general and administrative expenses and the planned costs of seeking a business combination.

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**If we do not consummate a business combination and dissolve, payments from the trust account to our public stockholders may be delayed.**

We currently believe that any dissolution and plan of distribution subsequent to the expiration of the 18 and 24 month deadlines would proceed in approximately the following manner:

our board of directors will, consistent with its obligations described in our amended and restated certificate of incorporation and Delaware law, consider a resolution for us to dissolve and consider a plan of distribution which it may then vote to recommend to our stockholders; at such time it will also cause to be prepared a preliminary proxy statement setting out such plan of distribution as well as the board's recommendation of such plan;

upon such deadline, we would file our preliminary proxy statement with the SEC;

if the SEC does not review the preliminary proxy statement, then, 10 days following the passing of such deadline, we will mail the proxy statements to our stockholders, and 30 days following the passing of such deadline we will convene a meeting of our stockholders, at which they will either approve or reject our dissolution and plan of distribution; and

if the SEC does review the preliminary proxy statement, we currently estimate that we will receive their comments 30 days following the passing of such deadline. We will mail the proxy statements to our stockholders following the conclusion of the comment and review process (the length of which we cannot predict with any certainty, and which may be substantial) and we will convene a meeting of our stockholders at which they will either approve or reject our dissolution and plan of distribution.

In the event we seek stockholder approval for our dissolution and plan of distribution and do not obtain such approval, we will nonetheless continue to pursue stockholder approval for our dissolution. Pursuant to the terms of our amended and restated certificate of incorporation, our powers following the expiration of the permitted time periods for consummating a business combination will automatically thereafter be limited to acts and activities relating to dissolving and winding up our affairs, including liquidation. Pursuant to the trust agreement governing such funds, the funds held in our trust account may not be distributed except upon our dissolution and, unless and until such approval is obtained from our stockholders, the funds held in our trust account will not be released (other than in connection with the funding of working capital, a redemption or a business combination as described elsewhere in this prospectus). Consequently, holders of a majority of our outstanding stock must approve our dissolution in order to receive the funds held in our trust account and the funds will not be available for any other corporate purpose.

These procedures, or a vote to reject any dissolution and plan of distribution by our stockholders, may result in substantial delays in the liquidation of our trust account to our public stockholders as part of our plan of distribution.

**Since we have not yet selected a particular industry or any target business with which to complete a business combination, you will be unable to currently ascertain the merits or risks of the industry or business in which we may ultimately operate.**

We intend to consummate a business combination with a company in the United States or Western Europe in any industry we choose that we believe will provide significant opportunities for growth (although we may decide to pursue an acquisition outside of these geographies if we believe it is an attractive opportunity) and we are not limited to any particular industry or type of business. Accordingly, there is no current basis for you to evaluate the possible merits or risks of the particular industry in which we may ultimately operate or the target business or businesses with which we may ultimately enter a business combination. Although we will evaluate the risks inherent in a particular

target business, we cannot assure you that we will properly ascertain or assess all of the significant risks present in that target business. Even if we properly assess those risks, some of them may be outside of our control or ability to affect. We also cannot assure you that an investment in our units will not ultimately prove to be less favorable to investors in this offering than a direct investment, if an opportunity were available, in a target business.

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**Your only opportunity to evaluate and affect the investment decision regarding a potential business combination will be limited to voting for or against the business combination submitted to our stockholders for approval.**

You will be relying on Mr. Berggruen's ability to choose a suitable business combination. At the time of your investment in us, you will not be provided with an opportunity to evaluate the specific merits or risks of one or more target businesses. Accordingly, your only opportunity to evaluate and affect the investment decision regarding a potential business combination will be limited to voting for or against the business combination submitted to our stockholders for approval. In addition, a proposal that you vote against could still be approved if a sufficient number of public stockholders vote for the proposed business combination. Alternatively, a proposal that you vote for could still be rejected if a sufficient number of public stockholders vote against the proposed business combination.

**We will not be required to obtain a fairness opinion from an independent investment banking firm as to the fair market value of the target business unless the Board of Directors is unable to independently determine the fair market value.**

The fair market value of a target business or businesses will be determined by our board of directors based upon standards generally accepted by the financial community, such as actual and potential sales, the values of comparable businesses, earnings and cash flow, and book value. If our board is not able to independently determine that the target business has a sufficient fair market value to meet the threshold criterion, we will obtain an opinion from an unaffiliated, independent investment banking firm which is a member of the NASD with respect to the satisfaction of such criterion. In all other instances, we will have no obligation to obtain or provide you with a fairness opinion.

**If we issue capital stock or redeemable debt securities to complete a business combination, your equity interest in us could be reduced or there may be a change in control of our company.**

Our amended and restated certificate of incorporation authorizes the issuance of up to 200,000,000 shares of common stock, par value \$0.0001 per share, and 1,000,000 shares of preferred stock, par value \$0.0001 per share. Immediately after this offering (assuming no exercise of the underwriters' over-allotment option and not including the co-investment), there will be 75,499,994 authorized but unissued shares of our common stock available for issuance (after appropriate reservation for the issuance of shares upon full exercise of our outstanding warrants, including the founders' warrants and sponsors' warrants) and all of the 1,000,000 shares of preferred stock available for issuance. Upon consummation of the co-investment, there will be 65,499,994 authorized but unissued shares of our common stock available for issuance (after appropriate reservation for the issuance of shares upon full exercise of our outstanding warrants, including the founders' warrants, the sponsors' warrants and the co-investment warrants). We have no other commitments as of the date of this offering to issue any additional securities. We may issue a substantial number of additional shares of our common stock or may issue preferred stock, or a combination of both, including through redeemable debt securities, to complete a business combination, particularly as we intend to focus primarily on acquisitions of mid-cap companies with valuations between approximately \$500 million and \$1.5 billion. Our issuance of additional shares of common stock or any preferred stock:

may significantly reduce your equity interest in us;

may cause a change in control if a substantial number of our shares of common stock are issued, which may among other things limit our ability to use any net operating loss carry forwards we have, and result in the resignation of Mr. Berggruen and our other directors;

may, in certain circumstances, have the effect of delaying or preventing a change in control of us; and

may adversely affect the then-prevailing market price for our common stock.

The value of your investment in us may decline if any of these events occur.



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**If we acquire a company by issuing debt securities, our post-combination operating results may decline due to increased interest expense or our liquidity may be adversely affected by an acceleration of our indebtedness.**

We may elect to enter into a business combination that requires us to issue debt securities as part of the purchase price for a target business, particularly as we intend to focus primarily on acquisitions of mid-cap companies with valuations between approximately \$500 million and \$1.5 billion. If we issue debt securities, such issuances may result in:

default and foreclosure on our assets if our operating cash flow after a business combination were insufficient to pay our debt obligations;

acceleration, even if we are then current in our debt service obligations, if the debt securities have covenants that require us to meet certain financial ratios or maintain designated reserves, and any such covenants are breached without a waiver or renegotiation;

a required immediate payment of all principal and accrued interest, if any, if the debt security was payable on demand; and

our inability to obtain additional financing, if necessary, if the debt securities contain covenants restricting our ability to obtain additional financing.

**Our sponsors, Berggruen Holdings and Marlin Equities, currently control us and may influence certain actions requiring a stockholder vote.**

Our sponsors, Berggruen Holdings and Marlin Equities, have agreed to act together for the purpose of acquiring, holding, voting or disposing of our shares and will be deemed to be a group for reporting purposes under the Exchange Act. Assuming neither of our sponsors purchases units in this offering or in the open market, they will beneficially own, in the aggregate, 19.7% of our issued and outstanding shares of common stock when this offering is completed (25.9%, in the aggregate, upon consummation of the co-investment). Mr. Berggruen and Mr. Franklin will each be deemed to beneficially own 9.9% of the then issued and outstanding shares of our common stock (13.0% upon consummation of the co-investment). All of the shares of our common stock that they will be deemed to beneficially own and control will be owned indirectly through their respective affiliates. Other than as described in this prospectus, neither of our sponsors has indicated to us that they intend to purchase units in this offering. Our sponsors have agreed that any common stock they acquire in or after this offering will be voted in favor of a business combination that is presented to our public stockholders. Accordingly, shares of common stock acquired by our sponsors in or after this offering will not have the same voting or redemption rights as our public stockholders with respect to a potential business combination, and our sponsors will not be eligible to exercise redemption rights for those shares if a business combination is approved by a majority of our public stockholders.

Because our sponsors will hold warrants to purchase 16,500,003 shares of our common stock immediately prior to our consummation of a business combination (warrants to purchase 21,500,003 shares of our common stock including the co-investment warrants), the exercise of those warrants may increase their ownership in us. This increase could allow our sponsors to influence the outcome of matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions after consummation of our initial business combination. In addition, neither our sponsors nor their affiliates are prohibited from purchasing units in this offering or our common stock in the aftermarket. If they do so, our sponsors will have a greater influence on the vote taken in connection with a business combination.

**Mr. Berggruen and our other directors are or may in the future become affiliated with entities engaged in business activities similar to those intended to be conducted by us, and may have conflicts of interest in allocating their time and business opportunities.**

Mr. Berggruen and our other directors are or may in the future become affiliated with entities, including other blank check companies, engaged in business activities similar to those intended to be conducted by us. There is no assurance that Mr. Berggruen, Mr. Franklin or any of our other directors will not become involved

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in one or more other business opportunities that would present conflicts of interest in the time they allocate to us. Mr. Franklin previously served as a director of another blank check company, but resigned as a director of that company prior to the effectiveness of its registration statement in connection with his discussions to participate in this offering. Neither Mr. Berggruen nor any of our directors is obligated to spend any specified amount of time on our affairs.

Although Mr. Berggruen is the president of Berggruen Holdings, Mr. Berggruen is not on the board of directors of any of the portfolio companies of Berggruen Holdings and therefore does not owe any direct fiduciary duties to such portfolio companies. In addition, during the period while we are pursuing the acquisition of a target business, Mr. Berggruen has agreed to present business combination opportunities that fit within our criteria and guidelines to us. However, we recognize that Mr. Berggruen may be deemed an affiliate of Berggruen Holdings' portfolio companies and that a conflict of interest could arise if an opportunity is an appropriate fit for one of such companies. Berggruen Holdings' portfolio companies presently include a sunglasses and non-prescription reading glasses distributor, a print finishing company, a media storage company, a financial services company, a wood treatment company, an enterprise software business and an aerospace parts supplier. Berggruen Holdings may at any time, or from time to time, acquire additional portfolio companies or dispose of existing portfolio companies. Any such newly acquired portfolio company would be covered by this obligation. Although we believe that we have put appropriate procedures in place to eliminate such conflicts for Mr. Berggruen, we cannot assure you that a conflict of interest won't arise if an opportunity is an appropriate fit for one of such companies.

In addition, although we do not expect our independent directors to present investment and business opportunities to us, they may become aware of business opportunities that may be appropriate for presentation to us. In such instances they may determine to present these business opportunities to other entities with which they are or may be affiliated, in addition to, or instead of, presenting them to us. Due to these existing or future affiliations, Mr. Berggruen and our other directors may have fiduciary obligations to present potential business opportunities to those entities prior to presenting them to us which could cause additional conflicts of interest.

### **Berggruen Holdings is not obligated to provide us with first review of any business opportunities below \$500 million and we have agreed not to pursue any business opportunities that Jarden Corporation might consider.**

We have entered into an agreement with Berggruen Holdings that from the date of this prospectus until the earlier of the consummation of our initial business combination or our liquidation, we will have a right of first review that provides that if Berggruen Holdings, or one of its investment professionals, becomes aware of, or involved with, business combination opportunities with an enterprise value of \$500 million or more, Berggruen Holdings will first offer the business opportunity to us and will only pursue such business opportunity if our board of directors determines that we will not do so, unless such business combination opportunity is competitive with one of the portfolio companies of Berggruen Holdings in which case it would first be offered to such portfolio company. A business combination opportunity will be considered competitive with a Berggruen Holdings portfolio company if the target company is engaged in the design, development, manufacture, distribution or sale of any products, or the provision of any services, which are the same as, or competitive with, the products or services which a Berggruen Holdings portfolio company designs, develops, manufactures, distributes or sells.

In addition, Mr. Franklin is an executive officer of Jarden Corporation. Jarden's publicly announced acquisition criteria is to acquire focused, niche consumer product companies. We have entered into an agreement with Mr. Franklin whereby (i) we have acknowledged that Mr. Franklin has committed to Jarden's Board of Directors that we generally do not intend to seek transactions that fit within Jarden's publicly announced acquisition criteria and (ii) we will not interfere with Mr. Franklin's obligations to Jarden. However, in order to avoid the potential for a conflict of interest, Mr. Franklin has further committed to Jarden that he will review any potential target company to determine whether such company fits within Jarden's publicly announced acquisition criteria. If Mr. Franklin determines that such

company fits within such criteria, Mr. Franklin will first confirm with an independent committee of Jarden's Board of Directors that Jarden is

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not interested in pursuing a potential business combination opportunity with such company (whether such a transaction was sourced by Mr. Franklin, Mr. Berggruen, another Berggruen investment professional or any other person). If the independent committee concludes that Jarden was interested in that opportunity, we have agreed not to continue with that transaction. Although we do not believe that the potential conflict of interest with Jarden will cause undue difficulty in finding acquisition opportunities for us given the nature of Jarden's acquisition criteria, Jarden may change its publicly announced acquisition criteria at any time without notice and additional conflicts of interest may arise. We cannot assure you that these conflicts will be resolved in our favor.

### **Resources could be wasted in researching acquisitions that are not consummated, which could materially adversely affect subsequent attempts to locate and acquire or merge with another business.**

It is anticipated that the investigation of each specific target business and the negotiation, drafting, and execution of relevant agreements, disclosure documents, and other instruments will require substantial management time and attention and substantial costs for accountants, attorneys and others. If a decision is made not to complete a specific business combination, the costs incurred up to that point for the proposed transaction likely would not be recoverable. Furthermore, even if an agreement is reached relating to a specific target business, we may fail to consummate the business combination for any number of reasons including those beyond our control such as that more than 19.99% of our public stockholders vote against the business combination and opt to have us redeem their stock for a *pro rata* share of the trust account even if a majority of our stockholders approve the business combination. Any such event will result in a loss to us of the related costs incurred which could materially adversely affect subsequent attempts to locate and acquire or merge with another business.

### **Each of our founders may have a conflict of interest in deciding if a particular target business is a good candidate for a business combination.**

Each of our founders has agreed to waive its right to receive distributions with respect to its founders' common stock purchased by it before this offering if we dissolve and liquidate because we fail to complete a business combination. Berggruen Holdings and Marlin Equities will purchase an aggregate of 4,500,000 sponsors' warrants immediately prior to the consummation of this offering, and will also agree to purchase an aggregate of 5,000,000 co-investment units immediately prior to our consummation of a business combination. Each of our founders who are also directors owns 51,201 founders' units. The shares of common stock and warrants owned by our founders will be worthless if we do not consummate a business combination. Furthermore, the \$4.5 million purchase price of the sponsors' warrants will be included in the working capital that is distributed to our public stockholders in the event of our dissolution and liquidation. Our directors' and officers' desire to avoid rendering their common stock and warrants worthless may result in a conflict of interest when they determine whether the terms, conditions and timing of a particular business combination are appropriate and in our stockholders' best interest.

### **Unless we complete a business combination, Mr. Berggruen and our other directors will not receive reimbursement for any out-of-pocket expenses they incur if such expenses exceed the amount not in the trust account. Therefore, they may have a conflict of interest in determining whether a particular target business is appropriate for a business combination and in the public stockholders' best interest.**

Mr. Berggruen and our other directors will not receive reimbursement for any out-of-pocket expenses incurred by them to the extent that such expenses exceed the amount not required to be retained in the trust account unless the business combination is consummated. Mr. Berggruen and our other directors may, as part of any such combination, negotiate the repayment of some or all of any such expenses. If the target business' owners do not agree to such repayment, this could cause our management to view such potential business combination unfavorably, thereby resulting in a conflict of interest. The financial interest of Mr. Berggruen and our other directors could influence their motivation in selecting a target business and thus, there may be a conflict of interest when determining whether a

particular business combination is in the stockholders' best

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interest. In addition, the proceeds we receive from the co-investment may be used to repay the expenses for which Mr. Berggruen and our other directors may negotiate repayment as part of our business combination.

We estimate that the amount of funds that will be available to us for expenses and working capital will be \$3.9 million, consisting of interest that will be paid out of the trust account. If we do not consummate a business combination within the 24 months following this offering, we expect our primary liquidity requirements during that period to include approximately \$1,700,000 for expenses for the due diligence and investigation of a target business or businesses; approximately \$1,700,000 for legal, accounting and other expenses associated with structuring, negotiating and documenting an initial business combination; an aggregate of up to \$240,000 for administrative services and support payable to Berggruen Holdings, Inc., an affiliate of Mr. Berggruen, representing \$10,000 per month for up to 24 months beginning upon consummation of this offering; \$125,000 as a reserve for liquidation expenses; \$34,000 for legal and accounting fees relating to our SEC reporting obligations; and approximately \$101,000 for general working capital that will be used for miscellaneous expenses and reserves.

**We will probably complete only one business combination with the proceeds of this offering, meaning our operations will depend on a single business that is likely to operate in a non-diverse industry or segment of an industry.**

The net proceeds from this offering and the offering of the sponsors' warrants will provide us with approximately \$466.5 million (approximately \$535.9 million if the underwriters' over-allotment option is exercised in full) that we may use to complete a business combination (\$516.5 million after the consummation of the co-investment (approximately \$585.9 million if the underwriters' over-allotment option is exercised in full)). Our initial business combination must be with a target business or businesses with a fair market value of at least 80% of the sum of the balance in the trust account plus the proceeds of the co-investment at the time of such business combination (excluding deferred underwriting discounts and commissions of \$16.3 million or \$18.8 million if the underwriters' over-allotment option is exercised in full). We may not be able to acquire more than one target business because of various factors, including the existence of complex accounting issues and the requirement that we prepare and file pro forma financial statements with the SEC that present operating results and the financial condition of several target businesses as if they had been operated on a combined basis. Additionally, we may encounter numerous logistical issues if we pursue multiple target businesses, including the difficulty of coordinating the timing of negotiations, proxy statement disclosure and closings. We may also be exposed to the risk that our inability to satisfy conditions to closing with one or more target businesses would reduce the fair market value of the remaining target businesses in the combination below the required threshold of 80% of the sum of the balance in the trust account plus the proceeds of the co-investment (excluding deferred underwriting discounts and commissions of \$16.3 million or \$18.8 million if the underwriters' over-allotment option is exercised in full). Due to these added risks, we are more likely to choose a single target business with which to pursue a business combination than multiple target businesses. Unless we combine with a target business in a transaction in which the purchase price consists substantially of common stock and/or preferred stock, it is likely we will complete only our initial business combination with the proceeds of this offering. Accordingly, the prospects for our success may depend solely on the performance of a single business. If this occurs, our operations will be highly concentrated and we will be exposed to higher risk than other entities that have the resources to complete several business combinations, or that operate in, diversified industries or industry segments.

**If we do not conduct an adequate due diligence investigation of a target business with which we combine, we may be required to subsequently take write-downs or write-offs, restructuring, and impairment or other charges that could have a significant negative effect on our financial condition, results of operations and our stock price, which could cause you to lose some or all of your investment.**

In order to meet our disclosure and financial reporting obligations under the federal securities laws, and in order to develop and seek to execute strategic plans for how we can increase the revenues and/or profitability of a target business, realize operating synergies or capitalize on market opportunities, we must conduct a due diligence investigation of one or more target businesses. Intensive due diligence is time consuming and expensive due to the operations, accounting, finance and legal professionals who must be



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involved in the due diligence process. Even if we conduct extensive due diligence on a target business with which we combine, we cannot assure you that this diligence will surface all material issues that may be present inside a particular target business, or that factors outside of the target business and outside of our control will not later arise. If our diligence fails to identify issues specific to a target business, industry or the environment in which the target business operates, we may be forced to later write-down or write-off assets, restructure our operations, or incur impairment or other charges that could result in our reporting losses. Even though these charges may be non-cash items and not have an immediate impact on our liquidity, the fact that we report charges of this nature could contribute to negative market perceptions about us or our common stock. In addition, charges of this nature may cause us to violate net worth or other covenants to which we may be subject as a result of assuming pre-existing debt held by a target business or by virtue of our obtaining post-combination debt financing.

### **We will depend on the limited funds available outside of the trust account and a portion of the interest earned on the trust account balance to fund our search for a target business or businesses and to complete our initial business combination.**

Of the net proceeds of this offering, \$50,000 will be available to us initially outside the trust account to fund our working capital requirements. We will depend on sufficient interest being earned on the proceeds held in the trust account to provide us with the additional working capital we will need to identify one or more target businesses and to complete our initial business combination. While we are entitled to have released to us for such purposes interest income of up to a maximum of \$3.9 million, net of income taxes on such interest, a substantial decline in interest rates may result in our having insufficient funds available with which to structure, negotiate or close an initial business combination. In such event, we would need to borrow additional funds from our sponsors, Mr. Berggruen or our directors to operate or we may dissolve and liquidate.

### **We may be unable to obtain additional financing if necessary to complete a business combination or to fund the operations and growth of a target business, which could compel us to restructure or abandon a particular business combination.**

We may consider a business combination that will require additional financing (in addition to the co-investment), particularly as we intend to primarily focus on acquisitions of mid-cap companies with valuations between approximately \$500 million and \$1.5 billion. However, we cannot assure you that we will be able to complete a business combination or that we will have sufficient capital with which to complete a combination with a particular target business. If the net proceeds of this offering and the co-investment are not sufficient to facilitate a particular business combination because:

of the size of the target business;

of the depletion of offering proceeds not in trust or available to us from interest earned on the trust account balance that is expended in search of a target business; or

we must redeem for cash a significant number of shares of common stock owned by stockholders who elect to exercise their redemption rights,

we will be required to seek additional financing. We cannot assure you that such financing would be available on acceptable terms, if at all. If additional financing is unavailable to consummate a particular business combination, we would be compelled to restructure or abandon the combination and seek an alternative target business. Even if we do not need additional financing to consummate a business combination, we may require such financing to operate or grow the target business. If we fail to secure such financing, this failure could have a material adverse effect on the operations or growth of the target business. Other than the co-investment, none of Mr. Berggruen, our directors nor

any other party is required to provide any financing to us in connection with, or following, a business combination.

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**Our founders paid approximately \$0.00208 per share for their shares and, accordingly, you will experience immediate and substantial dilution from the purchase of our common stock.**

The difference between the public offering price per share of our common stock (allocating all of the unit purchase price to the common stock and none to the warrant included in the unit) and the pro forma net tangible book value per share of our common stock after this offering constitutes the dilution to you and other investors in this offering. The fact that our founders acquired their founders' shares of common stock at a nominal price significantly contributed to this dilution. Assuming this offering is completed and no value is ascribed to the warrants included in the units, you and the other new investors will incur an immediate and substantial dilution of approximately 29.2% or \$2.92 per share (the difference between the pro forma net tangible book value per share after this offering of \$7.08, and the initial offering price of \$10.00 per unit).

**Our outstanding warrants may adversely affect the market price of our common stock and make it more difficult to effect a business combination.**

The units being sold in this offering include warrants to purchase 48,000,000 shares of common stock (or 55,200,000 shares of common stock if the over-allotment option is exercised in full). We also have sold or will sell warrants to our founders (including the sponsors' warrants) to purchase an aggregate of 16,500,003 shares of our common stock (21,500,003 including the co-investment warrants). The warrants which have been sold or will be sold to our founders are identical to those warrants sold as part of the units in this offering except that the warrants sold to our founders become exercisable after our consummation of a business combination if and when the last sales price of our common stock exceeds \$14.25 per share for any 20 trading days within a 30 trading day period beginning 90 days after such business combination, will be non-redeemable so long as they are held by our founders or their permitted transferees and are entitled to registration rights beginning 90 days after our consummation of a business combination. The warrants which have been sold or will be sold to our sponsors are identical to those warrants sold as part of the units in this offering except that our sponsors warrants will be non-redeemable so long as they are held by our sponsors or their permitted transferees and pursuant to the registration rights agreement, the holders of our sponsors warrants and the underlying common stock will be entitled to certain registration rights upon the consummation of a business combination. If we issue common stock to conclude a business combination, the potential issuance of additional shares of common stock on exercise of these warrants could make us a less attractive acquisition vehicle to some target businesses. This is because exercise of the warrants will increase the number of issued and outstanding shares of our common stock and reduce the value of the shares issued to complete the business combination. Our warrants may make it more difficult to complete a business combination or increase the purchase price sought by one or more target businesses. Additionally, the sale or possibility of sale of the shares underlying the warrants could have an adverse effect on the market price for our common stock or our units, or on our ability to obtain other financing. If and to the extent these warrants are exercised, you may experience dilution to your holdings.

**The grant of registration rights to our founders may make it more difficult to complete a business combination, and the future exercise of such rights may adversely affect the market price of our common stock.**

Our founders will have certain registration rights with respect to the resale of their shares of common stock at any time after one year from the date we complete a business combination. In addition, our founders will have certain registration rights with respect to the warrants and the underlying shares of common stock that they hold at any time after such warrants become exercisable by their terms. We will bear the cost of registering these securities. If our founders exercise their registration rights in full, there will then be an additional 12,000,003 shares of common stock and 21,500,003 warrants (including 5,000,000 co-investment warrants) and/or up to 21,500,003 shares of common stock issued on exercise of the warrants that are eligible for trading in the public market. The registration and availability of such a significant number of securities for trading in the public market may have an adverse effect on the market price of our common stock. In addition, the existence of the registration rights may make a business

combination more costly or difficult to conclude. This is because the stockholders of the target business may increase the equity stake they seek in the combined

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entity or ask for more cash consideration to offset the negative impact on the market price of our common stock that is expected when the securities owned by our founders are registered.

**You will not be able to exercise your warrants if we don't have an effective registration statement in place when you desire to do so.**

No warrants will be exercisable, and we will not be obligated to issue shares of common stock upon exercise of warrants by a holder unless, at the time of such exercise, we have a registration statement under the Securities Act of 1933, as amended, in effect covering the shares of common stock issuable upon the exercise of the warrants and a current prospectus relating to that common stock. We have agreed to use our best efforts to have a registration statement in effect covering shares of common stock issuable upon exercise of the warrants from the date the warrants become exercisable and to maintain a current prospectus relating to that common stock until the warrants expire or are redeemed. However, we cannot assure you that we will be able to do so. In addition, we may determine to exercise our right to redeem the outstanding warrants while a current prospectus relating to the common stock issuable upon exercise of the warrants is not available, in which case the warrants will not be exercisable prior to their redemption. Additionally, we have no obligation to settle the warrants for cash in the absence of an effective registration statement or under any other circumstances. The warrants may be deprived of any value, the market for the warrants may be limited and the holders of warrants may not be able to exercise their warrants if there is no registration statement in effect covering the shares of common stock issuable upon the exercise of the warrants or the prospectus relating to the common stock issuable upon the exercise of the warrants is not current.

**There is currently no market for our securities and a market for our securities may not develop, which would adversely affect the liquidity and price of our securities.**

There is currently no market for our securities. Stockholders therefore have no access to information about prior market history on which to base their investment decision. Following this offering, the price of our securities may vary significantly due to our reports of operating losses, one or more potential business combinations, the filing of periodic reports with the SEC, and general market or economic conditions. Furthermore, an active trading market for our securities may never develop or, if developed, it may not be sustained. You may be unable to sell your securities unless a market can be established and sustained.

**If we are deemed to be an investment company, we may be required to institute burdensome compliance requirements and our activities may be restricted, which may make it difficult for us to complete a business combination.**

We may be deemed to be an investment company, as defined under Sections 3(a)(1)(A) and (C) of the Investment Company Act of 1940, if, following this offering and prior to the consummation of a business combination, we are viewed as engaging in the business of investing in securities or we own investment securities having a value exceeding 40% of our total assets. If we are deemed to be an investment company under the Investment Company Act of 1940, we may be subject to certain restrictions that may make it difficult for us to complete a business combination, including:

restrictions on the nature of our investments; and

restrictions on our issuance of securities.

In addition, we may have imposed upon us burdensome requirements, including:

registration as an investment company;

adoption of a specific form of corporate structure; and

reporting, record keeping, voting, proxy and disclosure requirements and other rules and regulations.

We do not believe that our anticipated activities will subject us to the Investment Company Act of 1940 as the net proceeds of this offering and sale of warrants in our private placement offering that are to be held in trust may only be invested by the trust agent in government securities with specific maturity dates. By

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restricting the investment of the trust account to these instruments, we intend to meet the requirements for the exemption provided in Rule 3a-1 promulgated under the Investment Company Act of 1940. If we were deemed to be subject to the Investment Company Act of 1940, compliance with these additional regulatory burdens would require additional expense that we have not allotted for.

Companies with similar business plans to ours have had limited success in completing a business transaction. There can be no assurance that we will successfully identify a potential target business, or complete a business combination.

Based upon publicly available information as of October 31, 2006, we have identified approximately 71 similarly structured companies which have gone public since 2003, of which nine have actually consummated a business combination. As of such date, the remaining 62 companies have more than \$4.2 billion in trust and are seeking to consummate business combinations. Of these companies, 28 have announced that they have entered into definitive agreements for business combinations but not yet consummated these transactions. While some of those companies have specific industries or geographies that they must complete a business combination in, a number of them may consummate a business combination in any industry they choose. We may therefore be subject to competition from these and other companies seeking to consummate a business plan similar to ours, which will, as a result, increase demand for privately-held companies to combine with companies structured similarly to ours. Further, the fact that only nine of such companies have completed a business combination and 28 of such companies have entered into a definitive agreement for a business combination may be an indication that there are only a limited number of attractive target businesses available to such entities or that many privately-held target businesses may not be inclined to enter into business combinations with publicly held blank check companies like us. We cannot assure you that we will be able to successfully compete for an attractive business combination. Additionally, because of this competition, we cannot assure you that we will be able to effectuate a business combination within the required time periods. If we are unable to find a suitable target business within such time periods, we will be forced to liquidate.

### **We are dependent upon Mr. Berggruen and Mr. Franklin and the loss of either of them could adversely affect our ability to operate.**

Our operations are dependent upon a relatively small group of individuals and, in particular, upon Mr. Berggruen and Mr. Franklin. We believe that our success depends on the continued service of Mr. Berggruen and Mr. Franklin, at least until we have consummated a business combination. We cannot assure you that such individuals will remain with us for the immediate or foreseeable future. In addition, neither Mr. Berggruen nor Mr. Franklin are required to commit any specified amount of time to our affairs and, accordingly, they will have conflicts of interest in allocating management time among various business activities, including identifying potential business combinations and monitoring the related due diligence. Moreover, Mr. Berggruen does not have experience in acquiring businesses in our specified target range of \$500 million to \$1.5 billion. We do not have employment agreements with, or key-man insurance on the life of, either of these individuals. The unexpected loss of the services of either of these individuals could have a detrimental effect on us.

### **The American Stock Exchange may delist our securities which could limit investors ability to make transactions in our securities and subject us to additional trading restrictions.**

Our securities have been approved for listing on the American Stock Exchange upon consummation of this offering. Although after giving effect to this offering we expect to meet on a pro forma basis the minimum initial listing standards set forth in Section 101(c) of the AMEX Company Guide, which only requires that we meet certain requirements relating to stockholders equity, market capitalization, aggregate market value of publicly held shares and distribution requirements, we cannot assure you that our securities will continue to be listed on the American Stock Exchange as we might not meet certain continued listing standards such as income from continuing operations. Additionally, in connection with our business combination, it is likely that the American Stock Exchange may require

us to file a new initial listing application and meet its initial listing requirements as opposed to its more lenient continued listing requirements. We cannot assure you that we will be able to meet those initial listing requirements at that time.



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If the American Stock Exchange delists our securities from trading, we could face significant consequences including:

a limited availability for market quotations for our securities;

reduced liquidity with respect to our securities;

a determination that our common stock is a penny stock which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our common stock;

limited amount of news and analyst coverage for our company; and

a decreased ability to issue additional securities or obtain additional financing in the future.

**The determination of the offering price of our units and the size of this offering is more arbitrary than the pricing of securities and size of an offering of an operating company in a particular industry.**

Prior to this offering there has been no public market for any of our securities. The public offering price of the units and the terms of the warrants were negotiated between us and the underwriters. In determining the size of this offering, management held customary organizational meetings with representatives of the underwriters, both prior to our inception and thereafter, with respect to the state of capital markets, generally, and the amount the representatives believed they reasonably could raise on our behalf. Factors considered in determining the size of this offering, prices and terms of the units, including the common stock and warrants underlying the units, include:

the history and prospects of companies whose principal business is the acquisition of other companies;

prior offerings of those companies;

our prospects for acquiring an operating business at attractive values;

whether the net proceeds of this offering would be sufficient to allow us to acquire an operating business having a valuation between approximately \$500 million and \$1.5 billion, assuming the need to raise additional funds, in addition to the co-investment, through a private offering of debt or equity securities;

a review of debt to equity ratios in leveraged transactions;

our capital structure;

an assessment of our management and their experience in identifying operating companies;

general conditions of the securities markets at the time of this offering; and

other factors as were deemed relevant.

However, although these factors were considered, the determination of our offering price is more arbitrary than the pricing of securities of an operating company in a particular industry since we have no historical operations or financial results to compare them to.

**Since we may acquire a target business that is located outside the United States, we may encounter risks specific to one or more countries in which we ultimately operate.**

As described above, we plan to acquire a business or businesses located in the United States or Western Europe. If we acquire a company that has operations outside the United States, we will be exposed to risks that could negatively impact our future results of operations following a business combination. The additional risks we may be exposed to in these cases include but are not limited to:

tariffs and trade barriers;

regulations related to customs and import/export matters;

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tax issues, such as tax law changes and variations in tax laws as compared to the U.S.;

cultural and language differences;

foreign exchange controls;

crime, strikes, riots, civil disturbances, terrorist attacks and wars; and

deterioration of political relations with the United States.

**Because we must furnish our stockholders with target business financial statements prepared in accordance with or reconciled to U.S. generally accepted accounting principles, we may not be able to complete a business combination with some prospective target businesses unless their financial statements are first reconciled to U.S. generally accepted accounting principles.**

The federal securities laws require that a business combination meeting certain financial significance tests include historical and pro forma financial statement disclosure in periodic reports and proxy materials submitted to stockholders. Because our initial business combination must be with a target business that has a fair market value of at least 80% of the sum of the balance in the trust account plus the proceeds of the co-investment (excluding deferred underwriting discounts and commissions of \$16.3 million or \$18.8 million if the underwriters' over-allotment option is exercised in full) at the time of our initial business combination, we will be required to provide historical and pro forma financial information to our stockholders when seeking approval of a business combination with one or more target businesses. These financial statements must be prepared in accordance with, or be reconciled to, U.S. generally accepted accounting principles, or GAAP, and the historical financial statements must be audited in accordance with the standards of the Public Company Accounting Oversight Board (United States), or PCAOB. If a proposed target business, including one located outside of the U.S., does not have financial statements that have been prepared in accordance with, or that can be reconciled to, U.S. GAAP and audited in accordance with the standards of the PCAOB, we will not be able to acquire that proposed target business. These financial statement requirements may limit the pool of potential target businesses with which we may combine.

**Compliance with the Sarbanes-Oxley Act of 2002 will require substantial financial and management resources and may increase the time and costs of completing an acquisition.**

Section 404 of the Sarbanes-Oxley Act of 2002 requires that we evaluate and report on our system of internal controls beginning with our Annual Report on Form 10-K for the year ending December 31, 2007. If we fail to maintain the adequacy of our internal controls, we could be subject to regulatory scrutiny, civil or criminal penalties and/or stockholder litigation. Any inability to provide reliable financial reports could harm our business. Section 404 of the Sarbanes-Oxley Act also requires that our independent registered public accounting firm report on management's evaluation of our system of internal controls. A target company may not be in compliance with the provisions of the Sarbanes-Oxley Act regarding adequacy of their internal controls. The development of the internal controls of any such entity to achieve compliance with the Sarbanes-Oxley Act may increase the time and costs necessary to complete any such acquisition. Furthermore, any failure to implement required new or improved controls, or difficulties encountered in the implementation of adequate controls over our financial processes and reporting in the future, could harm our operating results or cause us to fail to meet our reporting obligations. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our stock.



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**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

The statements contained in this prospectus that are not purely historical are forward-looking statements. Our forward-looking statements include, but are not limited to, statements regarding our or our management's expectations, hopes, beliefs, intentions or strategies regarding the future. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words anticipates, believe, continue, could, estimate, expect, intend, may, plan, possible, potential, predict, project, should, would and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this prospectus may include, for example, statements about our:

ability to complete a combination with one or more target businesses;

success in retaining or recruiting, or changes required in, our officer or directors following a business combination;

officer and directors allocating their time to other businesses and potentially having conflicts of interest with our business or in approving a business combination, as a result of which they would then receive expense reimbursements;

potential inability to obtain additional financing to complete a business combination;

limited pool of prospective target businesses;

potential change in control if we acquire one or more target businesses for stock;

public securities' limited liquidity and trading;

failure to list or delisting of our securities from the American Stock Exchange or an inability to have our securities listed on the American Stock Exchange following a business combination;

use of proceeds not in trust or available to us from interest income on the trust account balance; or

financial performance following this offering.

The forward-looking statements contained in this prospectus are based on our current expectations and beliefs concerning future developments and their potential effects on us. There can be no assurance that future developments affecting us will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described under the heading "Risk Factors." Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws and/or if and when management knows or has a reasonable basis on which to conclude that previously disclosed projections are no longer reasonably attainable.



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We estimate that the net proceeds of this offering and the private placement of the sponsors warrants will be as set forth in the following table:

	<b>Without Over-Allotment Option Exercised</b>	<b>With Over-Allotment Option Exercised</b>
Offering gross proceeds	\$ 480,000,000	\$ 552,000,000
Sponsors warrants purchased by sponsors	4,500,000	4,500,000
<b>Total gross proceeds(1)</b>	<b>\$ 484,500,000</b>	<b>\$ 556,500,000</b>
Offering expenses:(2)(3)		
Underwriting discount (7% of Gross proceeds)	\$ 33,600,000	\$ 38,640,000
Legal fees and expenses	300,000	300,000
Printing and engraving expenses	100,000	100,000
Accounting fees and expenses	60,000	60,000
SEC registration fee	59,064	59,064
NASD registration fee	55,700	55,700
American Stock Exchange fees	70,000	70,000
Miscellaneous expenses	55,236	55,236
<b>Total offering expenses</b>	<b>\$ 34,300,000</b>	<b>\$ 39,340,000</b>
<b>Proceeds after offering expenses</b>	<b>\$ 450,200,000</b>	<b>\$ 517,160,000</b>
Net offering proceeds held in trust	\$ 450,150,000	\$ 517,110,000
Deferred underwriting discounts and commissions held in trust	16,320,000	18,768,000
<b>Total held in trust</b>	<b>\$ 466,470,000</b>	<b>\$ 535,878,000</b>
<b>Net offering proceeds not held in trust(3)</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>

(1) Excludes \$50.0 million of additional proceeds from the sale of 5,000,000 co-investment units to our sponsors to be paid to us immediately prior to our consummation of a business combination.

(2) The offering expenses will be primarily funded from the proceeds of this offering. All of the offering expenses to date have been paid from advances we received from our founders described below. These advances will be repaid within 60 days from the consummation of this offering. During the 30-day period immediately following the consummation of this offering, interest income on the trust account may be released to us on a weekly basis to fund our working capital requirements.

- (3) Following consummation of this offering, we believe the funds available to us outside of the trust account, together with interest income of up to \$3.9 million on the balance of the trust account to be released to us to fund our working capital requirements, will be sufficient to allow us to operate for at least the next 24 months, assuming a business combination is not completed during that time. We expect our primary liquidity requirements during that period to include approximately \$1,700,000 for expenses for the due diligence and investigation of a target business or businesses; approximately \$1,700,000 for legal, accounting and other expenses associated with structuring, negotiating and documenting an initial business combination; an aggregate of up to \$240,000 for administrative services and support payable to Berggruen Holdings, Inc., an affiliate of Mr. Berggruen, representing \$10,000 per month for up to 24 months beginning upon consummation of this offering; \$125,000 as a reserve for liquidation expenses; \$34,000 for legal and accounting fees relating to our SEC reporting obligations; and approximately \$101,000 for general working capital that will be used for miscellaneous expenses and reserves. These expenses are estimates only. Our actual expenditures for some or all of these items may differ from the estimates set forth herein. For example, we may incur greater legal and accounting expenses than our current estimates in connection with negotiating and structuring a business combination based upon the level of complexity of that business combination. We do not anticipate any change in our intended use of proceeds, other than fluctuations



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among the current categories of allocated expenses, which fluctuations, to the extent they exceed current estimates for any specific category of expenses, would be deducted from our excess working capital. Any such interest income not used to fund our working capital requirements or repay advances from our founders or for due diligence or legal, accounting and non-due diligence expenses will be usable by us to pay other expenses that may exceed our current estimates.

A total of approximately \$466.5 million (or approximately \$535.9 million if the underwriters' over-allotment option is exercised in full) of the net proceeds from this offering and the sale of the sponsors' warrants described in this prospectus, and \$16.3 million (or \$18.8 million if the underwriters' over-allotment option is exercised in full) of deferred underwriting discounts and commissions, will be placed in a trust account at Continental Stock Transfer & Trust Company with Continental Stock Transfer & Trust Company, as trustee. Except for a portion of the interest income released to us, the proceeds held in trust will not be released from the trust account until the earlier of the consummation of a business combination or our liquidation. All amounts held in the trust account that are not:

distributed to public stockholders who exercise redemption rights,

released to us as interest income, or

payable to the underwriters for deferred discounts and commissions,

will be released to us on closing of our initial business combination.

Our initial business combination will be with one or more target businesses which have a fair market value of at least 80% of the sum of the balance in the trust account plus the proceeds of the co-investment (excluding deferred underwriting discounts and commissions of \$16.3 million or \$18.8 million if the underwriters' over-allotment option is exercised in full) at the time of such business combination, subject to:

a majority of our public stockholders voting in favor of the business combination and less than 20% of the public stockholders electing to exercise their redemption rights and

such deferred underwriting discount and commission having been paid to the underwriters.

If our initial business combination involves a transaction in which we acquire less than a 100% interest in the target company, the value of that interest that we acquire will be equal to at least 80% of the sum of the balance in the trust account (excluding deferred underwriting discounts and commissions) plus the proceeds of the co-investment. In all instances, we would be the controlling shareholder of the target company. The key factors that we will rely on in determining controlling shareholder status would be our acquisition of at least 51% of the voting equity interests of the target company and control of the majority of any governing body of the target company. We will not consider any transaction that does not meet such criteria.

On release of funds from the trust account and after payment of the redemption price to any public stockholders who exercise their redemption rights, the underwriters will receive their deferred underwriting discounts and commissions, and the remaining funds will be released to us and can be used to pay all or a portion of the purchase price of the business or businesses with which our initial combination occurs. If the business combination is paid for using stock or debt securities, we may apply the cash released to us from the trust account for general corporate purposes, including for maintenance or expansion of operations of the acquired business or businesses, the payment of principal or interest due on indebtedness incurred in consummating our initial business combination, to fund the purchase of other companies, or for working capital.

Upon the consummation of this offering, we have agreed to pay Berggruen Holdings, Inc., an affiliate of Mr. Berggruen, a total of \$10,000 per month for office space, administrative services and secretarial support until the earlier of our consummation of a business combination or our liquidation. This arrangement is being agreed to by Berggruen Holdings, Inc. for our benefit and is not intended to provide Berggruen Holdings, Inc. compensation in lieu of a management fee or other remuneration because it is anticipated that the expenses to be paid by Berggruen Holdings, Inc. will approximate the monthly reimbursement. We believe that such fees are at least as favorable as we could have obtained from an unaffiliated person. Upon consummation of a

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business combination or our liquidation, we will cease paying these monthly fees. Prior to the consummation of this offering, Berggruen Holdings has agreed to provide us with office space, administrative services and secretarial support at no charge.

We expect that due diligence of prospective target businesses will be monitored or performed by Mr. Berggruen and the Berggruen Holdings investment professionals made available to us. Additionally, we may engage market research firms and/or third party consultants. Mr. Berggruen, his affiliates or associates, will not receive any compensation for their due diligence of prospective target businesses, but would be reimbursed for any out-of-pocket expenses (such as travel expenses) incurred in connection with such due diligence activities. Our audit committee will review and approve all expense reimbursements made to Mr. Berggruen and any expense reimbursements payable to members of our audit committee will be reviewed and approved by our board of directors, with the interested director or directors abstaining from such review and approval.

We believe that amounts not held in trust and the interest income of up to \$3.9 million earned on the trust account balance that may be released to us (as described in more detail below) will be sufficient to pay the costs and expenses to which such proceeds are allocated. This belief is based on the fact that in-depth due diligence will be undertaken only after we have negotiated and signed a letter of intent or other preliminary agreement that addresses the terms of a business combination. However, if our estimate of the costs of undertaking in-depth due diligence and negotiating a business combination is less than the actual amount necessary to do so, we may be required to raise additional capital, the amount, availability and cost of which is currently unascertainable. In this event, we could seek such additional capital through loans or additional investments from our sponsors, Mr. Berggruen or our directors, but, except for the co-investment, none of such sponsors, Mr. Berggruen or our directors is under any obligation to advance funds to, or invest in, us.

If we complete a business combination, the out-of-pocket expenses incurred by Mr. Berggruen and our other directors prior to the business combination's closing will become an obligation of the post-combination business, assuming these out-of-pocket expenses have not been reimbursed prior to the closing. These expenses would be a liability of the post-combination business and would be treated in a manner similar to any other account payable of the combined business. Mr. Berggruen and our other directors may, as part of any such combination, negotiate the repayment of some or all of any such expenses. If the target business owners do not agree to such repayment, this could cause Mr. Berggruen and our other directors to view such potential business combination unfavorably and result in a conflict of interest.

As of the date of this prospectus, our sponsors have advanced to us a total of \$250,000 which was used to pay a portion of the expenses of this offering referenced in the line items above for the SEC registration fee, NASD registration fee, American Stock Exchange fee and accounting and legal fees and expenses. These advances are non-interest bearing, unsecured and are due within 60 days following the consummation of this offering. The loan will be repaid out of the interest we receive on the balance of the trust account.

The net proceeds of this offering not held in the trust account and not immediately required for the purposes set forth above will be invested only in United States government securities (as such term is defined in the Investment Company Act of 1940) and one or more money market funds, selected by us, which invest principally in either short-term securities issued or guaranteed by the United States having a rating in the highest investment category granted thereby by a recognized credit rating agency at the time of acquisition or short-term tax exempt municipal bonds issued by governmental entities located within the United States, so that we are not deemed to be an investment company under the Investment Company Act. Interest income of up to \$3.9 million on the trust account balance is releasable to us from the trust account to fund a portion of our working capital requirements.

Other than the fee for office space and administrative and secretarial services described above, no compensation of any kind (including finder's and consulting fees) will be paid to any of Mr. Berggruen or our directors, or any of their affiliates, for services rendered to us prior to or in connection with the consummation of the business combination. However, Mr. Berggruen and our other directors will receive reimbursement for any out-of-pocket expenses incurred by them in connection with activities on our behalf, such as identifying potential target businesses and performing due diligence on suitable business combinations. To the extent that such expenses exceed the available proceeds not deposited in the trust account and interest income of up to

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\$3.9 million that is released to us from the trust account, such out-of-pocket expenses would not be reimbursed by us unless we consummate a business combination. Since the role of present management after a business combination is uncertain, we have no current ability to determine what remuneration, if any, will be paid to those persons after a business combination.

A stockholder will be entitled to receive funds from the trust account (including interest earned on his, her or its portion of the trust account, net of taxes payable with respect to such interest, and less interest income released to us from the trust account in the manner described above) only in the event of our liquidation if we fail to complete a business combination within the allotted time or if the public stockholder seeks to have us redeem such shares for cash in connection with a business combination that the public stockholder voted against and that we actually complete. In no other circumstances will a stockholder have any right or interest of any kind in or to funds in the trust account.

On consummation of an initial business combination, the underwriters will receive the deferred underwriters' discounts and commissions held in the trust account. If we do not complete an initial business combination and the trustee must therefore distribute the balance in the trust account on our liquidation, the underwriters have agreed (i) to forfeit any rights or claims to the deferred underwriting discounts and commissions, together with any accrued interest thereon, in the trust account and (ii) that the trustee is authorized to distribute the deferred underwriting discounts and commissions, together with any accrued interest thereon, net of income taxes payable on such interest, to the public stockholders on a *pro rata* basis.

**DIVIDEND POLICY**

Except for the 1-for-3 stock dividend that was effected on December 14, 2006 and the 1-for-5 stock dividend that was effected on December 21, 2006 (which is after the date of our financial statements included in this prospectus), we have not paid any dividends on our common stock to date and we do not intend to pay cash dividends prior to the consummation of a business combination. After we complete a business combination, the payment of dividends will depend on our revenues and earnings, if any, capital requirements and general financial condition. The payment of dividends after a business combination will be within the discretion of our then-board of directors. Our board of directors currently intends to retain any earnings for use in our business operations and, accordingly, we do not anticipate the board declaring any dividends in the foreseeable future.

**Table of Contents****DILUTION**

The difference between the public offering price per share of common stock, assuming no value is attributed to the warrants included in the units, and the pro forma net tangible book value per share of our common stock after this offering constitutes the dilution to investors in this offering. Net tangible book value per share is determined by dividing our net tangible book value, which is our total tangible assets less total liabilities (including the value of common stock which may be redeemed for cash), by the number of outstanding shares of our common stock. The information below assumes the payment in full of the underwriters' discounts and commissions, including amounts held in the trust account, and no exercise of the over-allotment option.

At October 31, 2006, our net tangible book value was a deficiency of \$186,529, or approximately \$(0.02) per share of common stock. After giving effect to the sale of 48,000,000 shares of common stock included in the units and the sale of 4,500,000 sponsors' warrants, and the deduction of underwriting discounts and estimated expenses of this offering, our pro forma net tangible book value (as decreased by the value of 9,595,200 shares of common stock which may be redeemed for cash) at October 31, 2006 would have been \$356,979,928 or \$7.08 per share, representing an immediate increase in net tangible book value of \$7.10 per share to our founders and an immediate dilution of \$2.92 per share or 29.2% to new investors not exercising their redemption rights. After giving effect to the sale of 5,000,000 co-investment shares of common stock included in the co-investment units, our pro forma net tangible book value (as decreased by the value of 9,595,200 shares of common stock which may be redeemed for cash) upon consummation of our business combination will be \$406,979,928 or \$7.35 per share, representing an increase in net tangible book value of \$7.36 per share to our founders and an immediate dilution of \$2.65 per share or 26.50% to new investors not exercising their redemption rights. For purposes of presentation, our pro forma net tangible book value after this offering is approximately \$93,247,353 less than it otherwise would have been because if we effect a business combination, the redemption rights of the public stockholders may result in the redemption for cash of up to approximately 19.99% of the aggregate number of the shares sold in this offering at a per-share redemption price equal to the amount in the trust account as of two business days prior to the proposed consummation of a business combination, inclusive of any interest, net of any taxes due on such interest and net of up to \$3.9 million in interest income on the trust account balance previously released to us to fund working capital requirements, divided by the number of shares sold in this offering.

The following table illustrates the dilution to the new investors on a per-share basis, assuming no value is attributed to the warrants included in the units:

Public offering price		\$ 10.00
Net tangible book value before this offering	\$ (0.02)	
Increase attributable to new investors	7.10	
Pro forma net tangible book value after this offering		7.08
Dilution to new investors		\$ 2.92

The following table sets forth information with respect to our founders and the new investors:

Shares Purchased	Total Consideration
------------------	---------------------

	<b>Number</b>	<b>Percentage</b>	<b>Amount</b>	<b>Percentage</b>	<b>Average Price Per Share</b>
Founders shares(1)	12,000,003	20.0	\$ 25,000	.01%	0.00208
New investors	48,000,000	80.0	480,000,000	99.99	10.00
<b>Total</b>	<b>60,000,003</b>	<b>100.0%</b>	<b>\$ 480,025,000</b>	<b>100.00%</b>	

(1) Following the co-investment, our founders will (i) own 17,000,003 shares of our common stock, comprising 26.2% of our common stock purchased and (ii) have paid aggregate consideration of \$50,025,000, comprising 9.4% of the total consideration that we received for our outstanding common stock.

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The pro forma net tangible book value after this offering is calculated as follows:

**Numerator:**

Net tangible book value before this offering and sale of sponsors' warrants	\$ (186,529)
Proceeds from this offering	466,520,000
Plus: Offering costs accrued for and paid in advance, excluded from tangible book value before this offering	213,810
Less: Deferred underwriter's fee paid upon consummation of a business combination	(16,320,000)
Less: proceeds held in trust subject to redemption to cash (466,470,000 × .1999)	(93,247,353)
	\$ 356,979,928

**Denominator:**

Shares of common stock outstanding prior to this offering	12,000,003
Shares of common stock included in the units offered	48,000,000
Less: shares subject to redemption (48,000,000 × 19.99%)	(9,595,200)
	50,404,803



**Table of Contents****CAPITALIZATION**

The following table sets forth our capitalization on:

an actual basis at December 21, 2006;

an as adjusted basis to give effect to the sale of our units and the sponsors' warrants, and the application of the estimated net proceeds derived from the sale of such securities; and

a pro forma as adjusted basis to give effect to the sale of our units, the sponsors' warrants and the co-investment units, and the application of the estimated net proceeds derived from the sale of such securities.

	<b>As of December 21, 2006</b>		
	<b>Actual (unaudited)</b>	<b>As Adjusted</b>	<b>Pro Forma as Adjusted</b>
Notes payable to affiliates(1)	\$ 250,000	\$	\$
Deferred underwriting discounts and commissions	\$	\$ 16,320,000	\$ 16,320,000
Common stock, 0, 9,595,200 and 9,595,200 shares which are subject to possible redemption, shares at redemption value(2)	0	\$ 93,247,353	\$ 93,247,353
Stockholders' equity:			
Preferred stock, \$0.0001 par value, 1,000,000 shares authorized; none issued or outstanding	\$	\$	\$
Common stock, \$0.0001 par value, 200,000,000 shares authorized; 12,000,003 shares issued and outstanding; 50,404,803 shares issued and outstanding (excluding 9,595,200 shares subject to possible redemption), as adjusted; 55,404,803 shares issued and outstanding (excluding 9,595,200 shares subject to possible redemption), pro forma as adjusted	1,200	5,041	5,541
Additional paid-in capital	23,800	356,972,606	406,972,106
Income accumulated during the development stage	2,281	2,281	2,281
Total stockholders' equity	\$ 27,281	\$ 356,979,928	\$ 406,979,928
Total capitalization	\$ 277,281	\$ 466,547,281	\$ 516,547,281

(1) Notes payable to affiliates are comprised of promissory notes issued in the amount of \$125,000 to Berggruen Holdings and \$125,000 to Marlin Equities. The notes are due within 60 days following the consummation of this offering.

(2) If we consummate a business combination, the redemption rights afforded to our public stockholders may result in the redemption for cash of up to approximately 19.99% of the aggregate number of shares sold in this offering.

at a per-share redemption price equal to the aggregate amount then on deposit in the trust account (initially approximately \$9.72 per share), before payment of deferred underwriting discounts and commissions and including accrued interest, net of any income taxes due on such interest, which income taxes, if any, shall be paid from the trust account, and net of interest income previously released to us for working capital requirements, as of two business days prior to the proposed consummation of a business combination divided by the number of shares sold in this offering.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

**Overview**

We were formed on June 8, 2006, to effect a merger, stock exchange, asset acquisition, reorganization or similar business combination with an operating business or businesses which we believe have significant growth potential. We do not have any specific business combination under current consideration, and neither we, nor any representative acting on our behalf, has had any contacts with any target businesses regarding a business combination. We intend to effect a business combination using cash from the proceeds of this offering, our capital stock, debt or a combination of cash, stock and debt. The issuance of additional shares of our stock in a business combination:

may significantly reduce the equity interest of our stockholders;

may cause a change in control if a substantial number of shares of our stock are issued, which may affect, among other things, our ability to use our net operating loss carry-forwards, if any, and may also result in the resignation or removal of Mr. Berggruen or one or more of our other present directors; and

may adversely affect prevailing market prices for our common stock.

Similarly, debt securities issued by us in a business combination may result in:

default and foreclosure on our assets if our operating revenues after a business combination were insufficient to pay our debt obligations;

acceleration of our obligations to repay the indebtedness even if we have made all principal and interest payments when due if the debt security contained covenants requiring the maintenance of certain financial ratios or reserves and any such covenant was breached without a waiver or renegotiation of that covenant;

our immediate payment of all principal and accrued interest, if any, if the debt security was payable on demand; and

our inability to obtain additional financing, if necessary, if the debt security contained covenants restricting our ability to obtain additional financing while such debt security was outstanding.

We have neither engaged in any operations nor generated any revenues to date. Our only activities since inception have been organizational activities and those necessary to prepare for this offering. Following this offering, we will not generate any operating revenues until consummation of a business combination. We will generate non-operating income in the form of interest income on cash and cash equivalents after this offering.

**Liquidity and Capital Resources**

Our liquidity needs have been satisfied to date through receipt of \$25,000 from the sale of 12,000,003 units to our founders, and advances from our founders that are more fully described below. Please see Description of Securities for additional information concerning such units. We estimate that the net proceeds from (i) the sale of the units in this offering, after deducting approximately \$18.0 million to be applied to underwriting discounts, offering expenses and working capital and \$16.3 million of deferred underwriting discounts (or \$18.8 million if the underwriters

over-allotment option is exercised in full) and (ii) the sale of the sponsors' warrants for a purchase price of \$4.5 million, will be approximately \$450.2 million (or \$517.2 million if the underwriters' over-allotment option is exercised in full). Approximately \$466.5 million (or approximately \$535.9 million if the underwriters' over-allotment option is exercised in full), will be held in trust, which includes \$16.3 million (or \$18.8 million if the underwriters' over-allotment option is exercised in full) of deferred underwriting discounts and commissions. The remaining \$50,000 will not be held in trust.

We will use substantially all of the net proceeds of this offering to acquire one or more target businesses, including identifying and evaluating prospective target businesses, selecting one or more target businesses, and structuring, negotiating and consummating the business combination. If the business combination is paid for

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using stock or debt securities, we may apply the cash released to us from the trust account for general corporate purposes, including for maintenance or expansion of operations of the acquired business or businesses, the payment of principal or interest due on indebtedness incurred in consummating our initial business combination, to fund the purchase of other companies, or for working capital.

Following consummation of this offering, we believe the funds available to us outside of the trust account, together with interest income of up to \$3.9 million on the balance of the trust account to be released to us for working capital requirements, will be sufficient to allow us to operate for at least the next 24 months, assuming a business combination is not completed during that time. We expect our primary liquidity requirements during that period to include approximately \$1,700,000 for expenses for the due diligence and investigation of a target business or businesses; approximately \$1,700,000 for legal, accounting and other expenses associated with structuring, negotiating and documenting an initial business combination; an aggregate of up to \$240,000 for office space, administrative services and secretarial support payable to Berggruen Holdings, Inc., an affiliate of Mr. Berggruen, representing \$10,000 per month for up to 24 months beginning upon consummation of this offering; \$125,000 as a reserve for liquidation expenses; \$34,000 for legal and accounting fees relating to our SEC reporting obligations; and approximately \$101,000 for general working capital that will be used for miscellaneous expenses and reserves. These expenses are estimates only. Our actual expenditures for some or all of these items may differ from the estimates set forth herein. If our estimate of the costs of undertaking in-depth due diligence and negotiating a business combination is less than the actual amount necessary to do so, we may be required to raise additional capital, the amount, availability and cost of which is currently unascertainable. In this event, we could seek such additional capital through loans or additional investments from our sponsors, Mr. Berggruen or our directors, but, except for the co-investment, none of such sponsors, Mr. Berggruen or our directors is under any obligation to advance funds to, or invest in, us. Any such interest income not used to fund our working capital requirements or repay advances from our founders or for due diligence or legal, accounting and non-due diligence expenses will be usable by us to pay other expenses that may exceed our current estimates.

We do not believe we will need to raise additional funds following this offering in order to meet the expenditures required for operating our business. However, we may need to raise additional funds, in addition to the co-investment, through a private offering of debt or equity securities if such funds were required to consummate a business combination. Such debt securities may include a working capital revolving debt facility or a longer term debt facility. Subject to compliance with applicable securities laws, we would only consummate such financing simultaneously with the consummation of a business combination.

We intend to focus on potential target businesses with valuations between \$500 million and \$1.5 billion. We believe that our available working capital following this offering, together with the issuance of additional equity and/or the issuance of debt, would support the acquisition of such a target business. Such debt securities may include a long term debt facility, a high-yield notes offering or mezzanine debt financing, and depending upon the business of the target company, inventory, receivable or other secured asset-based financing. The mix of additional equity and/or debt would depend on many factors. The proposed funding for any such business combination would be disclosed in the proxy statement relating to the required shareholder approval. We would only consummate such financing simultaneously with the consummation of a business combination that was approved in connection with the stockholder approval of the business combination. We will only seek stockholder approval of such financing as an item separate and apart from the approval of the overall transaction if such separate approval was required by applicable securities laws or the Rules of the American Stock Exchange or other similar body.

## **Related Party Transaction**

As of the date of this prospectus, each of Berggruen Holdings and Marlin Equities has advanced on our behalf a total of \$125,000 and \$125,000, respectively, for payment of offering expenses. These advances are non-interest bearing,

unsecured and are due within 60 days following the consummation of this offering. The loans will be repaid out of the proceeds of this offering not placed in trust. Please see [Certain Transactions](#) for further information concerning such advances.

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**PROPOSED BUSINESS**

**Introduction**

We are a Delaware blank check company formed on June 8, 2006 to complete a business combination with one or more operating businesses. Our efforts in identifying a prospective target business will not be limited to a particular industry. We do not have any specific merger, stock exchange, asset acquisition, reorganization or other business combination under consideration or contemplation and we have not, nor has anyone on our behalf, contacted, or been contacted by, any potential target business or had any discussions, formal or otherwise, with respect to such a transaction. To date our efforts have been limited to organizational activities as well as activities related to this offering.

**Business Strategy**

We have identified the following criteria and guidelines that we believe are important in evaluating prospective target businesses. We will use these criteria and guidelines in evaluating acquisition opportunities. However, we may decide to enter into a business combination with a target business that do not meet these criteria and guidelines.

***Established Companies with Proven Track Records.*** We will seek to acquire established companies with sound historical financial performance. We will typically focus on companies with a history of strong operating and financial results and we do not intend to acquire start-up companies.

***Companies with Strong Free Cash Flow Characteristics.*** We will seek to acquire companies that have a history of strong, stable free cash flow generation. We will focus on companies that have predictable, recurring revenue streams and an emphasis on low working capital and capital expenditure requirements.

***Strong Competitive Industry Position.*** We will seek to acquire businesses that operate within industries that have strong fundamentals. The factors we will consider include growth prospects, competitive dynamics, level of consolidation, need for capital investment and barriers to entry. Within these industries, we will focus on companies that have a leading market position. We will analyze the strengths and weaknesses of target businesses relative to their competitors, focusing on product quality, customer loyalty, cost impediments associated with customers switching to competitors, patent protection and brand positioning. We will seek to acquire businesses that demonstrate advantages when compared to their competitors, which may help to protect their market position and profitability and deliver strong free cash flow.

***Experienced Management Team.*** We will seek to acquire businesses that have strong, experienced management teams. We will focus on management teams with a proven track record of driving revenue growth, enhancing profitability and generating strong free cash flow. We believe that the operating expertise of our founding shareholders will complement, not replace the target's management team.

***Diversified Customer and Supplier Base.*** We will seek to acquire businesses that have a diversified customer and supplier base. Companies with a diversified customer and supplier base are generally better able to endure economic downturns, industry consolidation, changing business preferences and other factors that may negatively impact their customers, suppliers and competitors.

**Competitive Advantages**

We believe that we have the following competitive advantages over other entities with business objectives similar to ours:

***Management Expertise***

We believe Berggruen Holdings is well positioned to source a business combination as a result of its extensive infrastructure which includes eight offices and a network of investment professionals worldwide. Although none of these investment professionals, other than Mr. Berggruen, will be employees of ours, and although we have no offices located outside of New York, Berggruen Holdings has agreed to make four



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investment professionals located at the Berggruen Holdings offices in New York, Los Angeles and London available at no cost to us to actively source an acquisition for us. Berggruen Holdings is industry opportunistic and has a bias towards positive cash flow with respect to the investment opportunities that it sources. In addition, Berggruen Holdings has over 20 years experience sourcing and executing investment opportunities in businesses through leveraged buyouts, public market securities, distressed situations and balance sheet restructurings. We expect the strength of Berggruen Holdings sourcing network to create unique opportunities for non-auction sourced deals. In connection with such acquisitions, Berggruen Holdings was not subject to the conflict of interest procedures described elsewhere in this prospectus that we will be subject to.

Marlin Equities is an investment vehicle majority owned by its managing member, Martin E. Franklin, the chairman of our board of directors, and Ian G.H. Ashken the other principal member who has been Mr. Franklin's business partner for over 15 years. Mr. Franklin has over 20 years of experience in numerous businesses and has been involved in originating, structuring, negotiating, managing and consummating more than 75 transactions. Mr. Franklin is the chairman and chief executive officer of Jarden Corporation, a broad based consumer products company. At Jarden, Mr. Franklin has overseen more than 10 acquisitions, ranging in size from less than \$10 million to approximately \$850 million, with combined revenues as of December 31, 2005 of over \$3 billion. We have entered into an agreement with Mr. Franklin whereby we have acknowledged that Mr. Franklin has committed to Jarden's Board of Directors that we will be seeking transactions outside of those that fit within Jarden's publicly announced acquisition criteria and that we will not interfere with Mr. Franklin's obligations to Jarden. Mr. Franklin also committed to Jarden's Board of Directors that in order to avoid the potential for a conflict, prior to us pursuing any acquisition transaction that Jarden might consider, Mr. Franklin would first confirm with an independent committee of Jarden's Board of Directors that Jarden was not interested in pursuing the potential acquisition opportunity. If the independent committee concludes that Jarden was interested in that opportunity, we would not continue with that transaction.

Prior to their involvement with Jarden, Messrs. Franklin and Ashken had extensive executive experience in running public companies. Mr. Franklin held the positions of Chairman and CEO of Lumen Technologies, Inc. (formerly BEC Group, Inc.), an NYSE listed company, from May 1996 to March 1998, and of its predecessor, Benson Eyecare Corporation, from October 1992 to May 1996, of which he was also President from November 1993 to May 1996. In 1992, Benson Eyecare Corporation was the highest performing stock on the American Stock Exchange and posted positive returns every year prior to its sale in 1996. Mr. Franklin was also Executive Chairman of Lumen Technologies from March 1998 until its sale in December 1998. Mr. Franklin served as executive chairman of Bollé Inc., an American Stock Exchange listed company, from July 1997 until its sale in February 2000. Both Lumen Technologies and Bollé were spin-offs from Benson Eyecare. In addition, during the last five years Mr. Franklin served as a non-executive director of Specialty Catalog Corp., from 1994 to 2004, of Bally Total Fitness from March 2003 to April 2004, and of Guideline, Inc. from November 2001 to December 2005. Mr. Franklin currently serves on the boards of Apollo Investment Corp. and Kenneth Cole Productions, Inc. Marlin Equities does not have any portfolio companies. Therefore, Mr. Franklin does not have any potential conflict of interests with any entity other than Jarden Corporation, the conflict of interests procedures for which are described elsewhere in this prospectus.

None of Mr. Berggruen, Mr. Franklin or any individuals and entities associated with them are required to commit any specified amount of time to our affairs and, accordingly, they will have conflicts of interest in allocating management time among various business activities, including identifying potential business combinations and monitoring or performing the related due diligence.

### ***Established deal sourcing network***

We believe that the extensive network of private equity sponsor relationships as well as relationships with management teams of public and private companies, investment bankers, attorneys and accountants developed by the principals of Berggruen Holdings and Marlin Equities, and their respective investment professionals or members

described below, should provide us with significant business combination opportunities. However, in each of these cases, our ability to benefit from these extensive relationships will be limited by the conflict of interest procedures which require that (i) if a business opportunity is competitive with a Berggruen Holdings portfolio company, it must first be presented to such company before it is made available to us and (ii) if a

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business opportunity fits within Jarden Corporation's publicly announced acquisition criteria, it must first be presented to Jarden before it is made available to us. Since Marlin Equities is a newly formed investment vehicle whose first investment will be in us, it does not have any operations and its network, relationships and contacts that we expect to benefit from will be the network, relationships and contacts of Mr. Franklin.

### ***Disciplined Acquisition Approach***

Our sponsors will use the same disciplined approach in acquiring target businesses on our behalf as they use in connection with their private equity investing. Accordingly, we will seek to reduce the risks posed by the acquisition of a target business by:

focusing on companies with leading market positions and strong cash flow;

engaging in extensive due diligence from the perspective of a long-term investor; and

investing at low price to cash flow multiples.

### ***Assistance from Berggruen Holdings' Employees***

In addition to Mr. Berggruen and Mr. Franklin, we expect the Berggruen Holdings' employees noted below to help identify target companies and assist with the due diligence of the target company for us. None of these individuals are required to commit any specified amount of time to our affairs. Berggruen Holdings has agreed to make these individuals available at no cost to us. Pursuant to this agreement, supporting us is part of the employment duties of such individuals to Berggruen Holdings.

**Jared S. Bluestein** has served as the Chief Operating Officer of Berggruen Holdings since June 1996 and has been involved in the execution and oversight of over 40 direct investments in the United States and Europe. He plays a key role in Berggruen's buyout activities, investment sourcing, portfolio oversight and firm administration. Mr. Bluestein also serves on the board of directors of Bonded Services Inc., Desa International, Hoover Treated Wood Products, Inc., FGX International Holdings Limited and Apex Design Technology. Mr. Bluestein holds degrees in Finance and International Business from The Pennsylvania State University.

**William Hallisey** joined Berggruen Holdings in March 2004. He previously managed private equity and venture investments for companies in the ING Group based in New York including ING Capital and ING Direct. These investments encompass a broad range of industries including financial services, health care, technology, media and telecom. Prior to that, Mr. Hallisey was a senior executive with investment banking and management responsibilities at both Furman Selz and ING Barings. Earlier he had private equity, real estate and fixed income asset management responsibilities for companies in the Xerox Financial Services group (Xerox Life, Van Kampen mutual funds and Xerox Credit). Mr. Hallisey led acquisitions for the GE Capital Services consumer area. He also has strategic consulting experience with the LEK partnership in Boston. He graduated from Stanford University and holds an MBA from Harvard Business School.

**Eric Hanson** joined Hanson PLC (no relation) where he was the VP of acquisitions in the USA until 1986. After leaving Hanson, he became President of International Proteins Corporation, a company which he built through acquisitions before selling off the various parts. In 1992 he joined MacAndrews & Forbes where he was involved in a number of M & A transactions. He led the management buyout of the MasterCraft Boat Company, and joined Berggruen Holdings in May 2000. He is a director of Hoover Treated Wood Products, Inc., Bonded Services Ltd and Global Supply Chain Finance AG. Mr. Hanson holds a MA from Cambridge University and a Masters in Business Administration from INSEAD.

***Jennifer D. Stewart*** joined Berggruen Holdings in 2005. She was previously a founding partner of The 180 Group where she invested \$110 million of equity capital in a diverse range of industries, including health care practice management, aerospace