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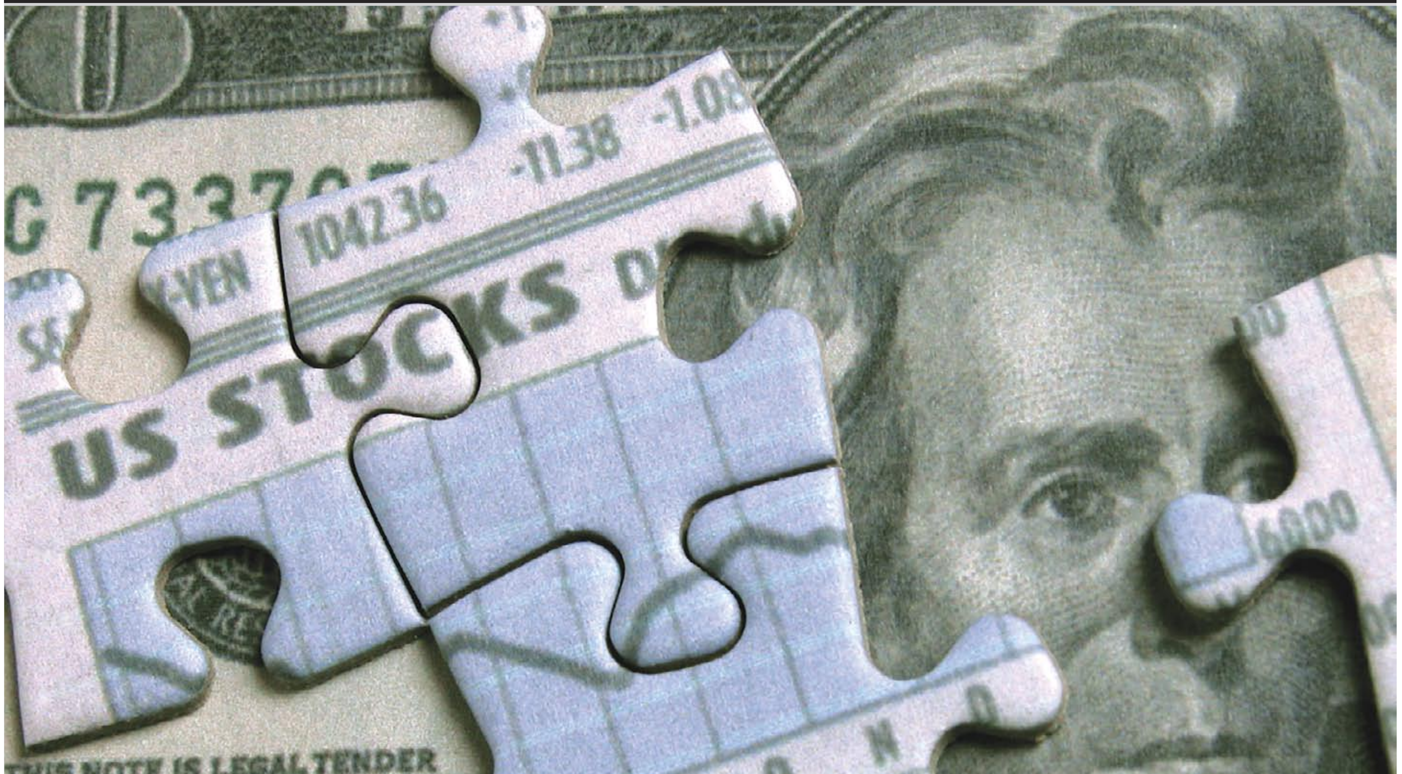
ROUNDTABLE



ALTERNATIVE PUBLIC OFFERINGS

The market for alternative public offerings (APOs) is broadening as more participants move into the frame. An increase in credibility and sophistication has deepened liquidity for these vehicles. Corporate governance practices are improving and regulatory scrutiny is enhancing the reputation of APOs across the board. Professionals expect the market to continue its global appeal, spurred in particular by interest from private equity and hedge funds.

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THE PANELLISTS

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Broadly speaking, how would you describe the current market for alternative public offerings (APOs)?

Jones: The market for 2007 will continue to be strong across the diverse range of APOs. Despite a temporary return in late 2006 to markets that seemed more 'normal', the uncertain geopolitical landscape, coupled with the growth and acceptance of significant, but unstable, markets in the BRIC countries, will provide substantial opportunities to capitalise on alternative approaches to capital raising. US institutional investors are increasingly open to PIPEs, reverse mergers and SPACs, not only with US companies but particularly in the BRIC countries, as they continue to seek new risk/reward opportunities. By contrast, the traditional IPO market will remain weak in 2007, forcing companies and investors alike to pursue alternative financing structures.

Miller: The current market for SPACs is flourishing, probably as active a market as I have witnessed since its inception in 1993. The entry of some of the bulge bracket investment banking firms has added new vigour to an already thriving market.

Enzer: The market is very liquid and very strong. We deal with 500 portfolio managers that make small and micro caps their primary strategy, in some cases comprising more than 75 percent of their assets under management. These firms range from traditional mutual funds to hedge funds managing anywhere from $50m to $10bn. The driving issue for them is risk/reward. Market players are focusing on ideas that are sound and that have the potential to drive 5-10x returns on invested capital. This has motivated the market to create new ideas and structures, primarily PIPEs. Five years ago, transactions such as RTOs, SPACs and OTC Bulletin Board transactions were avoided. These are now high volume structures and markets. Also, the US market has embraced PIPE deals as the primary alternative to publicly registered financings. In 1995, 144 PIPE transactions raised a total of $1.3bn, whereas in 2006, 1237 transactions raised $18.4bn. Two-thirds were common deals and one-third were convertibles.

Roxland: In the case of PIPEs, the market has been quite robust, attributable in substantial part to the significant diminution of both initial and conventional follow-on public offerings in the US domestic market since 9/11. As to SPACs, the confluence of adverse market conditions, regulatory ambivalence, a plethora of SPACs currently searching for potential acquisition targets, a scarcity of such targets, the backlog of SPACs still in the SEC registration process and fierce competition from private equity firms, when combined with hedge fund investor indifference if not outright hostility to recently announced SPAC business combinations, has at least temporarily chilled the market appetite for this particular variant of APO.

How might the recent 'market correction' turbulence in the global financial markets impact the APO space?

Miller: SPAC IPOs can thrive even when the US capital markets do not. In fact, one could argue that a turbulent market is better

for SPAC IPOs since SPACs offer one of the safest equity investments available. Turbulence in the overseas markets could also help the US SPAC market as foreign targets may become more likely to seek listings in the US (via reverse mergers with SPACs) as opposed to going public in their own jurisdictions.

Roxland: The ongoing 'correction' will spur further APO activity as hedge funds and other institutional investors retreat from the public markets and will look to alternative means to achieve their desired investment returns. SPACs, however, can be expected to remain adrift in the doldrums for the near term.

Jones: The recent turbulence in the market emphasises the strong influence of emerging markets such as China, and the interconnectivity of today's financial marketplace. We should reasonably expect to see continuing episodes of instability in the global financial markets as a domino effect takes hold in reaction to macroeconomic and political events. Overall, this constitutes good news for the APO market as both companies and investors will continue to seek alternative strategies to better manage the inherent risk and uncertainty in today's marketplace.

Enzer: The time and cost of IPOs has made it tougher for small cap companies to justify the investment or completion risk, given the speed that market windows open and close. In our experience, even market sectors that are in favour have fluctuated 25-35 percent in valuation, which impacts pricing criteria. Most IPOs take approximately six months to complete, including planning, auditing, drafting, SEC review, banking preparation, road shows and pricing. Issuers have to go through all the regulatory and marketing hoops (and expense) to test market interest and determine, after a road show, what they can price at. RTOs can be completed and funded in the US in 45-60 days at significantly less cost and risk than an IPO, given the lack of requirement for pre-filings and drafting sessions. The issuer gets a free look at the market and can get strong commitments, even price talk, in less than a few weeks while testing the market. SPACs require more time and a shareholder vote after a proxy and typically take 4-6 months to complete and fund. The success of the PIPE and APO market in the US has drawn in all the major players and capital, and US deals are growing larger and competing directly with the old line approaches. Recent examples are Acquicor's $150m equity SPAC to acquire Jazz Semiconductor and KKR's $700m notes and converts deal with Sun Microsystems. Turbulence will drive more issuers to consider APOs as it's a faster process.

Do APO structures serve a valuable function in breathing life into companies that would otherwise struggle to attract funding?

Enzer: No. The APO is an alternative to a traditional IPO, and at the end of the day an issuer has to demonstrate the credibility and foundation for generating great investment returns. A company doing an APO could also choose an IPO, but an APO is not a panacea for funding all issuers. Traditionally, companies in the US that are generating $20-30m of revenues and have positive net income – or are rushing quickly toward that goal – are beginning to consider the IPO runway. An APO is a good method for companies that fall within this criteria, or are nearing it, to access institutional money. However, portfolio managers in the US are seeking strong companies that will generate active trading in their shares (with a volume around 100,000-250,000 per day) and annual growth rates for revenues and net income of 20-50 percent. Companies that do not meet this criteria infrequently seek to complete an APO deal, but given the low probability of success, are likely to consider other foreign markets in Canada and Europe to complete that goal.

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IRA I. ROXLAND

Miller: In order to consummate its business combination, a SPAC must have the majority of its shares vote in favour of the transaction and typically less than 20 percent vote against it. If the target does not have good fundamentals and is not investment-worthy, the business combination will not be approved by SPAC stockholders. The process involved in obtaining stockholder approval for a SPAC is very much like doing an IPO for the target company, so if the target is not able to attract funding, the SPAC's business combination is unlikely to be approved by the SPAC's stockholders.

Roxland: APO structures can, and indeed do, offer lifelines to struggling companies and their principals that are not prepared to dilute themselves to middling equity positions for venture capital, if available, or to sell out to private equity firms at valuations far below those attained, historically, in the public markets.

Jones: We must not lose sight of the fact that APO structures are now considered 'mainstream' financing vehicles for companies and institutional investors. For the struggling company, APOs provide a greater number of financing alternatives – and access to a broader range of investors – than were previously available to them. These companies are not limited to reverse merger opportunities. There are a large number of SPACs seeking viable acquisition candidates here and overseas, and the struggling company provides an attractive target.

Now that several of the bulge bracket firms have started structuring SPAC IPOs, is it likely that more top tier firms will enter the space in the future? What results will this have on the APO market?

Roxland: The entrance of bulge-bracket investment banking firms into the SPAC space was inevitable once the American Stock Exchange undertook to offer listings to SPACs with a minimum of $50m net proceeds. An exchange listing conveyed respectability ▸▸

and some, but certainly not all, of the bulge bracket investment banks could not resist the bait of 'cookie cutter' offerings to a primarily hedge fund clientele who were prepared to expend their funds for a 'first look' at acquisition opportunities with a predictable and minimal downside risk. As mentioned earlier, I believe SPACs are currently out of favour. However, once the current SPAC backlog is winnowed down through successful business combinations or time-limited liquidations, the market correction has occurred and come to rest and there is no resurgence of IPO activity, the SPAC APO will return both on AMEX and on AIM.

Jones: A large number of SPACs came to market in 2005 and 2006, bolstered by the entrance of the bulge bracket investment banks into this space. However, the 'credibility' or 'acceptance' of the SPAC was already in place as a result of highly reputable executives, such as Steve Berrard from Blockbuster and Steve Wozniak from Apple, participating in the structuring of these transactions. The key, of course, for the SPAC is whether it can identify a suitable acquisition target in a timely fashion. While a lot of investment money has gone into SPACs over the past 18 months, we are still not seeing a high percentage of acquisitions consummated. This should change as the M&A markets remain strong and economics will continue to force consolidation in the marketplace. This is a very opportunistic market; so if deals are getting done, you can readily expect to see more top players entering the field.

Miller: The entry into the SPAC marketplace of firms like Citigroup, Lazard, Deutsche Bank and Bank of America have definitely added credibility to the product. This should enhance visibility which, in turn, will result in even more top-tier firms entering the space. However, since the bulge bracket firms are more likely to underwrite only the larger SPAC IPOs, it will be interesting to see how some of the more recent and very large SPACs perform with their business combinations. That will determine whether more large SPAC IPOs are undertaken, which will directly influence whether other top-tier firms get involved.

Enzer: The SPAC market will remain opportunistic, with lower deal volume than we've seen over the last two years. SPACs appeal to specialty management teams, and lately there have been less favourable conditions in which to complete SPACs with a successful merger or acquisition target. We believe the RTO market will continue to grow in volume as the preferable public financing alternative to the IPO market. We are also looking at 144A private placements followed by registration and trading on PORTAL market (until cleared by the SEC and freely tradable on an exchange) as a great alternative for high quality issuers and Qualified Institutional Buyers (QIBs) that understand that market approach.

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DAVID J. ENZER

What changes have you seen in deal structures that signal heightened sophistication of the APO market? How much of this is being shaped by regulators and how much by investor demand?

Jones: Most of the changes to deal structures over the past year have been the market's response to regulatory scrutiny of PIPEs and reverse mergers. Investors have been forced to modify deal terms to accommodate SEC views on variable features in convertible and warrant structures and liquidated damages clauses, and, more recently the utilisation of Rule 415 for resale registrations following on from PIPEs. Now that the EITF 00-19 issue has been resolved by FASB, issuers and investors have greater certainty on the accounting treatment of their financing structures and terms; however, the shift to caps on pricing mechanisms and liquidated damages is now considered 'market'. We are also seeing carve outs from liquidated damages for delays caused by the SEC questioning the applicability of Rule 415 in resale registrations.

Roxland: Regulatory pronouncements, notably the SEC's recent unwritten but clearly enunciated policy of effectively curtailing the availability of S-3 resale registration statements to investors in 'death spiral' convertible securities, should effectively drive a goodly portion of the lower end APO purveyors out of the US capital markets. The remaining participants, including recent new entrants such as specialty investments groups within tiered investment banking firms, are quite sophisticated and often focus on long term yields. Further, APOs such as registered direct offerings for shelf-eligible issuers, are becoming more common and are attracting mid-tier investment banking firms which, while not prepared to risk their own capital, are more than willing to act on an agency basis for issuers. These trends, among others, are demonstrably up-scaling both the APO market and the various players therein.

Enzer: We typically see common deals with warrants in the RTO space, often with some performance criteria for additional warrants or clawbacks. The SPAC market has been working off a common plus warrant approach, usually with two tiers of warrants. Warrants struck at a premium have been advantageous to investors in terms of risk/reward, and to the issuers in terms being struck at a premium, having a limited life, providing additional capital and occasionally including the ability to redeem. In RTOs, sponsors are locking up their shares for a 1-2 year period and control holders of the pre-deal target are investing in the PIPE. In SPACs, we have generally seen similar features. Additionally, investment banks are leaving up to 50 percent of their fee in the capital of the SPAC, which is paid out only upon a successful acquisition or merger, thereby assuring investors that anywhere from 90-95 percent of capital remains in the SPAC until a transaction is approved and closes.

Miller: Changes to deal structures have been driven by both regulators and investors. Investors have helped shape the 'skin in the game' concept. The investment community has always demanded that SPAC insiders ('spacmeisters') put some of their own money into their SPACs. In the 1990s, and in the first several SPAC IPOs in the new millennium, this was accomplished by having the spacmeisters purchase warrants in the public market after the IPO. As a result of investor demand, the spacmeisters now purchase these warrants directly from the SPAC, simultaneously with the IPO, with the purchase price for the warrants going directly into the SPAC's trust account, thereby increasing the potential conversion and/or liquidation values to the public investors. Another recent structural change to SPACs is making them 24-month limited life companies. This new breed of SPAC will dissolve and liquidate automatically 24 months after the IPO if it has not consummated a business combination by that time. This change came about as a result of regulators insisting that, if a SPAC does not find a business combination within 24 months, it cannot dissolve and liquidate without first having a stockholder meeting. The limited life charters adopted by the new breed of SPACs obviate the need for such stockholder meetings, thereby saving time and money.

Greater interest, sophistication and participation in the APO market are causing deal sizes to rapidly increase. As the market matures, do you believe smaller SPAC IPOs will be forgotten or overlooked?

Miller: Definitely not. First, it is important to note that a small SPAC can acquire a very large company by using its stock in addition to, or in lieu of, its cash. Second, there are many spacmeisters who consider their 'sweet spots' to be the acquisition of smaller companies valued between $50-$150m and there are plenty of smaller targets willing to be acquired by SPACs at attractive valuations. As long as there is an abundant supply of targets and teams of spacmeisters who specialise in the art of the smaller deal, smaller SPAC IPOs will never be forgotten or overlooked.

Enzer: The US-listed SPACs have ranged from $20m to more than $100m and the early brokerage firms completing them were all relatively small firms. With larger investment banks entering the space, transaction sizes will increase, but the original smaller players will remain active. Given that 80 percent of the SPAC capital must be invested under SPAC rules, typically within 18 months of the financing, there may be a tendency to gravitate toward $50-100m to complete a deal and combination, followed by a return to market for more capital.

Jones: The increase in deal size is more a function of the greater market acceptance of APO structures, lead by well-known executive teams and top tier investment banks. In turn, this has brought large institutional investors and hedge funds into the higher end of the market, enabling the overall market opportunities to expand. There remain, however, mid-market and micro/nano-cap funds that will seek attractive APO opportunities within their space.

Roxland: There will be a continuing role for non-AMEX eligible SPACs, but they will be confined to a relatively small universe of untiered investment banking firms with a repetitive and overlapping hedge fund client constituency and a retail component that will be much higher than the historical norm for public offerings. The number of offerings in all likelihood will dramatically decrease in this space.

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BARBARA A. JONES

How are deals being restructured to accommodate recent regulatory changes in the US and other jurisdictions, particularly China in light of its new M&A laws?

Enzer: On 8 September 2006, when the China Ministry of Finance adopted new rules for China-based deals, all deals planned for US listing were restructured. We are not aware of any deals that have taken place since that date, through which to evaluate the rules, so we must wait and see. That said, significant interest and liquidity is flowing into the China space, and of the 300 public companies that presented at our last Growth Stock Conference, 38 were based in China.

Jones: Chinese companies that had transformed themselves into Wholly Foreign Owned Enterprises (WFOEs) prior to the September 2006 effective date of the new M&A laws have been 'grandfathered in' and will continue to pursue APOs actively. The difficulty has been for non-WFOE companies, where the lack of guidance from the Chinese authorities on the implementation of the new laws has created a regulatory impediment. Structures are being developed to accommodate national and provincial regulatory and political considerations based upon the type of industry and ultimate financing needs. In the US, resale registrations for PIPE shares have been downsized where necessary to accommodate SEC scrutiny on the application of Rule 415, with multiple registrations being effected to accommodate all investors or investors being required simply to hold on to the 'excess' shares until they become eligible for resale under Rule 144. We understand that the SEC is contemplating revisions to Rule 144 to reduce the holding period for restricted securities. Such a change would be widely welcomed and would eliminate many of the current PIPE concerns relating to liquidated damages and resales registrations.

Roxland: While the barriers to foreign investment in the PRC have been lowered, the timeframe within which to effectuate an M&A transaction is excruciatingly slow by Western standards, while the regulatory and political environment can change course with unexpected rapidity, making certainty of closure a chimerical exercise. What is pronounced is the increasing tendency of PRC companies to bypass the US and London in favour of the Hong Kong and Singapore exchanges to generate public financings. On

a short term basis, I would be more inclined to focus more on India and other Southeast Asian countries as sources for M&A opportunities.

Miller: SPACs are incorporating in jurisdictions other than the US, such as the Cayman Islands, in order to take advantage of various changes in the tax laws (both US and foreign). Additionally, SPACs seeking to acquire companies in China may now be more likely to list on AMEX since such listing could potentially avoid issues under the new Chinese M&A regulations.

To what extent do reporting requirements, disclosure, liquidity, timing and related considerations affect the decisions of companies selecting an exchange on which to undertake an APO?

Roxland: There has been excessive promotion of AIM as a user-friendly market alternative to the corporate governance and accounting strictures imposed on US companies by the Sarbanes-Oxley Act of 2002. There is much to be said for AIM listings, but unless the relevant NOMAD is selected with care, the offering is of sufficient size (say a minimum of £25m) and the US issuer has a visible UK or EU presence, meaningful after-market liquidity may not develop. I suspect that many of the US issuers that have successfully pursued an AIM listing will migrate back to the US as their primary trading market, when they are first able to do so.

Jones: These factors have shifted the analysis from 'which exchange to list on' to 'which market to list in'. We continue to hear strong concern voiced by US and international companies over the costs of complying with Sarbanes-Oxley. This forces many companies to pursue listings on non-US exchanges. AIM remained strong through 2006 with a record $30bn of new capital raised, $19bn of which was through IPOs. Recent changes to the Toronto Venture Exchange have renewed interest in that exchange, as it strives to compete for companies seeking an alternative to the US compliance regime. The Hong Kong exchange has also benefited from listings by Asian companies nervous about venturing onto a US exchange. The relative ease with which a company can effect an APO on a non-US exchange as well as benefit from less onerous reporting requirements has enhanced the momentum of the APO market outside the US. A new clearance system through SIS has facilitated the trading of Reg S securities on AIM for US companies, alleviating some of the historical concerns regarding liquidity.

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DAVID ALAN MILLER

Miller: Let's consider SPAC IPOs being transacted in the US (whether listed on the OTC Bulletin Board or the American Stock Exchange) versus a 'Eurospac' IPO being transacted on the AIM marketplace. The Eurospac might be deemed more attractive to the spacmeister because the IPO process on AIM is quicker, the stockholder approval process for a business combination is easier and the spacmeisters can have pre-identified target companies in mind at the time of their IPOs. On the other hand, these Eurospacs are significantly less attractive to the investment community because the securities purchased in a Eurospac IPO have very limited liquidity. Additionally, the business combinations consummated by these Eurospacs will not be listed on a US exchange for quite some time and AIM does not demand the same rigorous level of corporate governance and internal controls that a US listing would require.

Enzer: The companies in the RTO space typically are starting off on the OTCBB, and after a ramp up period are moving over to AMEX or NASDAQ. This has worked well as major institutional investors here have embraced the OTCBB's electronic platform and companies have found that it also allows for a more liberal financing environment. The goal is to be listed on one of the major exchanges within a year. But some large recent financings have been OTCBB listed, and it is clear all the major players will go there if the right opportunity exists. In the SPAC market, the AMEX provides the major listing opportunities.

What, if any, are the advantages of having a SPAC IPO listed on AMEX as opposed to the bulletin board?

Miller: An AMEX listing gives you a 50-state 'blue sky' exemption, which means you can market your SPAC IPO to retail clients all over the US. Without an AMEX listing, SPAC IPOs may be sold to retail clients only in approximately 7-10 states, although institutional investors can purchase from any state. Additionally, there exists the potential that an AMEX listing could ease some regulatory burdens under the new Chinese M&A laws, although this is not yet clear. One potential disadvantage of an AMEX listing is the need to have independent directors in place substantially prior to the SPAC consummating a business combination.

Enzer: A SPAC is similar to an actual IPO insofar as the registration and marketing of securities takes place. The early SPACs were OTCBB listed but AMEX has been relaxing its listing requirements and now takes most of the SPAC flow. To date, NASDAQ has not allowed SPACs to list. In an RTO, the merger into a dormant public traded company usually takes a seasoning period prior to the company meeting AMEX or NASDAQ listing requirements, so an intermediate step is necessary.

Jones: Investor expectation of a viable, liquid trading market is a key component of a SPAC, particular as the SPAC investigates suitable targets for acquisition. Many institutional investors are restricted in their ability to invest in non-exchange traded securities. The AMEX listing provides the SPAC with access to a broader initial investor market and facilitates its negotiations with the target's management by providing a viable exit opportunity.

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Roxland: Aside from the aura of respectability, the primary benefit of an AMEX listing for a SPAC is to avoid the implication of state securities or 'blue sky' laws which effectively preclude SPAC offerings in all but a handful of states.

Would you say that the level of corporate governance observed by companies formed by reverse mergers, SPACs and other APOs is improving?

Jones: No question there is generally a greater degree of sophistication within the APO marketplace. Emerging companies are more thoughtful in developing their mid-to-long term strategies and are allowing themselves more time to develop their infrastructure to properly manage corporate governance matters, rather than rushing to a full exchange listing without the proper controls in place. Broader acceptance of the OTC Bulletin Board, improvements to the Pink Sheets quotation system and the access to non-US markets such as AIM have facilitated the ability of emerging companies to develop their corporate governance at a more measured pace.

Roxland: Corporate governance is improving, based upon greater regulatory scrutiny and the mainstreaming of APOs in the market.

Enzer: These are real public companies and have to satisfy the various listing requirements. SPACs that are starting at AMEX have to meet all listing criteria regarding board and committee membership. Additionally, if they fall within the regulatory framework, they may have to satisfy Sarbanes-Oxley as well. The same follows for RTOs – whether listed on the OTCBB, NASDAQ or AMEX – will have to meet Sarbanes-Oxley in 2007 or 2008 depending on company size. SPACs and most RTOs are always taken public pursuant to an offering, and bankers and institutional investors are proactive in mandating best practices from management and board formation from inception.

Miller: The level of corporate governance observed by SPACs has always been high because of the regulatory scrutiny that the SPAC market has been subject to. As a result, we have always advised our SPAC clients, both pre- and post-business combination, to consistently use the best possible practices when it comes to corporate governance.

Do private equity and hedge funds continue to look at APOs in terms of new investments and exit avenues?

Roxland: These funds look to APOs with increasing frequency as the US public markets remain effectively closed as an exit strategy. Further, dealing with SPACs and other APOs has gained market acceptance where in prior years the purveyors and promoters of SPACs and other APOs were viewed by tiered investment banking firms and legal and accounting professionals as veritable pariahs.

Miller: Hedge funds continue to purchase SPAC IPOs in significant quantities and private equity firms continue to seek out SPACs as reverse merger exit strategies for their portfolio companies. If anything, both trends are on the increase as a result of the added credibility brought to the SPAC market by the entry into the space of the top-tier investment banking firms.

Enzer: This is a liquid market and the major VCs and other financial sponsors are becoming more interested in the APO process. The rules are strengthening. The NASDAQ, AMEX and SEC oversight has increased, which has made the deal market more consistent and transparent. The market for APOs and PIPE financings has exploded in the US, and the processes deployed by the investment banks and issuers have helped move these transactions from one-off deals to an active and liquid marketplace. The major mutual and hedge funds are all 'idea' driven and have grown comfortable with the process and its limitations.

Jones: The significant growth in the size of the APO market has come from the increasing role played by hedge funds and private equity groups in this market segment. During 2006, we noted, in particular, these investors moving into large SPACs in the US, as well as increasing their exposure to international companies through non-US SPACs, direct investment or PIPEs. Further, these groups have now accepted, as a general principle, the legitimacy of APOs as an exit strategy.

What impact will heightened regulatory scrutiny have on the APO market going forward?

Enzer: The exchanges and markets in the US continue to evolve to meet the challenge of APO and PIPE deals. The SEC has considered (and continues to review) many issues relating to these types of transactions, and generates rules on an ongoing basis. It continues to refine the rules to satisfy market concerns regarding public companies, shareholders and disclosure. This market is expanding and the rule changes have assisted this process by providing consistency.

Roxland: Enhanced regulatory scrutiny, albeit costly and time-consuming, should serve to increase investor confidence in the APO market, leading to higher quality issuer and investment banking participation.

Jones: Certainly, deal structures and terms will continue to evolve in response to regulatory initiatives in the US and elsewhere. The beauty of the APO market is that one size does not fit all – market participants will take the best practices and most viable features of each structure and mould them to fit changing investor demands and regulatory concerns. We need regulatory oversight, however, that does not force US companies and investors offshore for their capital raising/investing needs. The reluctance of the SEC to issue formal guidance on the application of Rule 415, and instead adopt a case-by-case approach, has created unnecessary uncertainty and added to the overall risk and cost of certain deals in the US.

Miller: Regulatory scrutiny of the SPAC market has always been 'heightened'. State and federal regulators have been closely scrutinising SPACs since their inception in 1993. Despite this heightened level of scrutiny, SPACs have survived and thrived. In fact, some of the most beneficial structural changes in the SPAC, as discussed above, have been driven by regulatory questions and concerns. The net result of heightened scrutiny has always been, and continues to be, a better and more attractive SPAC product. ■