Freedom Acquisition Holdings, Inc.
Form S-1/A
December 21, 2006

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As filed with the Securities and Exchange Commission on December 21, 2006
Registration No. 333-136248

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 5
to
Form S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Freedom Acquisition Holdings, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**6770**	**20-5009693**
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification Number)*

1114 Avenue of the Americas, 41st Floor
New York, New York 10036
(212) 380-2230
(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Nicolas Berggruen
President and Chief Executive Officer
1114 Avenue of the Americas, 41st Floor
New York, New York 10036
(212) 380-2230
(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

CALCULATION OF REGISTRATION FEE

Title of each Class of Security being Registered	**Amount being Registered**	**Proposed Maximum Offering Price Per Security(1)**	**Proposed Maximum Aggregate Offering Price(1)**	**Amount of Registration Fee**
Units, each consisting of one share of Common Stock, $0.0001 par value, and one Warrant(2)	46,000,000 Units	$10.00	$460,000,000	$49,220(3)
Common Stock included in the Units(2)	46,000,000 Shares			(4)
Warrants included in Units(2)	46,000,000 Warrants			(4)

(1) Estimated solely for the purpose of calculating the registration fee.
(2) Includes 6,000,000 Units, consisting of 6,000,000 shares of Common Stock and 6,000,000 Warrants, which may be issued upon exercise of a 30-day option granted to the underwriters to cover over-allotments, if any.
(3) Previously paid.
(4) No fee pursuant to Rule 457(g).

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED DECEMBER 21, 2006

PROSPECTUS

$400,000,000
Freedom Acquisition Holdings, Inc.
40,000,000 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 40,000,000 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 6,000,000 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.

	Per Unit	Total
Public offering price	$ 10.00	$ 400,000,000
Underwriting discounts and commissions(1)	$ 0.70	$ 28,000,000
Proceeds, before expenses, to us	$ 9.30	$ 372,000,000

(1) Includes $13.2 million, or $0.33 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 , 2006. Of the proceeds we receive from this offering and the sale of the sponsors warrants to our sponsors described in this prospectus, approximately $389.0 million, or approximately $9.72 per unit, will be deposited into the trust account, of which $13.2 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 , 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 and (ii) a 1 for 3 stock dividend that was effected on December 14, 2006.

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 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.

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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

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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.

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 $13.2 million or $15.2 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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THE OFFERING

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: 40,000,000 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:

	Prior to this Offering	After this Offering	After the Co-Investment
Units	10,000,001	50,000,001	55,000,001
Common Stock	10,000,001	50,000,001	55,000,001
Warrants	10,000,001	54,500,001(1)	59,500,001(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 , 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 10,000,001 of our units (after giving effect to our reverse stock split and stock dividend) 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:	
Units:	FRH.U
Common stock:	FRH
Warrants:	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 $389.0 million, or approximately $9.72 per unit (approximately $446.7 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 $13.2 million in deferred underwriting discounts and commissions (or $15.2 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 3.3% of the gross proceeds of this offering, or $13.2 million (or $15.2 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 $13.2 million or $15.2 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 $77.8 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.

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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.

	October 31, 2006	
Balance Sheet Data:	**Actual**	**As Adjusted**
Working capital (deficiency)	$ (186,529)	$ 375,827,281
Total assets	292,531	389,027,281
Total liabilities	265,250	13,200,000
Value of common stock which may be redeemed for cash ($9.72 per share)		77,751,105
Stockholders equity	27,281	298,076,176

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 $13.2 million being held in the trust account representing deferred underwriting discounts and commissions.

The as adjusted working capital and total assets amounts include approximately $389.0 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 $13.2 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 40,000,000 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 7,996,000 shares of common stock (9,195,400 if the underwriters exercise their over-allotment option in full) at an initial per-share redemption price of approximately $9.72 for approximately $77,751,105 in the aggregate (approximately $89,301,327 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 $13.2 million or $15.2 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

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 95,499,998 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 85,499,998 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 (27.0%, 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 (13.5% upon consummation of the co-investment). All of the shares 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 14,500,001 shares of our common stock immediately prior to our consummation of a business combination (warrants to purchase 19,500,001 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 42,667 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 officer s 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 $389.0 million (approximately $446.7 million if the underwriters over-allotment option is exercised in full) that we may use to complete a business combination ($439.0 million after the consummation of the co-investment (approximately $496.8 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 $13.2 million or $15.2 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 $13.2 million or $15.2 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 $0.00250 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 29.0% or $2.90 per share (the difference between the pro forma net tangible book value per share after this offering of $7.10, 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 40,000,000 shares of common stock (or 46,000,000 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 14,500,001 shares of our common stock (19,500,001 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 10,000,001 shares of common stock and 19,500,001 warrants (including 5,000,000 co-investment warrants) and/or up to 19,500,001 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

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: