

approximately 2,948 private equity portfolio companies have been held for more than 5 years, with the median holding period increasing from an average of 3.6 years in 2007 to 6.1 years in 2014.

- **Limited Liquidity Options:** At times the IPO market is uncertain or closed, so an acquisition by us could be a better means of going public for a target company. Further, a target company's owners and/or management might not have experience going public or as a public company and could view our management team and sponsor experience as an important factor. Additionally, certain businesses may not be an ideal candidate for an M&A auction process, so a negotiated acquisition by us could provide a better means of the target business' current owners achieving liquidity.

We may or may not consummate our business combination with a company that exhibits all or any of the qualities above. In evaluating a prospective target business, we expect to conduct a thorough due diligence review which will encompass, among other things, meetings with incumbent management and employees, document reviews, inspection of facilities, as well as a review of financial and other information which will be made available to us.

We are not prohibited from pursuing an initial business combination with a company that is affiliated with members of our management team or their affiliates. In the event we seek to complete our initial business combination with a company that is affiliated with our management team or their affiliates, we, or a committee of independent directors, will obtain an opinion from an independent accounting firm or an independent investment banking firm which is a member of FINRA that our initial business combination is fair to our company from a financial point of view.

Members of our management team, our directors and members of our sponsor may directly or indirectly own common stock and warrants following this offering, and, accordingly, may have a conflict of interest in determining whether a particular target business is an appropriate business with which to effectuate our initial business combination. Further, each of our officers, directors and director nominees may have a conflict of interest with respect to evaluating a particular business combination if the retention or resignation of any such officers and directors was included by a target business as a condition to any agreement with respect to our initial business combination.

Each of our officers, directors and director nominees presently has, and any of them in the future may have, additional fiduciary or contractual obligations to another entity pursuant to which such officer or director or director nominee is required to present a business combination opportunity to such entity. Accordingly, if any of our officers, directors or director nominees becomes aware of a business combination opportunity which is suitable for an entity to which he or she has then current fiduciary or contractual obligations, he or she will honor his or her fiduciary or contractual obligations to present such business combination opportunity to such entity, and only present it to us if such entity rejects the opportunity. We do not believe, however, that the fiduciary duties or contractual obligations of such persons will materially affect our ability to complete our business combination. Our amended and restated certificate of incorporation provides that we renounce our interest in any corporate opportunity offered to any director unless such opportunity is expressly offered to such person solely in his or her capacity as a director or officer of our company and such opportunity is one we are legally and contractually permitted to undertake and would otherwise be reasonable for us to pursue.

Our executive officers, directors and director nominees have agreed, pursuant to a written letter agreement, not to participate in the formation of, or become an officer or director of, any other blank check company until we have entered into a definitive agreement regarding our initial business combination or we have failed to complete our initial business combination within 24 months after the closing of this offering. None of our officers, directors or director nominees has been involved with any blank check companies or special purpose acquisition corporations in the past.

We may pay a member of our combined team (or an entity affiliated with a member of our combined team) a fee for financial advisory services rendered in connection with our identification, negotiation and consummation of our initial business combination. The fee

will only be payable upon closing of our initial business combination, and may be paid out of the offering proceeds deposited in the trust account. The per-share amount distributed to any redeeming stockholders upon the completion of our initial business combination will not be reduced as a result of such fee. A majority of disinterested directors will determine the nature and amount of such fee, which will be based upon the prevailing market rate for similar services negotiated at arms' length for such transactions at such time, but will in no event exceed \$3,000,000 in the aggregate. Any such fee will also be subject to the review of our audit committee pursuant to the audit committee's policies and procedures relating to transactions that may present conflicts of interest. No such fee will be payable to our Chief Executive Officer.

The NASDAQ rules require that our initial business combination must be with one or more target businesses