

# MORGAN CREEK- EXOS SPAC+ FUND

May 2021

# FUND OBJECTIVE

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In a world of zero or negative interest rates, investors are forced to take on additional risk (equity, credit, illiquidity, etc.) to meet their return objectives.



The Morgan Creek-Exos SPAC+ Fund is designed to capitalize on the unique nature of SPACs to deliver an attractive risk profile with the potential for meaningful upside, while protecting downside through the ability to put SPAC shares back for their underlying portion of cash or T-bills held in trust.

# DECLINING INTEREST RATE ENVIRONMENT

INTEREST RATES HAVE DECLINED SYSTEMATICALLY OVER OUR GENERATION AND ARE IN MANY CASES NOW ZERO OR NEGATIVE



Source: Macrotrends

# IMPACT OF RATE RECOVERY

**LOW INTEREST RATES NOT ONLY DEPRESS FORWARD RETURNS BUT ADD SIGNIFICANT RISK**  
(Losses due to rate increases over 2 years)

	5Y UST	10Y UST	30Y UST
Current Yield	0.86%	1.65%	2.30%
200bp rise	-5.71%	-13.77%	-32.38%
400bp rise	-11.04%	-25.46%	-52.31%

\*Using spot rates as of 4/30/21.



Morgan Creek Exos SPAC+ Fund leverages the unique qualities of special purpose acquisition companies (SPACs)

- Seeks to deliver a consistent return, an attractive risk profile, and the potential for upside, all while relying on a portfolio of T-bills or other cash-like collateral in trust in an effort to preserve capital.
- Strategy will hold inventory, acquired both in the primary and secondary markets, and implement an algorithmic market making strategy to maximize the value of that inventory over time.



Our approach provides investors with equity upside while protecting principal via the SPAC trust account

- The fund seeks to provide downside protection via the trust proceeds backing each issue we hold, and it has the potential to accrue outsized returns should attractive combinations be announced by companies in the portfolio.
- Our proprietary technology seeks to drive additional returns from bid/ask spreads by algorithmically trading the portfolio.
- We have the ability to lever the portfolio which may enhance the return potential while maintaining protection via additional collateral.



Exos has significant experience in the SPAC space, and has built proprietary technology and algorithms designed to optimize risk/return

- Deep connectivity across the SPAC ecosystem, with access to primary issues, block trades, and secondary flow.
- We believe our proprietary technology gives Exos an edge in secondary market trading activities.
- The Exos team has a deep understanding of the SPAC product, including having sponsored their own SPACs.

No assurance can be given that the strategy will be successful, or capital will be preserved.

# WHAT IS A SPAC?



A Special Purpose Acquisition Company (SPAC) is an investment vehicle that enables a management team to raise capital via an IPO with the purpose of engaging in a business combination with an operating company



SPAC sponsors pay offering costs, working capital, and underwriting fees, usually a \$5M+ investment depending on SPAC size, in exchange for 20% of the post IPO common equity, and out of the money derivatives



The capital raised in the IPO is placed into an inviolable trust, earns interest, and can only be used to consummate a merger



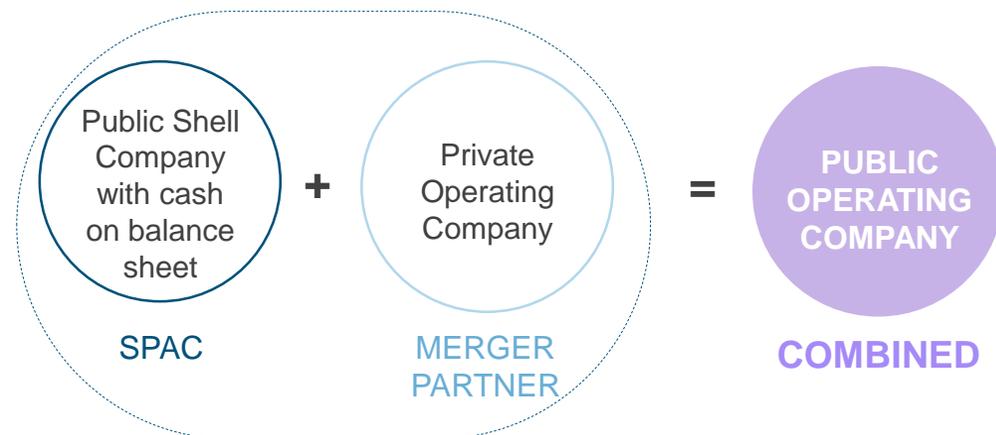
Investors receive \$10.00 units comprised of one common share and typically some additional options (typically a warrant, a fraction of a warrant, or occasionally a right to buy the common stock at a fixed price in the future).



Investors may sell their shares at any time, redeem for their pro rata share of cash in trust, or “participate” in the business combination



If a business combination does not occur within a defined time period (18 – 24 months) the SPAC is dissolved, investors receive their pro-rata portion of cash in trust, and the sponsor investment expires worthless

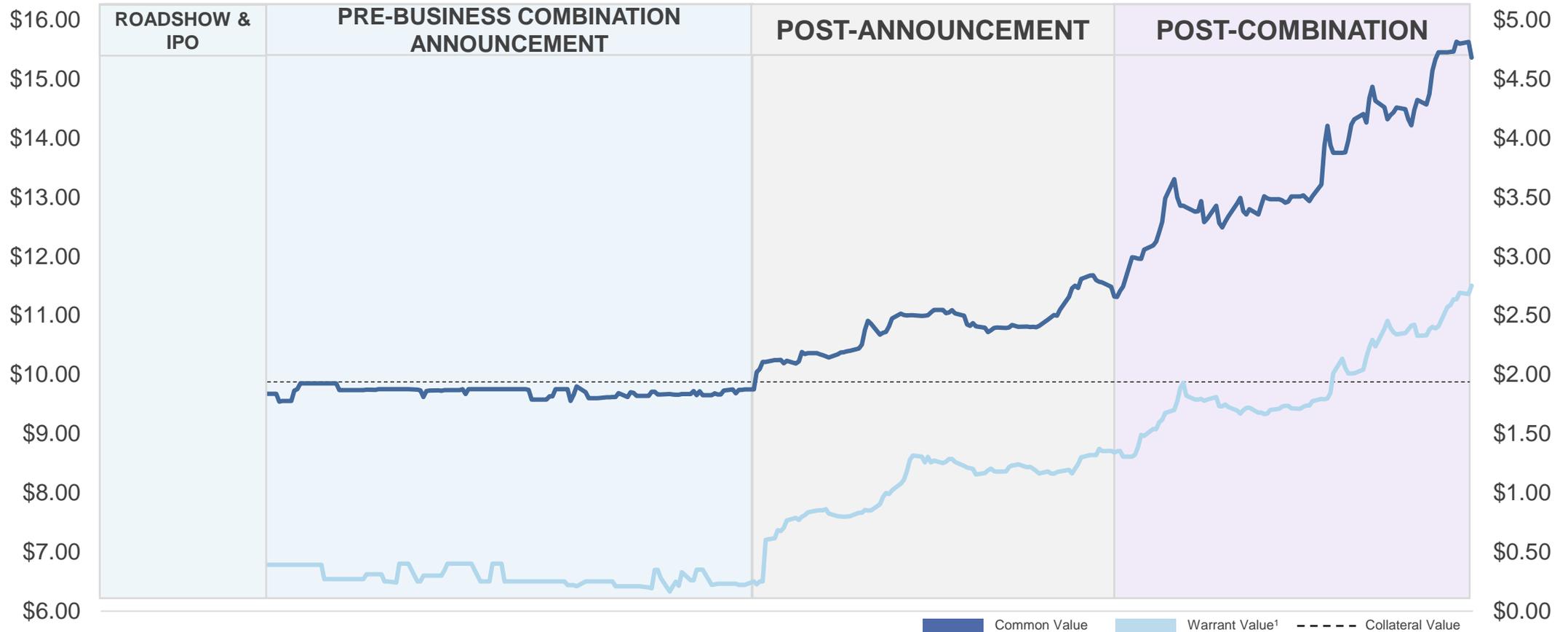


# SPAC Unit Component Overview



For Illustrative Purposes Only: Information represents a typical SPAC structure.

# A SPAC'S JOURNEY



<sup>1</sup> Each warrant converts to 1/2 of a common share

For Illustrative Purposes Only. This is a general example of a SPAC's structure and does not represent a specific holding in the Fund but is meant to illustrate the typical life cycle of a SPAC and its different investing periods. The above does not attempt to represent hypothetical performance of the SPAC+ Fund.

# A SPAC'S JOURNEY



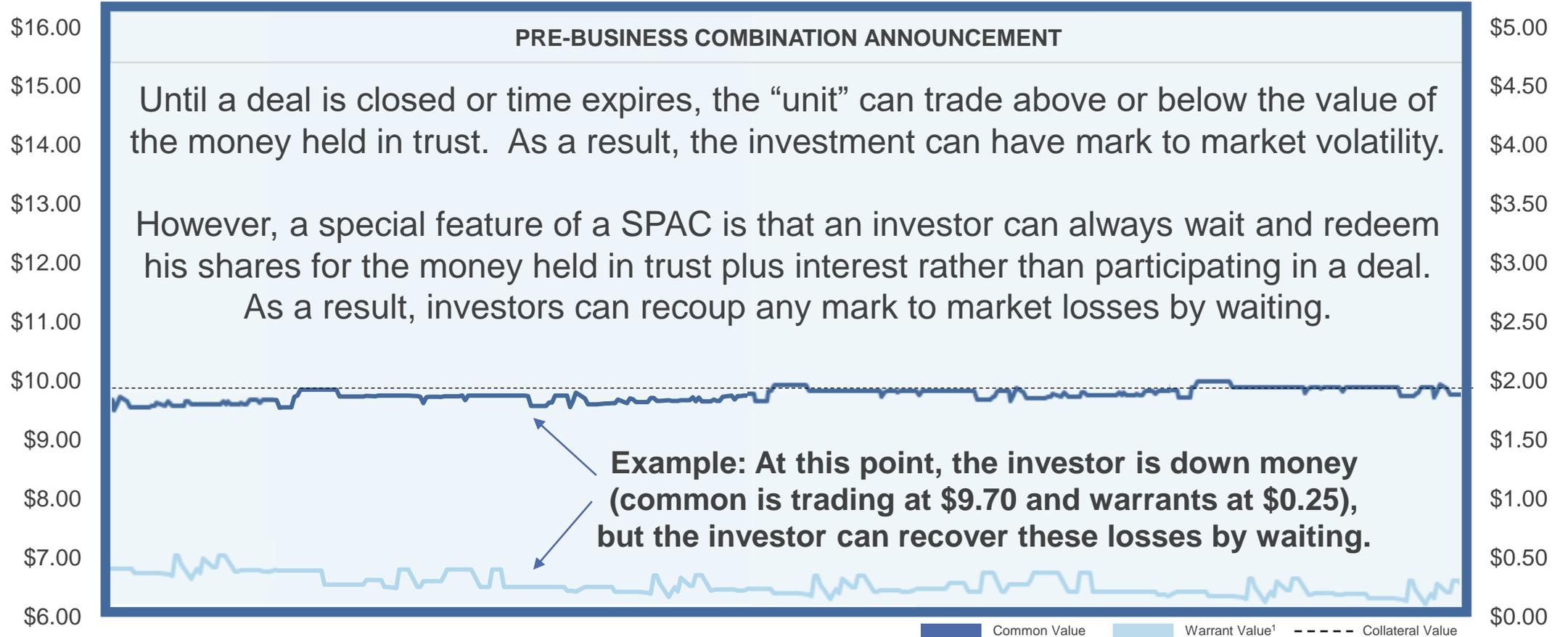
## ROADSHOW & IPO

Investors buy a “unit” typically priced at \$10 which consists of a common share and typically a fraction of a warrant struck at \$11.50. The amount investors pay for shares is held in trust and typically invested in T-Bills.

Example: Investor pays \$1,000 for 100 “units” which are comprised of 100 common shares + 50 5-year warrants struck at \$11.50. The \$1,000 goes into trust and is invested in T-Bills.

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# A SPAC'S JOURNEY



<sup>1</sup> Each warrant converts to ½ of a common share

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# A SPAC'S JOURNEY



## POST-ANNOUNCEMENT



**Worst case** - Time runs out on the sponsor and no deal is closed. An investor automatically receives back their money plus interest, warrants are worthless.



The investor receives the original **\$1,000** investment plus **\$5.00** interest for a **0.5%** total return.



**Middle case** - A sponsor brings a deal that is not “hot”, so the stock trades at or below the value of the money held in trust. An investor “puts” their shares back and receives back their money plus interest. Additionally, they are able to keep their 50 warrants which they can sell in the market or hold in hopes of further increases in value.



The investor puts the shares back and sells the warrants for **\$0.50/each**. Overall, the investor receives the original **\$1,000** investment plus **\$5.00** interest plus **\$25** warrant proceeds for a **3.0%** total return.

Rather than sell, the investor could alternatively hold the warrants for as long as 5 years to try to capture additional return without risk to their original investment.



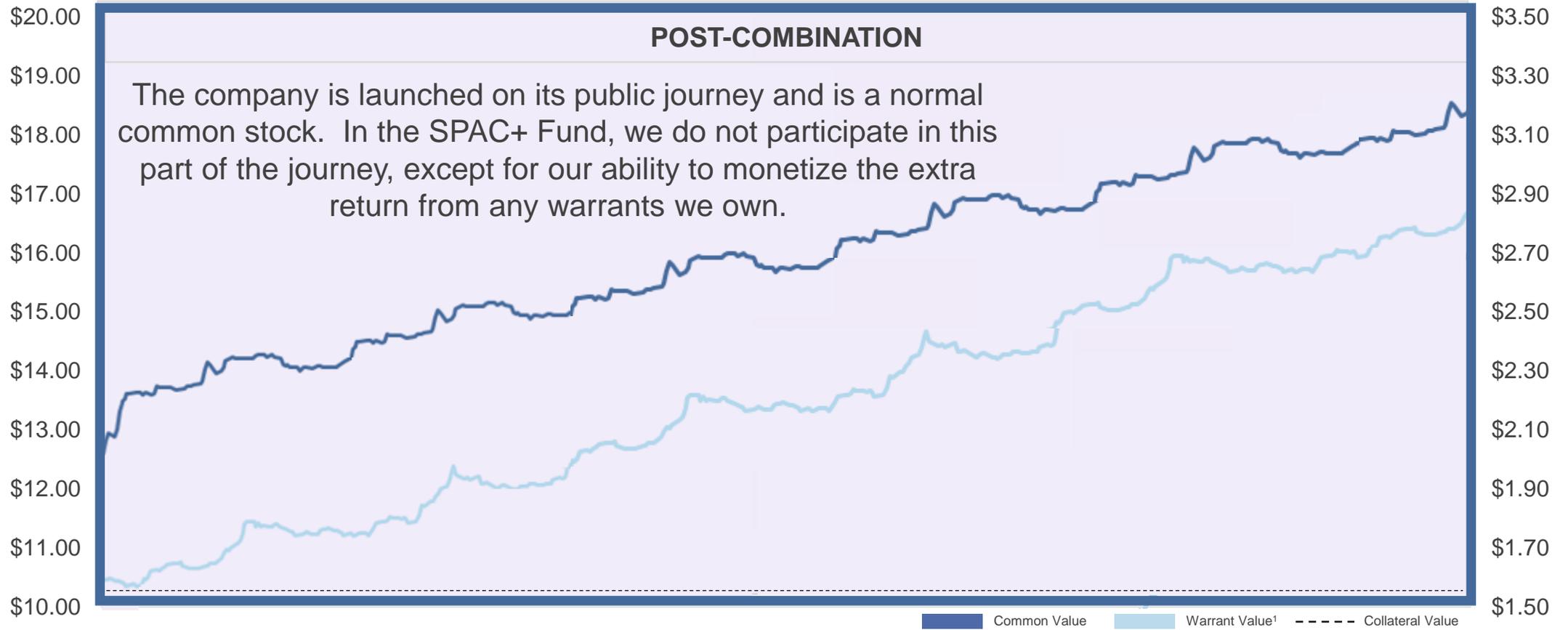
**Best case** - A sponsor brings a deal that is “hot”, so the stock trades above the value of money held in trust. An investor sells the shares in the open market to get the “extra” return and also keeps their 50 warrants which they can sell in the market or hold in hopes of further increases in value.



The investor sells the shares upon announcement for **\$12.00** and sells the warrants for **\$2.00/each**. Overall, the investor receives **\$1,200** common proceeds plus **\$100** warrant proceeds for a **30.0%** total return. The investor could also hold the warrants for up to 5 years to try to capture additional return without risk to their original investment.

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# A SPAC'S JOURNEY

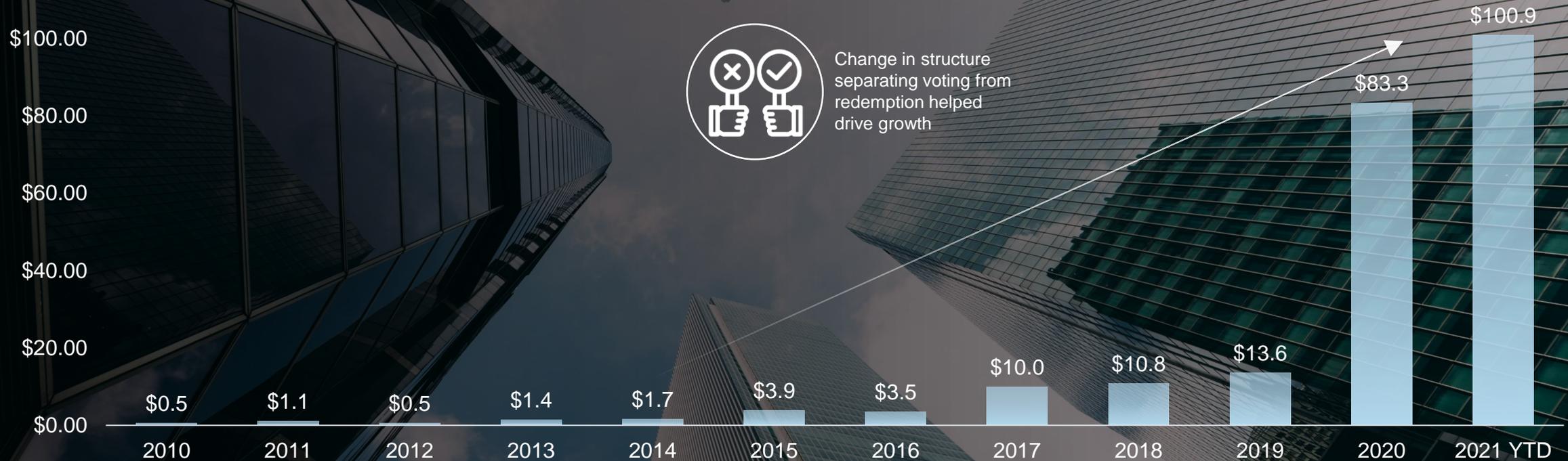


<sup>1</sup> Each warrant converts to 1/2 of a common share

For Illustrative Purposes Only. This is a general example of a SPAC's structure and does not represent a specific holding in the Fund but is meant to illustrate the typical life cycle of a SPAC and its different investing periods. The above does not attempt to represent hypothetical performance of the SPAC+ Fund.

# THE SPAC PRODUCT HAS SHOWN SIGNIFICANT GROWTH FOLLOWING KEY STRUCTURAL CHANGES

Annual US SPAC Issuance Volume (\$BN)



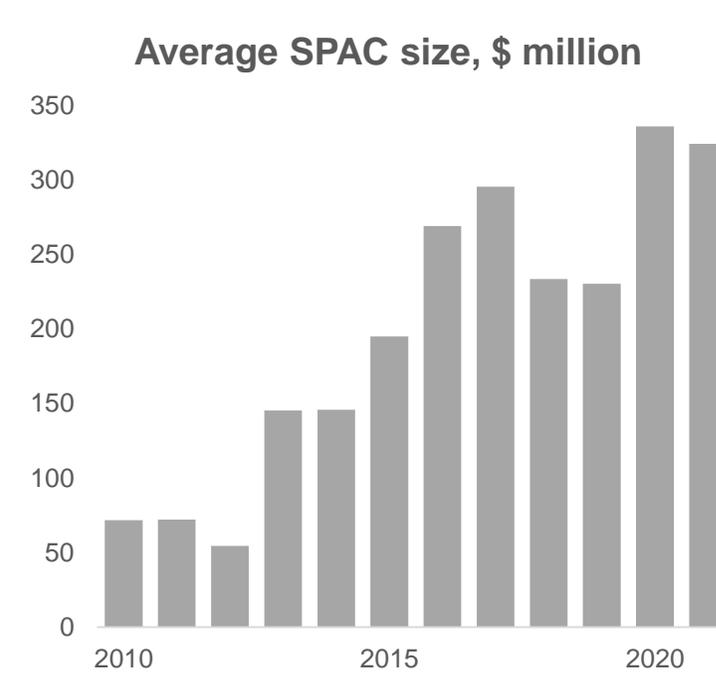
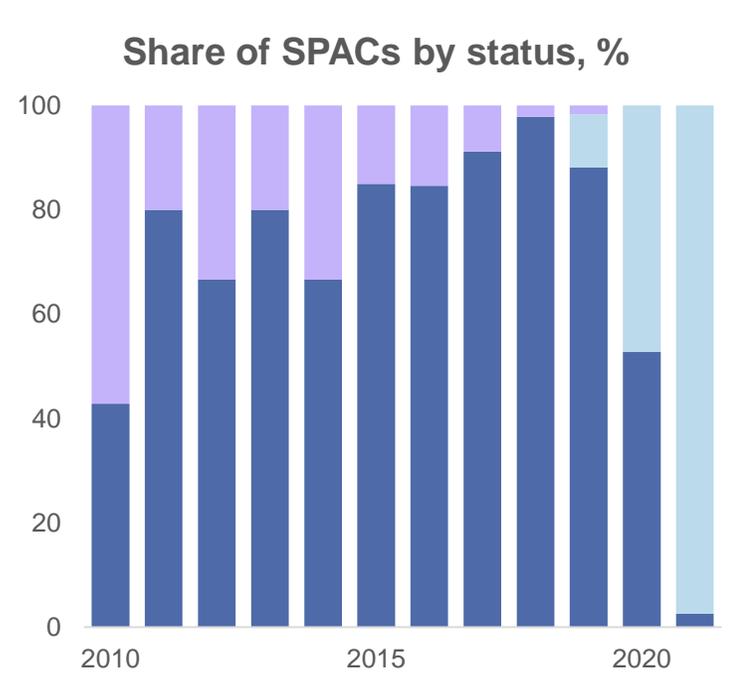
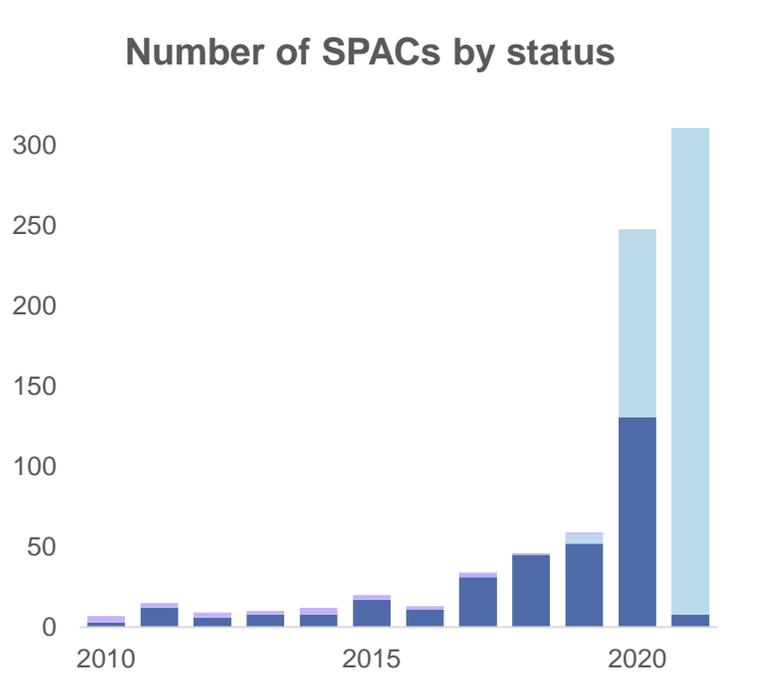
# of Deals	7	16	9	10	12	20	13	34	46	59	248	311
Avg IPO Size (\$MM)	\$72	\$173	\$55	\$144	\$145	\$200	\$272	\$294	\$233	\$231	\$336	\$324

Structural changes introduced in 2015 have helped drive growth in SPAC issuances.

\*Source: SPAC Insider: Data as of 5/3/21

# SINCE 2015 RULE CHANGES, FUNDRAISING BOOMED WHILE LIQUIDATIONS DECLINED

■ Announced or Completed   ■ Searching   ■ Liquidated



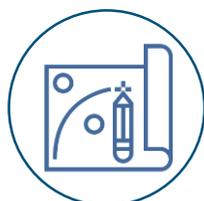
Source: SPAC Insider: Data as of 5/3/21.

# SPAC+



## 1. INVESTMENT OBJECTIVES:

- Seeks to provide a consistent return of at least T-bills, but which historical performance suggests can be as high as 15-20%.
- Seeks to produce an attractive risk profile with potential for upside, with low correlation to corporate credit and equities.
- Seeks to provide a moderate level of liquidity.



## 2. INVESTMENT STRATEGY:

- Seeks to maximize the value of a portfolio of options inherent in SPAC-related securities in order to drive upside.
- Seeks to add incremental return via a proprietary algorithmic market making strategy.
- Seeks to protect downside via the cash-like collateral held in trust by the underlying SPACs.
- Target 2x leverage with the ability to increase to 4x when market conditions warrant.



## 5. TRACK RECORD

MONTHLY PERFORMANCE														
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	LTD
2020							-0.92%	-0.82%	2.48%	-2.11%	7.76%	11.12%	18.03%	18.03%
2021	8.56%	3.86%	-3.81%	1.50%									10.08%	29.94%

Performance is shown net of fees. No assurance can be given that the strategy will be successful, or capital will be preserved. Past performance not indicative of future results.

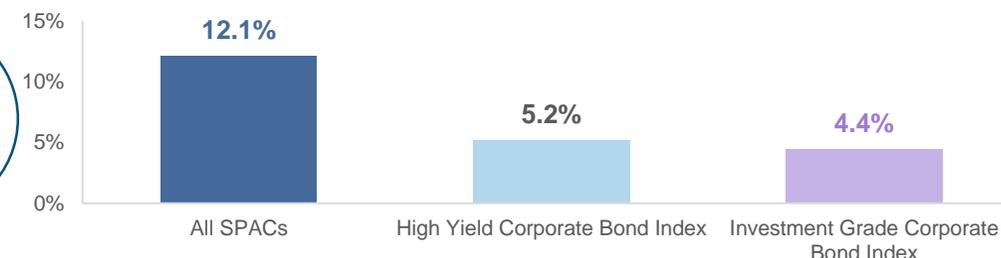


## 3. SPAC SELECTION CONSIDERATIONS

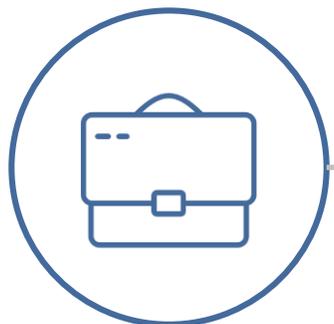
- **Sponsor quality:** SPAC experience, operating track record, target pipeline
- **Structure:** Warrant coverage, no working capital reductions to trust
- **Size:** Any size
- **Geography:** Listed on major U.S. or Canadian Exchanges



## 4. HISTORICAL ANNUAL RETURNS (Jan 1, 2015 to Dec 19, 2019)

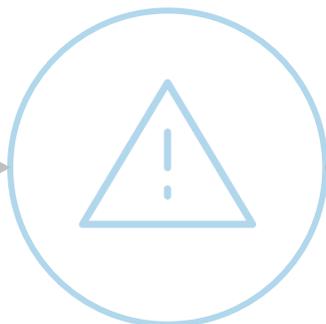


# PROCESS



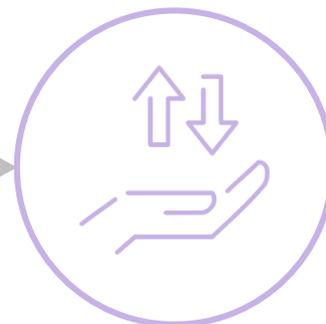
## PORTFOLIO CONSTRUCTION

- Purchasing SPAC units in IPOs: Evaluate new issuances and allocate capital to issuances with a compelling investment thesis and attractive terms
- Purchasing SPAC securities in the secondary market: Across all SPAC security types (units and underlying components) purchase securities that we think are undervalued



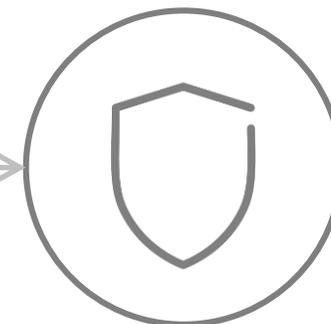
## RISK MANAGEMENT

- SPAC Concentration: Typically limit concentration within our portfolio of any single SPAC issue to no more than 10% of total AUM, and at maximum no more than 20% of AUM
- Redemption Threshold: We will not exceed the redemption threshold (typically between 10-20%) in any single issue



## ACTIVE TRADING

- Algorithmic Trading: Leverage our proprietary algorithms to electronically trade SPAC securities and opportunistically turn over a portion of our inventory
- Market Making: Maximize bid/offer spread while retaining the desired risk/return characteristics of the portfolio



## EXITING POSITIONS

- Common Shares: We will always maintain downside protection for our common share holdings, and either redeem at shareholder vote or sell prior to redemption
- Derivatives: While key exit opportunities center around announcement and consummation of a business combination, flexibility is critical to maximize the optionality inherent in these securities

# OUR TEAM: INVESTMENT TEAM



**DEWEY TUCKER**  
Portfolio Manager

Dewey Tucker has over 13 years of experience in financial markets. He has a Ph.D. from MIT in Electrical Engineering, specializing in statistical signal processing and probabilistic modeling. He began his career at Knight Capital Group, developing trading strategies for the automated equities market making business. Mr. Tucker later transitioned to managing a variety of proprietary trading strategies at Knight and then KCG, specifically focused on equities, futures, and fixed income market making.



**MICHAEL BISSMEYER**  
Head of Trading

Mr. Bissmeyer joined Exos Securities in June 2019 and is principally responsible for SPAC trading as well as expanding the collateralized funding capabilities for the firm and its clients. After graduating from Villanova University with a Bachelor's Degree in Accounting, Mr. Bissmeyer joined Morgan Stanley's Institutional Infrastructure program as an Analyst in 2000. Transitioning to a sales role in 2004, Mr. Bissmeyer spent the next 15 years working to increase wallet share and find funding solutions for some of the world's largest hedge funds and asset managers while working for Countrywide Securities, Bank of America, RBS, RBC and UBS.



**PHILIPPE HATSTADT**  
Head of Risk

Philippe is an innovative executive with extensive expertise in trading, risk management and structuring of cash, derivatives and securitized products across fixed-income, credit and equities at leading investment banks. As a trading desk head, he has been a pioneer in the development of various derivative and financing products. Additionally, Philippe was a key contributor to the optimization of balance sheet usage, funding, liquidity management and stress testing for his division.

# OUR TEAM: SENIOR EXOS SUPPORT



## **BRADY DOUGAN | Chairman and CEO**

Brady is a 47-year financial industry veteran who has in his career managed virtually every function in the Investment Banking business, culminating in serving as the Global CEO of Credit Suisse for 9 years. His experience has included running capital markets businesses, sales and trading businesses, and corporate finance advisory businesses. He has a consistent record of product and market innovation. Brady has been very involved on a hands on basis in many of the innovations which Exos is developing and bringing to the SPAC market.



## **PETER EARLY | Partner and Head of Business Development**

Peter has had an extensive and varied career in the financial world with 20 years experience as a global macro investor. He started at Bankers Trust in 1992, then moved to Tiger Management from 1997, founded Big Sky Capital in 1998, was a senior executive at Wynn Las Vegas from 2006, Guggenheim Partners from 2008, Gaulle Global Macro from 2010. Most recently before joining Exos, Peter was a senior manager at Sofi responsible for capital raising during Sofi's successful run. Peter received a BS in Electrical Engineering and Economics from Yale University.



## **NEIL RADEY | Chief Counsel**

Neil Radey has over 25 years of experience in financial services and served as the General Counsel for multiple divisions and regions of Credit Suisse. He has worked closely with and advised management on a wide range of capital markets, M&A, financing, derivatives, sales and trading and regulatory issues. Neil's background includes extensive experience in analyzing new businesses, transactions and products, and managing litigation, people and processes.



## **JILL OSTERGAARD | Chief Compliance Officer**

Jill Ostergaard has 25 years of financial services regulatory and compliance experience. In 2011, Jill joined Barclays as the Americas Head of Compliance and the CCO of the broker-dealer. During that tenure, she integrated the Wealth Management, Institutional and Credit Card Compliance programs in the Americas. Jill also helped create and implement a multi-year restructuring and redesign of the region's Compliance strategy.



## **DALF HAMMERICH | Head of Operations**

Dalf is a seasoned Operations Professional with 20+ years experience in managing financial platforms for global banks and broker dealers. He most recently held the position of Vice President of Fixed Income Operations at HSBC in the firm's Global Banking & Markets division. Previously, Dalf was a Managing Director and Head of Fixed Income Operations at Knight Capital Group. Dalf began his career by developing his foundation skills at Wachovia Securities, Prudential Securities, UBS Private Banking and Bankers Trust. Dalf is a graduate of Purdue University with a BS in Management and a minor in Finance.

# OUR TEAM: SENIOR MORGAN CREEK SUPPORT



## **MARK YUSKO | CEO & Chief Investment Officer**

Mark Yusko founded Morgan Creek Capital Management in 2004 and currently manages close to \$2 billion in discretionary and non-discretionary assets. Prior to founding Morgan Creek, Mr. Yusko was CIO and Founder of UNC Management Company (UNCMC), the Endowment investment office for the University of North Carolina at Chapel Hill. Before that, he was Senior Investment Director for the University of Notre Dame Investment Office. Mr. Yusko has been at the forefront of institutional investing throughout his career. An early investor in alternative asset classes at Notre Dame, he brought the Endowment Model of investing to UNC, which contributed to significant performance gains for the Endowment. The Endowment Model is the cornerstone philosophy of Morgan Creek, as is the mandate to Invest in Innovation. Mr. Yusko received a BA with Honors from the University of Notre Dame and an MBA in Accounting and Finance from the University of Chicago.



## **ROBIN BUTLER | Chief Compliance Officer**

Robin Butler joined Morgan Creek in 2004. Ms. Butler is responsible for developing the policies and procedures designed to ensure compliance with all applicable laws and regulations, including securities laws, as well as monitoring compliance with those policies and procedures and handling other day to day compliance issues. In addition, Ms. Butler acts as a liaison with outside fund counsel. Prior to joining the firm, Ms. Butler worked as Business Manager for HPL Management Co., LLC in Durham, North Carolina; as Assistant Vice President, Operations Manager, and Compliance Officer at Harrington Bank in Chapel Hill, North Carolina; and spent many years at Bank of America where she was a Bank Manager and Assistant Vice President in the Consumer Bank. Ms. Butler received her Bachelor of Arts in Psychology from the University of North Carolina at Greensboro with minors in English and Anthropology.



## **TAYLOR THURMAN, CFA | Chief Operating Officer, Investments**

Taylor Thurman joined Morgan Creek in February 2006 and serves as the Chief Operating Officer, Investments. He manages the firm's operational due diligence program, client administration and reporting operations, and product structuring activities. In addition, Mr. Thurman serves as the Chief Compliance Officer of the firm's suite of registered products and is responsible for Board level communications. Prior to joining Morgan Creek, he spent three years at Cambridge Associates, LLC where he led a team focused on client reporting and portfolio analytics for international institutional investment portfolios. He also spent time with Arthur Andersen LLP's audit practice. Mr. Thurman received his BS in Business Administration and Accounting from Washington and Lee University. He is a CFA charterholder and is a member of the CFA Institute and the North Carolina CFA Society.



## **MICHAEL FORSTL, CIMA | Senior Managing Director Head of Distribution**

Prior to joining Morgan Creek, Mr. Forstl was Founder and Principal of Strategic Intro, a distribution development consulting firm that provides advice to asset management organizations in the launch, distribution development, marketing, and training of new and existing product offerings and platforms. Prior to Strategic Intro, Mr. Forstl was at ING Investment Management where he was responsible for the distribution through independent and regional broker dealers of ING's wide array of investment solutions that include mutual funds, separate accounts, offshore funds, closed-end funds, structured products, and sub-advisory services. Prior to ING Investment Management, Mr. Forstl spent 20 years at Nuveen Investments in a number of distribution and product development leadership positions. Mr. Forstl received a BA in Economics from the University of Georgia. Mr. Forstl currently is a member of IMCA's Government Relations Committee and MMI's Alternative Investments Committee.



## **NICK TAYLOR, CPA | COO & CFO, Management Company**

Prior to joining Morgan Creek in 2008, Mr. Taylor worked for over ten years at Wellington Management Company, LLP, one of the largest private institutional asset managers. Nick served as Director of Financial Control and Vice President, where he led the formation and operation of a financial control and risk function. Prior to that, Mr. Taylor formed and managed Wellington Management's International Accounting group, where, as International Controller and Vice President, he was responsible for financial accounting, financial and regulatory reporting. In this role, he worked extensively across the firm to support the financial, operational, regulatory, compliance and tax aspects of the firm's US and international affiliates. Prior to joining Wellington Management, Mr. Taylor worked for four years for PricewaterhouseCoopers in their audit practice in both Boston, Massachusetts and London, England. He received his MS/MBA in Accounting from Northeastern University, and has Bachelor of Arts with honors from the University of East Anglia, UK.

# FUND TERMS

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<b>FUND</b>	Morgan Creek-Exos SPAC+ Fund
<b>LIQUIDITY</b>	Monthly with 30 days notice
<b>MANAGEMENT FEE</b>	1.0%
<b>INCENTIVE FEE</b>	20.0% above Treasury Bill return
<b>DOMICILE</b>	Delaware LP with Cayman Feeder
<b>CASH CUSTODIAN</b>	Northern Trust
<b>PRIME BROKER</b>	Cantor Fitzgerald
<b>ADMINISTRATOR</b>	SS&C GlobeOp
<b>U.S. COUNSEL</b>	Thompson Hine LLP
<b>OFFSHORE COUNSEL</b>	Mourant Ozannes
<b>AUDITORS</b>	KPMG

# DISCLOSURES

## Fund

This fund is formed. All final terms will be subject to the actual operative documents for the Fund. There is no guarantee that any targets or projections contained herein will be met, and the contents of this material should not be unduly relied upon. Allocations are subject to change at the discretion of the manager in accordance with the fund offering documents. This material is not meant to be, nor shall it be construed as, an attempt to define all terms and conditions of any transaction or to contain all information that is or may be material to an investor. Morgan Creek Capital Management, LLC is not soliciting any action based upon this material, and this material is not meant to be, nor shall it be construed as, an offer or solicitation of an offer for the purchase or sale of any security or advisory or other service. If in the future any security or service is offered or sold, such offer or sale shall occur only pursuant to, and a decision to invest therein should be made solely on the basis of, a definitive disclosure document, and shall be made exclusively to qualified purchasers in a private offering exempt from registration under all applicable securities and other laws. Any such disclosure document shall contain material information not contained herein, and shall supplement, amend, and/or supersede in its entirety the information referred to herein. Nothing contained in this material is, or should be, relied upon as a representation as to past or future performance, and no assurance, promise, or representation can be made as to actual returns.

## General

Past performance is not indicative of future results. Morgan Creek Capital Management, LLC does not warrant the accuracy, adequacy, completeness, timeliness or availability of any information provided by non-Morgan Creek sources. There can be no assurance that the investment objectives of Morgan Creek-Exos SPAC+ Fund or any company in which Morgan Creek-Exos SPAC+ Fund invested will be achieved. The Morgan Creek-Exos SPAC+ Fund data set forth in this document is not audited and is subject to change upon audit. This is neither an offer to sell nor a solicitation of an offer to buy interests in any investment fund managed by Morgan Creek Capital Management, LLC or its affiliates, nor shall there be any sale of securities in any state or jurisdiction in which such offer or solicitation or sale would be unlawful prior to registration or qualification under the laws of such state or jurisdiction. Any such offering can be made only at the time a qualified offeree receives a Confidential Private Offering Memorandum and other operative documents which contain significant details with respect to risks and should be carefully read. Neither the Securities and Exchange Commission nor any State securities administrator has passed on or endorsed the merits of any such offerings of these securities, nor is it intended that they will. Securities distributed through Morgan Creek Capital Distributors, LLC, Member FINRA/SIPC. This document is for informational purposes only.

## Performance Disclosures

There can be no assurance that the investment objectives of any fund managed by Morgan Creek Capital Management, LLC will be achieved.

## Historical Returns

The historical returns outlined compare the average annual return of 70 SPACs that consummated IPOs after January 1, 2015 and either completed acquisitions or were liquidated before December 19, 2019 with the average annual return of both the iShares iBoxx Investment Grade Corporate Bond ETF (Ticker: LQD US) and the iShares iBoxx High Yield Corporate Bond ETF (Ticker: HYG US) over the same period. For the SPACs, common shares were assumed to have been sold at the higher of VWAP in the 5 days preceding combination and the redemption price, while warrants/rights were assumed to have been sold at VWAP 5 days post combination. The results shown do not represent the results of actual trading using client assets.

## Forward-Looking Statements

This presentation contains certain statements that may include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, included herein are "forward-looking statements." Included among "forward-looking statements" are, among other things, statements about our future outlook on opportunities based upon current market conditions. Although the company believes that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. Actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors. One should not place undue reliance on these forward-looking statements, which speak only as of the date of this discussion. Other than as required by law, the company does not assume a duty to update these forward-looking statements.

## Risk Summary

Investment objectives are not projections of expected performance or guarantees of anticipated investment results. Actual performance and results may vary substantially from the stated objectives with respect to risks. Investments are speculative and are meant for sophisticated investors only. An investor may lose all or a substantial part of its investment in funds managed by Morgan Creek Capital Management, LLC. There are also substantial restrictions on transfers. Certain of the underlying investment managers in which the funds managed by Morgan Creek Capital Management, LLC invest may employ leverage (certain Morgan Creek funds also employ leverage) or short selling, may purchase or sell options or derivatives and may invest in speculative or illiquid securities. Funds of funds have layers of fees and expenses which may offset profits. This is a brief summary of investment risks. Prospective investors should carefully review the risk disclosures contained in the funds' Confidential Private Offering Memoranda.

## SPAC Risks

SPACs are "blank check" companies with no operating history and, at the time that the Partnership invests in a SPAC, the SPAC typically has not conducted any discussions or made any plans, arrangements or understandings with any prospective transaction candidates. Accordingly, there is a limited basis (if any) on which to evaluate the SPAC's ability to achieve its business objective, and the value of its securities is particularly dependent on the ability of the entity's management to identify and complete a profitable acquisition. While certain SPACs are formed to make transactions in specified market sectors, others are complete "blank check" companies, and the management of the SPAC may have limited experience or knowledge of the market sector in which the transaction is made. Accordingly, at the time that the Partnership invests in a SPAC, there may be little or no basis for the Fund to evaluate the possible merits or risks of the particular industry in which the SPAC may ultimately operate or the target business which the SPAC may ultimately acquire. A SPAC will not generate any revenues until, at the earliest, after the consummation of a transaction. While a SPAC is seeking a transaction target, its stock may be thinly traded. There can be no assurance that a market will develop. The proceeds of a SPAC IPO that are placed in trust are subject to risks, including the risk of insolvency of the custodian of the funds, fraud by the trustee, interest rate risk and credit and liquidity risk relating to the securities and money market funds in which the proceeds are invested. SPACs invest their trust assets in U.S. Treasuries or money market funds, which may also be at risk for loss at various times."

## Concentration Risks

The allocation of a large portion of the Fund's capital to one or a small number of investments could increase the risk of investing in the Fund due to a lack of diversification in the portfolio.



**MORGAN CREEK**  
CAPITAL MANAGEMENT

**exos**