

CSH

Morgan Creek - Exos Active SPAC Arbitrage ETF

Fund Description

CSH is actively managed to provide exposure to US-listed pre-combination special purpose acquisition companies (SPACs) through the use of common stock, warrants and rights. Positions will generally be in small- and mid-cap companies.

FactSet Analyst Report

CSH relies on the sub-advisor to target pre-combination SPAC opportunities, harvest the returns on deals once consummated, monetize resulting derivatives, and manage the resulting portfolio. Pre-combination SPACs are those that are either seeking a merger, acquisition, reorganization, or a similar business combination with one or more operating companies. These companies typically have two years to consummate a combination, or the SPAC will liquidate. The sub-advisor considers factors such as, the SPACs history and relationships, area of focus, and its management teams ability to raise outside capital. SPACs typically pay the offering costs, underwriting fees, and provide working capital in exchange for common stock, warrants or rights of the post combination. The fund can use leverage, typically in the form of bank loans to purchase SPACs trading in the secondary market. The fund is non-diversified, which means the fund may be invested significantly in single issuers.

