

Bulldog SPAC Updates

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Bulldog SPAC Update – Principal Protection with Equity Type Optionality - Just returned from a week in Mumbai and it's nice to see SPACs holding up well amidst the current sell off plaguing global capital markets. Our SPAC SMA accounts are flat for the month with a decline of 9% for the S&P 500. The accounts are also solidly in positive territory for the year, while the S&P 500 has given up all its gains.

IPOs Continue – Alberton Acquisition priced last week led by underwriters at Chardan. Units (ALACU) priced at \$10, each unit consisting of 1 common share, 1 warrant (2 warrants + \$11.50 = 1 share of common) and 1 right (1 right = 1/10 common share upon consummation of a business combination). Management skin in the game includes purchase of 300,000 units in a private placement at \$10. These units have no recourse to the trust account and if no deal is completed, management units will have no value. Deal completion time is 12 months but can be extended twice for 3 additional months each time by adding 10 cps for each extension. If the SPAC goes the full 18 months cash in trust will be \$10.20 plus interest. At current rates we figure trust at 18 months to be around \$10.50. So worst case participants are getting 5% over the next 18 months with virtually no downside risk!

Backend wheeling and dealing adds to returns - **Hunter Acquisition** (HUNT) shares recently traded at \$9.91 and offered the opportunity for a short-term arbitrage play. Hunter Acquisition was seeking an extension to its time allotted to complete a deal and buyers would cash out at \$10 (amount available to shareholders from trust) after a 5 week hold (10% IRR) However, in order to obtain the votes for extension, Hunter has agreed to pay shareholders the full amount now in the trust account (\$10.125 per share) without holding back for working capital. So, IRR has jumped to 25%. For those shareholders that may decide to stay on till deal completion, add 3 cps for each additional month that management requires.

Another Deal Announced- On October 19, 2018 **Sentinel Energy** (STNL, STNLW), led by CEO Krishna Shivram announced a deal to acquire a majority interest in Strike Capital LLC, which owns and operates Strike LLC, the largest pure play pipeline and facilities infrastructure and integrity services provider across U.S. onshore energy markets and transmission corridors. Sentinel issued shares to the public in November 2017, at \$10 per unit with underwriters from Citi, Goldman Sachs and Credit Suisse. The current value of the package is about \$10.60.

Please reach out with any questions.

"The performance information presented herein reflects the performance of all accounts comprising Bulldog Investors, LLLC's SPAC portfolio, including the account of [one principal] of Bulldog Investors. Performance is net of all fees and expenses. Although the account[s] owned by principals of Bulldog Investors do not incur management fees, the amount of Bulldog Investors' standard 1% annual management fee has been deducted in calculating these performance figures, in order to better reflect the impact such fee has on similar accounts. In addition, the management fee for purposes of calculating the performance figures associated with principal accounts was based on monthly returns, while the standard annual management fee is based on a daily average account balance. The securities identified and described herein do not necessarily represent securities purchased for client accounts. The recipient should not assume that an investment in the securities identified was or will be profitable.