Hanover-STC Acquisition Corp.
Form S-1/A
May 15, 2007

As filed with the Securities and Exchange Commission on May 15, 2007

Registration No. 333-141593

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 1
to
FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Hanover-STC Acquisition Corp.

(Exact name of registrant as specified in its charter)

Delaware	**6770**	**20-8450938**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

590 Madison Avenue, 35th Floor
New York, New York 10022
(212) 409-2434

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

MARK D. KLEIN
Chief Executive Officer
Hanover-STC Acquisition Corp.
590 Madison Avenue, 35th Floor
New York, New York 10022
(212) 409-2434

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

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(212) 872-1002 Facsimile	**Facsimile**

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box. |_|

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. |_|

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. |_|

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. |_|

CALCULATION OF REGISTRATION FEE

Title of each Class of Security being registered	Amount being Registered	Proposed Maximum Offering Price Per Security(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee
Units, each consisting of one share of Common Stock, $.0001 par value, and one Warrant(2)	21,562,500 Units	$ 8.00	$172,500,000	$5,296(3)
Shares of Common Stock included as part of the Units(2)	21,562,500 Shares			(4)
Warrants included as part of the Units(2)	21,562,500 Warrants			(4)
Total			$172,500,000	$5,296

(1) Estimated solely for the purpose of calculating the registration fee.

(2) Includes 2,812,500 Units, consisting of 2,812,500 shares of Common Stock and 2,812,500 Warrants, which may be issued on exercise of a 30-day option granted to the underwriters to cover over-allotments, if any.

(3) Previously paid.

(4) No fee pursuant to Rule 457(g).

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED , 2007

PROSPECTUS

$150,000,000
Hanover-STC Acquisition Corp.
18,750,000 Units

Hanover-STC Acquisition Corp. is a newly organized blank check company formed for the purpose of acquiring through a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination, one or more businesses or assets, which we refer to as our initial business combination. Initially, we will be targeting businesses in the alternative asset management sector, but we may acquire a business outside of that sector. To date, our efforts have been limited to organizational activities as well as activities related to this offering. We do not have any specific initial business combination under consideration. We have not, nor has anyone on our behalf, contacted any prospective target business or had any substantive discussions, formal or otherwise, with respect to such a transaction.

This is an initial public offering of our securities. Each unit consists of one share of our common stock and one warrant. We are offering 18,750,000 units. The public offering price will be $8.00 per unit. Each warrant entitles the holder to purchase one share of our common stock at a price of $6.00. The warrants will become exercisable on the later of the completion of our initial business combination and fifteen months from the date of this prospectus, provided in each case that we have an effective registration statement covering the shares of common stock issuable upon exercise of the warrants and a current prospectus relating to them is available. The warrants will expire five years from the date of this prospectus, unless earlier redeemed.

We have also granted the underwriters a 30-day option to purchase up to an additional 2,812,500 units to cover over-allotments, if any.

In transactions occurring in February and March of 2007, Hanover Overseas Limited, STC Investment Holdings LLC, Solar Capital, LLC, Jakal Investments LLC, David Hawkins, Steven Shenfeld and Bradford Peck purchased 4,687,500 shares of our common stock for an aggregate purchase price of $25,000. We refer to the current holders of these shares of our common stock as the initial stockholders, and we refer to these outstanding shares of common stock as the founders common stock throughout this prospectus. Each of the initial stockholders has agreed to (i) waive any right to receive a liquidation distribution with respect to the founders common stock in the event we fail to consummate an initial business combination and (ii) vote the founders common stock in accordance with the majority of the shares of common stock voted by our public stockholders in connection with the vote on any initial business combination. The founders common stock is subject to certain transfer restrictions described in more detail below.

Hanover Overseas Limited, STC Investment Holdings LLC, Solar Capital, LLC, Jakal Investments LLC and Steven Shenfeld have agreed to purchase an aggregate of 3,250,000 warrants at a price of $1.00 per warrant ($3.25 million in the aggregate) in a private placement that will occur simultaneously with the consummation of this offering. We refer to the purchasers of these securities as the sponsors, and we refer to these warrants as the sponsors warrants throughout this prospectus. The proceeds from the sale of the sponsors warrants in the private placement will be deposited into a trust account and subject to a trust agreement, described below, and will be part of the funds distributed to our public stockholders in the event we are unable to complete an initial business combination. The sponsors warrants are identical to the warrants included in the units being sold in this offering, except that (i) the sponsors warrants are non-redeemable so long as they are held by any of the sponsors or their permitted transferees and (ii) will not be exercisable while they are subject to certain transfer restrictions described in more detail below.

In addition, the Hanover Group or one of its affiliates, STC Investment Holdings LLC and Solar Capital, LLC, have entered into agreements with Citigroup Global Markets Inc., pursuant to which they will each place limit orders for up to $10.0 million of our common stock, or $30.0 million in the aggregate, commencing ten business days after we file our Current Report on Form 8-K announcing our execution of a definitive agreement for an initial business combination and ending on the business day immediately preceding the record date for the meeting of stockholders at which such initial business combination is to be approved (the Buyback Period). These limit orders will require the stockholders to purchase any of our shares of common stock offered for sale (and not purchased by another investor) at or below a price equal to the per share amount held in our trust account as reported in such Form 8-K, until the earlier of the expiration of the Buyback Period or until such purchases reach $30.0 million in total. The purchase of such shares will be made by Citigroup Global Markets Inc. or another broker dealer mutually agreed upon by Citigroup Global Markets Inc. and these stockholders. It is intended that such purchases will comply with Rule 10b-18 under the Exchange Act. Each of these stockholders may vote these shares in any way they choose at the stockholders meeting to approve our initial business combination. As a result, the Hanover Group, STC Investment Holdings LLC and Solar Capital, LLC may be able to influence the outcome of our initial business combination. However, these stockholders will not be permitted to exercise conversion rights in the event they vote against an initial business combination that is approved; provided that these stockholders will participate in any liquidation distributions with respect to any shares of common stock purchased by them following consummation of the offering, including shares purchased pursuant to such limit orders, in the event we fail to complete an initial business combination. In addition, these stockholders have agreed that they will not sell or transfer any shares of common stock purchased by them pursuant to these agreements until one year after we have completed an initial business combination.

Currently, there is no public market for our units, common stock or warrants. We have applied to have the units listed on the American Stock Exchange. Assuming that the units are listed on the American Stock Exchange, the units will be listed under the symbol on or promptly after the date of this prospectus. The common stock and warrants comprising the units will begin separate trading five business days following the earlier to occur of the expiration of the underwriters over-allotment option or its exercise in full, subject to our filing a Current Report on Form 8-K with the Securities and Exchange Commission containing an audited balance sheet reflecting our receipt of the gross proceeds of this offering and issuing a press release announcing when such separate trading will begin. Once the securities comprising the units begin separate trading, the common stock and warrants will be traded on the American Stock Exchange under the symbols and , respectively. We cannot assure you, however, that our securities will continue to be listed on the American Stock Exchange.

Investing in our securities involves a high degree of risk. See Risk Factors beginning on page 17 for a discussion of information that should be considered in connection with an investment in our securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Unit	Total Proceeds
Public offering price	$8.00	$150,000,000
Underwriting discounts and commissions(1)	$0.56	$ 10,500,000
Proceeds to us (before expenses)	$7.44	$139,500,000

(1) Includes $0.24 per unit or $4.5 million in the aggregate (approximately $5.2 million if the underwriters over-allotment option is exercised in full), payable to the underwriters for deferred underwriting discounts and commissions to be placed in the trust account described below. Such funds will be released to the underwriters only on completion of an initial business combination, as described in this prospectus.

The underwriters are offering the units on a firm commitment basis. The underwriters expect to deliver the units to purchasers on or about _____, 2007. Of the proceeds we receive from this offering and the sale of the sponsors warrants described in this prospectus, approximately $7.82 per unit, or approximately $146.6 million in the aggregate (approximately $7.80 per unit, or approximately $168.2 million in the aggregate if the underwriters over-allotment option is exercised in full), will be deposited into a trust account, at _____, with Continental Stock Transfer & Trust Company as trustee. These funds will not be released to us until the earlier of the completion of our initial business combination or our liquidation (which may not occur until twenty-four months from the date of this prospectus) as described in this prospectus.

Citi **Ladenburg Thalmann & Co. Inc.**

_____, 2007

You should rely only on the information contained in this prospectus. We have not, and the underwriters have not, authorized anyone to provide you with different information. We are not, and the underwriters are not, making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front of this prospectus.

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Until _____, 2007 (25 days after the date of this prospectus), all dealers that buy, sell or trade our securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers obligation to deliver a prospectus when

acting as underwriters and with respect to their unsold allotments or subscriptions.

SUMMARY

This summary only highlights the more detailed information appearing elsewhere in this prospectus. As this is a summary, it does not contain all of the information that you should consider in making an investment decision. You should read this entire prospectus carefully, including the information under Risk Factors and our financial statements and the related notes included elsewhere in this prospectus, before investing. References in this prospectus to we, us or our company refer to Hanover-STC Acquisition Corp. References in this prospectus to public stockholders refers to those persons that purchase the securities offered by this prospectus and any of our initial stockholders (as defined below) who purchase these securities either in this offering or afterwards (including pursuant to the limit orders referenced below), provided that our initial stockholders status as public stockholders shall only exist with respect to those securities so purchased. References in this prospectus to our management team refer to our officers and directors. Unless we tell you otherwise, the information in this prospectus assumes that the underwriters will not exercise their over-allotment option. Throughout this prospectus, we sometimes refer to the Hanover Group Limited, together with its subsidiaries, as the Hanover Group, and we sometimes refer to Stone Tower Capital LLC, together with its affiliates, including STC Investment Holdings LLC, one of our initial stockholders, as Stone Tower. Stone Tower® and Stone Tower Capital® are registered in the US Patent and Trademark Office.

We are a blank check company formed under the laws of the State of Delaware on January 26, 2007. We were formed to acquire through a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination one or more businesses or assets, which we refer to throughout this prospectus as our initial business combination. Initially, we will be targeting businesses in the alternative asset management sector, but we may acquire a business outside of that sector. Businesses in the alternative asset management sector are commonly referred to by such categories as hedge funds, private equity funds or real estate funds, among others. Alternative asset management portfolios typically include a significant performance fee component and measure success in terms of absolute returns rather than comparisons to benchmark indices. To date, our efforts have been limited to organizational activities as well as activities related to this offering. We do not have any specific initial business combination under consideration. We have not, nor has anyone on our behalf, contacted or been contacted by any prospective target business or had any substantive discussions, formal or otherwise, with respect to such a transaction. Additionally, we have not engaged or retained any agent or other representative to identify or locate any suitable acquisition candidate, to conduct any research or take any measures, directly or indirectly, to locate or contact a target business.

We will seek to acquire a business or businesses whose operations can be improved and enhanced with our capital resources and where there are substantial opportunities for both organic growth and growth through acquisitions. We intend to initially focus our search on businesses in the United States, but will also explore opportunities internationally.

We will seek to capitalize on the significant alternative asset management and private equity investing experience and contacts of Stone Tower Capital LLC and the Hanover Group, our primary sponsors.

Stone Tower was founded in 2001 as an asset management firm focused on credit and credit-related assets. Through its affiliates, Stone Tower managed at December 31, 2006 approximately $7.7 billion in leveraged finance-related assets across several structured finance and hedge fund vehicles. At December 31, 2006, Stone Tower had 37 employees including 19 investment professionals. Stone Tower s objective is to generate stable and consistent returns for its investors which include domestic and international banking institutions, insurance companies, pension funds, institutional money management firms, family offices and high net-worth individuals.

The Hanover Group provides a broad range of financial solutions to business in New Zealand, Australia, Europe and North America. The Hanover Group has expanded through organic growth and acquisition to become one of New Zealand s largest and leading privately owned financial services companies. Through its subsidiaries, the Hanover Group provides fixed income investments, finance, asset management, public funds management product, and in-house private equity both in New Zealand and internationally. The predominant focus of the Hanover Group s portfolio is property development and property related transactions (including, residential development, subdivision, land banks, commercial and tourism related developments as well as agricultural conversions, and residential, commercial and mixed-use property investment). The Hanover Group has approximately $870 million of investor funds under management, approximately $975 million of consolidated assets, and shareholder equity in excess $100 million and services over 40,000 retail investors. The Hanover Group is headquartered in New Zealand, and has offices in New Zealand, Australia, United Kingdom and North America.

While we may seek to acquire more than one business or asset, which we refer to as our target business or target businesses, our initial business combination must involve one or more target businesses having a fair market value, individually or collectively, equal to at least 80% of the balance in the trust account (excluding deferred underwriting discounts and commissions of $4.5 million, or approximately $5.2 million if the underwriters over-allotment option is exercised in full). The future role of members of our management team, if any, in the target business or businesses cannot presently be stated with any certainty. We will only consummate a business combination in which we become the controlling shareholder of the target. The key factor that we will rely on in determining controlling shareholder status would be our acquisition of at least 51% of the voting equity interests of the target company. We will not consider any transaction that does not meet such criteria.

While it is possible that one or more of our officers or directors will remain associated in some capacity with us following our initial business combination, it is unlikely that any of them will devote their full efforts to our affairs subsequent to our initial business combination. Moreover, we cannot assure you that members of our management team will have significant experience or knowledge relating to the operations of the particular target business or businesses.

We have entered into a business opportunity right of first review agreement with Mark D. Klein, our chief executive officer, president and a director and Paul D. Lapping, our chief financial officer, treasurer and secretary, that provides that from the date of this prospectus until the earlier of the consummation of our initial business combination or our liquidation in the event we do not consummate an initial business combination, we will have a right of first review with respect to business combination opportunities of Messrs. Klein and Lapping, and companies or other entities which they manage or control, in the alternative asset management sector with an enterprise value of $125 million or more. Messrs. Klein and Lapping will, and will cause such companies or entities under their management or control to, first offer any such business opportunity to us (subject to any fiduciary obligations they may have) and they will not, and will cause each other company or entity under their management or control not to, pursue such business opportunity unless and until our board of directors has determined for any reason that we will not pursue such opportunity. Decisions by us to release Messrs. Klein and Lapping to pursue any specific business opportunity will be made solely by a majority of our disinterested directors.

If we are unable to consummate an initial business combination within twenty four months from the date of this prospectus, we will liquidate and distribute the proceeds held in the trust account to our public stockholders in an amount we expect to be approximately $7.82 per share of common stock held by them (or approximately $7.80 per share if the underwriters exercise their over-allotment option in full), without taking into account any interest earned on such funds.

Private Placements and Future Purchases of Common Stock

On February 25, 2007, we issued 4,687,500 shares of our common stock to Jakal Investments LLC, the family trust of Paul Lapping, for $25,000 in cash, at a purchase price of approximately $0.005 per share. Subsequent to the purchase of these shares, the Jakal Investments LLC, transferred at cost an aggregate of 4,218,753 of these shares to Hanover Overseas Limited, a wholly owned subsidiary of the Hanover Group, STC Investment Holdings LLC, Solar Capital, LLC, David Hawkins, Steven Shenfeld and Bradford Peck. Michael Levitt, who is our Chairman, and Jonathan Berger, a director, are each affiliated with STC Investment Holdings LLC and Michael Gross, a director, is affiliated with Solar Capital, LLC. Each of the initial stockholders has agreed to (i) waive any right to receive a liquidation distribution with respect to the founders common stock in the event we fail to consummate an initial business combination and (ii) vote the founders common stock in accordance with the majority of the shares of common stock voted by our public stockholders in connection with the vote on any initial business combination. The founders common stock is subject to certain transfer restrictions described in more detail below.

The initial stockholders have agreed not to sell or otherwise transfer any of the founders common stock until one year after the date of the completion of an initial business combination or earlier if, subsequent to our initial business combination, (i) the closing price of our common stock equals or exceeds $11.50 per share for any 20 trading days within any 30-trading day period or (ii) we consummate a subsequent liquidation, merger, stock exchange or other similar transaction which results in all of our stockholders having the right to exchange their shares of common stock for cash, securities or other property; *provided however* that transfers can be made to permitted transferees who agree in writing to be bound to the transfer restrictions, agree to vote in favor of our

initial business combination and waive any rights to participate in any liquidation distribution if we fail to consummate an initial business combination. For so long as the founders common stock is subject to such transfer restrictions they will be held in an escrow account maintained by Continental Stock Transfer & Trust Company.

Entities affiliated with certain of our directors and executive officers, which such entities are Hanover Overseas Limited, STC Investment Holdings LLC, Solar Capital, LLC, and Jakal Investments, LLC, along with Steven Shenfeld, have agreed to purchase an aggregate of 3,250,000 warrants at a price of $1.00 per warrant ($3.25 million in the aggregate) in a private placement that will occur simultaneously with the consummation of this offering. The $3.25 million of proceeds from this investment will be added to the proceeds of this offering and will be held in the trust account pending our completion of an initial business combination on the terms described in this prospectus. If we do not complete such an initial business combination, then the $3.25 million will be part of the liquidating distribution to our public stockholders, and the sponsors warrants will expire worthless.

The sponsors warrants are identical to the warrants included in the units being sold in this offering, except that (i) the sponsors warrants are non-redeemable so long as they are held by any of the sponsors or their permitted transferees and (ii) will not be exercisable while they are subject to certain transfer restrictions described in more detail below. The sponsors have agreed not to sell or otherwise transfer any of the sponsors warrants until the date that is 30 days after the date we complete our initial business combination; provided however that the transfers can be made to permitted transferees who agree in writing to be bound by such transfer restrictions. For so long as the sponsors warrants are subject to such transfer restrictions they will be held in an escrow account maintained by Continental Stock Transfer &Trust Company.

In addition, the Hanover Group or one of its affiliates, STC Investment Holdings LLC, an entity affiliated with Michael J. Levitt, our chairman of the board, and Solar Capital, LLC, an entity affiliated with Michael S. Gross, one of our directors, have entered into agreements with Citigroup Global Markets Inc., in accordance with Rule 10b5-1 under the Securities Exchange Act of 1934, pursuant to which they will each place limit orders for up to $10.0 million of our common stock, or $30.0 million in the aggregate, commencing ten business days after we file our Current Report on Form 8-K announcing our execution of a definitive agreement for an initial business combination and ending on the business day immediately preceding the record date for the meeting of stockholders at which such initial business combination is to be approved (the Buyback Period). These limit orders will require the stockholders to purchase any of our shares of common stock offered for sale (and not purchased by another investor) at or below a price equal to the per share amount held in our trust account as reported in such Form 8-K, until the earlier of the expiration of the Buyback Period or until such purchases reach $30.0 million in total. The purchase of such shares will be made by Citigroup Global Markets Inc. or another broker dealer mutually agreed upon by Citigroup Global Markets Inc. and these stockholders. It is intended that such purchases will comply with Rule 10b-18 under the Exchange Act. Each of these stockholders may vote these shares in any way they choose at the stockholders meeting to approve our initial business combination. As a result, the Hanover Group, STC Investment Holdings LLC and Solar Capital, LLC may be able to influence the outcome of our initial business combination. However, these stockholders will not be permitted to exercise conversion rights in the event they vote against an initial business combination that is approved; provided that these stockholders will participate in any liquidation distributions with respect to any shares of common stock purchased by them following consummation of the offering, including shares purchased pursuant to such limit orders, in the event we fail to complete an initial business combination. In addition, these stockholders have agreed that they will not sell or transfer any shares of common stock purchased by them pursuant to these agreements until one year after we have completed an initial business combination.

Our executive offices are located at 590 Madison Avenue, 35th Floor, New York, New York 10022, and our telephone number is (212) 409-2434.

THE OFFERING

In making your decision on whether to invest in our securities, you should take into account not only the backgrounds of the members of our management team, but also the special risks we face as a blank check company and the fact that this offering is not being conducted in compliance with Rule 419 promulgated under the Securities Act of 1933, as amended (the Securities Act). You will not be entitled to protections normally afforded to investors in Rule 419 blank check offerings. You should carefully consider these and the other risks set forth in the section below entitled Risk Factors beginning on page 17 of this prospectus.

Securities offered: 18,750,000 units, each unit consisting of:

	one share of common stock, par value $0.0001 per share; and
	one warrant
Trading commencement and separation of common stock and warrants:	The units will begin trading on or promptly after the date of this prospectus. The common stock and warrants comprising the units will begin separate trading five business days (or as soon as practicable thereafter) following the earlier to occur of the expiration of the underwriters over-allotment option or its exercise in full, subject to our having filed the Current Report on Form 8-K described below and having issued a press release announcing when such separate trading will begin.
Separate trading of the common stock and warrants is initially prohibited:	In no event will the common stock and warrants be traded separately until we have filed a Current Report on Form 8-K with the SEC containing an audited balance sheet reflecting our receipt of the gross proceeds of this offering. We will file the Current Report on Form 8-K upon the consummation of this offering, which is anticipated to take place four business days from the date of this prospectus. If the over-allotment option is exercised following the initial filing of such Current Report on Form 8-K, a second or amended Current Report on Form 8-K will be filed to provide updated financial information to reflect the exercise and consummation of the over-allotment option.
Units:	
Number outstanding before this of fering:	
Number outstanding after this offering:	18,750,000 units
Common stock:	
Number outstanding shares before this offering:	4,687,500 shares
Number to be outstanding shares after this offering:	23,437,500 shares
Warrants:	
Number outstanding before this offering:	
Number of sponsors warrants to be sold privately simultaneously with consummation of this offering:	3,250,000 warrants

Number to be outstanding after this offering and the private placement of the sponsors warrants:	22,000,000 warrants
Exercisability:	Each warrant is exercisable to purchase one share of our common stock.
Exercise price:	$6.00 per share
Exercise period:	The warrants will become exercisable on the later of: the completion of our initial business combination, or fifteen months from the date of this prospectus. *provided* in each case that we have an effective registration statement under the Securities Act covering the shares of common stock issuable upon exercise of the warrants. We have agreed to use our best efforts to have an effective registration statement covering shares of common stock issuable upon exercise of the warrants from the date the warrants become exercisable and to maintain a current prospectus relating to that common stock until the warrants expire or are redeemed. The warrants will expire at 5:00 p.m., New York time, five years from the date of this prospectus or earlier upon redemption. Upon the exercise of any warrant, the warrant exercise price will be paid directly to us and not placed in the trust account.
Redemption:	Once the warrants become exercisable and there is an effective registration statement covering the shares of common stock issuable upon exercise of the warrants available and current throughout the 30-day redemption period defined below, we may redeem the outstanding warrants (except as described below with respect to the sponsors warrants): in whole and not in part; at a price of $0.01 per warrant; upon a minimum of 30 days prior written notice of redemption (the 30-day redemption period); and if, and only if, the last sale price of our common stock equals or exceeds $11.50 per share for any 20 trading days within a 30 trading day period ending three business days before we send the notice of redemption. We may not redeem the sponsors warrants so long as they are held by the sponsors or their permitted transferees. The underwriters do not have any consent rights in connection with our exercise of redemption rights with respect to the warrants.
Reasons for redemption limitations:	We have established the above conditions to our exercise of redemption rights to: provide warrant holders with adequate notice of redemption; permit redemption only after the then-prevailing common stock price is substantially above the warrant exercise price; and

ensure a sufficient differential between the then-prevailing common stock price and the warrant exercise price exists so there is a buffer to absorb the market reaction, if any, to our redemption of the warrants.

If the foregoing conditions are satisfied and we issue a notice of redemption, each warrant holder can exercise his, her or its warrant prior to the scheduled

redemption date. However, there can be no assurance that the price of the common stock will not fall below the $11.50 trigger price or the $6.00 warrant exercise price after the redemption notice is issued. In no event will we be required to settle the exercise of these warrants or the sponsors warrants discussed below, whether by net cash settlement or otherwise.

Founders common stock: In transactions occurring in February and March of 2007, Hanover Overseas Limited, STC Investment Holdings LLC, Solar Capital, LLC, Jakal Investments LLC, David Hawkins, Steven Shenfeld and Bradford Peck purchased 4,687,500 shares of our common stock for an aggregate purchase price of $25,000. The founders common stock is identical to the shares included in the units being sold in this offering, except that:

- the founders common stock is subject to the transfer restrictions described below;
- the initial stockholders have agreed to vote the founders common stock in the same manner as a majority of the public stockholders in connection with the vote required to approve our initial business combination and as a result, will not be able to exercise conversion rights (as described below) with respect to the founders common stock; and
- the initial stockholders have agreed to waive their rights to participate in any liquidation distribution with respect to the founders common stock if we fail to consummate an initial business combination.

The initial stockholders have agreed not to sell or otherwise transfer any of the founders common stock until one year after the date of the completion of an initial business combination or earlier if, subsequent to our initial business combination, (i) the closing price of our common stock equals or exceeds $11.50 per share for any 20 trading days within any 30-trading day period or (ii) we consummate a subsequent liquidation, merger, stock exchange or other similar transaction which results in all of our stockholders having the right to exchange their shares of common stock for cash, securities or other property; provided however that transfers can be made to permitted transferees who agree in writing to be bound to the transfer restrictions, agree to vote in favor of our initial business combination and waive any rights to participate in any liquidation distribution if we fail to consummate an initial business combination. For so long as the founders warrants are subject to such transfer restrictions they will be held in an escrow account maintained by Continental Stock Transfer & Trust Company.

Permitted transferees means:

- immediate family members of the holder and trusts established by the holder for estate planning purposes and
- affiliates of the holder.

In addition, the initial stockholders are entitled to registration rights with respect to the founders common stock under an agreement to be signed on or before the date of this prospectus.

The Hanover Group, STC Investment Holdings LLC and Solar Capital, LLC, have entered into agreements with Citigroup Global Markets Inc., in accordance with Rule 10b5-1 under the Securities Exchange Act of 1934, pursuant to which they will each place limit orders for up to $10.0 million of our common stock, or $30.0 million in the aggregate, commencing ten business days after we file our Current Report on Form 8-K

announcing our execution of a definitive agreement for an initial business combination and ending on the business day immediately preceding

the record date for the meeting of stockholders at which such initial business combination is to be approved (the Buyback Period). These limit orders will require the stockholders to purchase any of our shares of common stock offered for sale (and not purchased by another investor) at or below a price equal to the per share amount held in our trust account as reported in such Form 8-K, until the earlier of the expiration of the Buyback Period or until such purchases reach $30.0 million in total. The purchase of such shares will be made by Citigroup Global Markets Inc. or another broker dealer mutually agreed upon by Citigroup Global Markets Inc. and these stockholders. It is intended that such purchases will comply with Rule 10b-18 under the Exchange Act. Each of these stockholders may vote these shares in any way they choose at the stockholders meeting to approve our initial business combination. As a result, the Hanover Group, STC Investment Holdings LLC and Solar Capital, LLC may be able to influence the outcome of our initial business combination. However, these stockholders will not be permitted to exercise conversion rights in the event they vote against an initial business combination that is approved; provided that these stockholders will participate in any liquidation distributions with respect to any shares of common stock purchased by them following consummation of the offering, including shares purchased pursuant to such limit orders, in the event we fail to complete an initial business combination. In addition, these stockholders have agreed that they will not sell or transfer any shares of common stock purchased by them pursuant to these agreements until one year after we have completed an initial business combination The Hanover Group, Hanover-STC Holdings LLC and Solar Capital, LLC have agreed to make available to Citigroup Global Markets Inc. quarterly statements confirming that they each have sufficient funds to satisfy these transactions.

Sponsors warrants purchased through private placement:

Hanover Overseas Limited, STC Investment Holdings LLC, Solar Capital, LLC, Jakal Investments LLC and Steven Shenfeld have entered into agreements with us to invest $3.25 million in us in the form of sponsors warrants to purchase 3,250,000 shares of our common stock at a price of $1.00 per warrant. The sponsors are obligated to purchase the sponsors warrants from us upon the consummation of this offering. The sponsors warrants will be purchased separately and not in combination with common stock or in the form of units. The purchase price of the sponsors warrants will be added to the proceeds from this offering to be held in the trust account pending the completion of our initial business combination. If we do not complete an initial business combination that meets the criteria described in this prospectus, then the $3.25 million purchase price of the sponsors warrants will become part of the liquidating distribution to our public stockholders and the sponsors warrants will expire worthless.

The sponsors warrants are identical to the warrants included in the units being sold in this offering, except that the sponsors warrants:

- are subject to the transfer restrictions described below;
- are non-redeemable so long as they are held by any of the sponsors or their permitted transferees; and
- will not be exercisable while they are subject to the transfer restrictions described below.

The holders of the warrants included in the units purchased in this offering will not be able to exercise those warrants unless we have an effective registration statement covering the shares issuable upon their exercise and a related current prospectus available. Although the shares of common stock issuable pursuant to the sponsors

	warrants will not be issued pursuant to a registration statement so long as they are held by our sponsors and their permitted transferees, the warrant agreement provides that the sponsors warrants may not be exercised unless a registration statement relating to the common stock issuable upon exercise of the warrants purchased in this offering is effective and a related current prospectus is available. The sponsors have agreed not to sell or otherwise transfer any of the sponsors warrants until the date that is 30 days after the date we complete our initial business combination; *provided, however* that the transfers can be made to permitted transferees who agree in writing to be bound by such transfer restrictions. For so long as the sponsors warrants are subject to such transfer restrictions they will be held in an escrow account maintained by Continental Stock Transfer & Trust Company. We will not be required to settle any such warrant exercise, whether by net cash settlement or otherwise. In addition, the sponsors are entitled to registration rights with respect to the sponsors warrants under an agreement to be signed on or before the date of this prospectus.
Right of first review:	We have entered into a business opportunity right of first review agreement with Mark D. Klein, our chief executive officer, president and a director, and Paul D. Lapping, our chief financial officer, treasurer and secretary, that provides that from the date of this prospectus until the earlier of the consummation of our initial business combination or our liquidation in the event we do not consummate an initial business combination, we will have a right of first review with respect to business combination opportunities of Messrs. Klein and Lapping, and companies or other entities which they manage or control, in the alternative asset management sector with an enterprise value of $125 million or more. Messrs. Klein and Lapping will, and will cause such companies or entities under their management or control to, first offer any such business opportunity to us (subject to any fiduciary obligations they may have) and they will not, and will cause each other company or entity under their management or control not to, pursue such business opportunity unless and until our board of directors has determined for any reason that we will not pursue such opportunity. Based upon our understanding of the existing fiduciary obligations of Messrs. Klein and Lapping and the types of target businesses we will be focusing on, we don t believe these fiduciary obligations will materially impact the right of first review agreements. Decisions by us to release Messrs. Klein and Lapping to pursue any specific business opportunity will be made solely by a majority of our disinterested directors. Other than Mr. Klein, none of our directors have entered into similar agreements.
Conflicts of Interest:	For a description of potential conflicts of interest see Risk Factors and Management Conflicts of Interest.
Proposed American Stock Exchange symbols for our:	
Units:	____.U
Common stock:	____
Warrants:	____.WS

Proceeds of offering and private placement of sponsors warrants to be held in trust	

account and amounts payable prior to trust account distribution or liquidation:

Approximately $146.6 million, or approximately $7.82 per unit (approximately $168.2 million, or approximately $7.80 per unit, if the underwriters over- allotment option is exercised in full) of the proceeds of this offering and the private placement of the sponsors warrants will be placed in a trust account at _____ with Continental Stock Transfer & Trust Company as trustee, pursuant to an agreement to be signed on the date of this prospectus.

These proceeds include $4.5 million in deferred underwriting discounts and commissions (or approximately $5.2 million if the over-allotment option is exercised in full). We believe that the inclusion in the trust account of the purchase price of the sponsors warrants and the deferred underwriting discounts and commissions is a benefit to our stockholders because additional proceeds will be available for distribution to investors if a liquidation of our company occurs prior to our completing an initial business combination. Except as described below, proceeds in the trust account will not be released until the earlier of completion of our initial business combination or our liquidation. Unless and until an initial business combination is consummated, proceeds held in the trust account will not be available for our use for any purpose, including the payment of expenses related to this offering, and the investigation, selection and negotiation of an agreement with one or more target businesses, except there can be released to us from the trust account (i) interest income earned on the trust account balance to pay any income taxes on such interest and (ii) interest income earned of up to $1.825 million on the trust account balance to fund our working capital requirements, provided that after such release there remains in the trust account a sufficient amount of interest income previously earned on the trust account balance to pay any due and unpaid income taxes on such $1.825 million of interest income (which provision we refer to as the tax holdback). With these exceptions, expenses incurred by us while seeking an initial business combination may be paid prior to our initial business combination only from the net proceeds of this offering not held in the trust account (initially, approximately $25,000).

Limited payments to insiders:

There will be no fees, reimbursements or other cash payments paid to our initial stockholders, sponsors, officers, directors or their affiliates prior to, or for any services they render in order to effectuate, the consummation of an initial business combination (regardless of the type of transaction that it is) other than:

- Repayment of a $175,000 loan that is non-interest bearing made to us by Mark Klein to cover offering expenses;
- A payment of an aggregate of $10,000 per month to Hanover Group US LLC, an indirect subsidiary of the Hanover Group, for office space, secretarial and administrative services; and
- Reimbursement for any expenses incident to this offering and expenses incident to identifying, investigating and consummating an initial business combination with one or more target businesses, none of which have been incurred to date. There is no limit on the amount of out-of-pocket expenses that could be incurred; *provided, however*, that to the extent such out-of-pocket expenses exceed the available proceeds not deposited in the trust account and interest income of up to $1.825 million on the balance in the trust account, such out-of-pocket expenses would not be reimbursed by us unless we consummate an initial business combination.

Our audit committee will review and approve all reimbursements made to our initial stockholders, sponsors, officers, directors or their affiliates, and any reimbursements made to members of our audit committee will be reviewed and approved by our board of directors, with any interested director abstaining from such review and approval.

All amounts held in the trust account that are not converted to cash, released to us in the form of interest income or payable to the underwriters for deferred discounts and commissions will be released to us on closing of our initial business combination:

All amounts held in the trust account that are not converted to cash (as described below) or previously released to us as interest income to pay taxes on interest or to fund working capital will be released to us upon closing of our initial business combination with one or more target businesses, subject to compliance with the conditions to consummating an initial business combination that are described below. We will use these funds to pay amounts due to any public stockholders who exercise their conversion rights and to pay the underwriters their deferred underwriting discounts and commissions that are equal to 3% of the gross proceeds of this offering, or $4.5 million (or approximately $5.2 million if the underwriters over-allotment option is exercised in full). Funds released from the trust account to us can be used to pay all or a portion of the purchase price of the target business or businesses. If the initial business combination is paid for using stock or debt securities, we may apply the cash released to us from the trust account to general corporate purposes, including but not limited to maintenance or expansion of operations of acquired businesses, the payment of principal or interest due on indebtedness incurred in consummating our initial business combination or to fund the purchase of other companies or for working capital.

Certificate of Incorporation:

As discussed below, there will be specific provisions in our certificate of incorporation, which will be in effect upon consummation of this offering, that may not be amended without the unanimous consent of our stockholders prior to our consummation of an initial business combination, including requirements to seek stockholder approval of an initial business combination and to allow our stockholders to seek conversion of their shares if they do not approve of an initial business combination. While we have been advised that the validity of unanimous consent provisions under Delware law has not been settled, we view these provisions as obligations to our stockholders and will not take any action to amend or waive these provisions.

Our certificate of incorporation, which will be in effect upon consummation of this offering, will provide that we will continue in existence only until twenty four months from the date of this prospectus. If we have not completed an initial business combination by such date, our corporate existence will cease except for the purposes of winding up our affairs and liquidating, pursuant to Section 278 of the Delaware General Corporation Law. This has the same effect as if our board of

directors and stockholders had formally voted to approve our dissolution pursuant to Section 275 of the Delaware General Corporation Law. Accordingly, limiting our corporate existence to a specified date as permitted by Section 102(b)(5) of the Delaware General Corporation Law removes the necessity to comply with the formal procedures set forth in Section 275 (which would have required our board of directors and stockholders to formally vote to approve our dissolution and liquidation and to have filed a certificate of dissolution with the Delaware Secretary of State). In connection with any proposed initial business combination we submit to our stockholders for approval, we will also submit to stockholders a proposal to amend our certificate of incorporation to provide for our perpetual existence, thereby removing this limitation on our corporate life. Our initial business combination will be approved only if a majority of the shares of common stock voted by the public stockholders present in person or by proxy are voted in favor of our initial business combination and in favor of our amendment to provide for our perpetual existence and public stockholders owning less than 30% of the shares sold in this offering both vote against our initial business combination and exercise their conversion rights. The approval of the proposal to amend our

certificate of incorporation to provide for our perpetual existence would require the affirmative vote of a majority of our outstanding shares of common stock. We view this provision terminating our corporate life twenty four months from the date of this prospectus as an obligation to our stockholders and will not take any action to amend or waive this provision to allow us to survive for a longer period of time except in connection with the consummation of an initial business combination.

Stockholders must approve initial business combination:

We will seek stockholder approval before effecting our initial business combination, even if the initial business combination would not ordinarily require stockholder approval under applicable state law.

In connection with the stockholder vote required to approve our initial business combination, the initial stockholders have agreed to vote the founders common stock in the same manner as a majority of the public stockholders who vote at the special or annual meeting called for the purpose of approving our initial business combination. This voting arrangement shall not apply to shares included in units purchased in this offering or shares purchased following this offering in the open market by any of our initial stockholders, sponsors, officers or directors or any shares purchased by the Hanover Group, STC Investment Holdings LLC and Solar Capital, LLC, under agreements with Citigroup Global Markets Inc., in accordance with Rule 10b5-1 under the Securities Exchange Act of 1934 described above. Accordingly, they may vote these shares in connection with a shareholder vote on a proposed initial business combination any way they choose. As discussed below, however, they have waived any conversion rights in the event they vote against an initial business combination and the initial business combination is approved.

Conditions to consummating our initial business combination:

We will not enter into our initial business combination with an entity which is affiliated with any of our officers, directors, initial stockholders or sponsors.

Our initial business combination must occur with one or more target businesses that collectively have a fair market value of at least 80% of the balance in the trust account (excluding deferred underwriting discounts and commissions of $4.5 million, or approximately $5.2 million if the underwriters over-allotment option is exercised in full) at the time of such initial business combination. We may seek to consummate our initial business combination with a target business or businesses

with a collective fair market value in excess of 80% of the balance in the trust account. However, we would likely need to obtain additional financing to consummate such an initial business combination, and there is no assurance we would be able to obtain such financing. If we acquire less than 100% of a target business in our initial business combination, the aggregate fair market value of the portion we acquire must equal at least 80% of the balance in the trust account (excluding deferred underwriting discounts and commissions as described above) at the time of such initial business combination. The fair market value of a portion of a target business will be calculated by multiplying the fair market value of the entire business by the percentage of the target we acquire. We may seek to consummate an initial business combination with an initial target business or businesses with a collective fair market value in excess of 80% of the balance in the trust account. However, we would likely need to obtain additional financing to consummate such an initial business combination and have not taken any steps to obtain any such financing. We will only consummate a business combination in which we become the controlling shareholder of the target. The key factor that we will rely on in determining controlling shareholder status would be our acquisition of at least 51% of the voting equity interests of the target company. We will not consider any transaction that does not meet such criteria.

We will consummate our initial business combination only if a majority of the shares of common stock voted by the public stockholders present in person or by proxy are voted in favor of our initial business combination and less than 30% of the shares sold in this offering are voted against the initial business

combination and exercise their conversion rights described below. It is important to note that voting against our initial business combination alone will not result in conversion of your shares into a *pro rata* share of the trust account, which only occurs when you exercise the conversion rights described below.

Conversion rights for stockholders voting to reject our initial business combination:

Public stockholders voting against our initial business combination will be entitled to convert their shares of common stock into a *pro rata* share of the aggregate amount then on deposit in the trust account, before payment of deferred underwriting discounts and commissions and including interest earned on their *pro rata* portion of the trust account, net of income taxes payable on such interest and net of interest income of up to $1.825 million on the trust account balance previously released to us to fund our working capital requirements, if our initial business combination is approved and completed. If the initial business combination is not approved or completed for any reason, then public stockholders voting against our initial business combination will not be entitled to convert their shares of common stock into a *pro rata* share of the aggregate amount then on deposit in the trust account. Such public stockholders would only be entitled to convert their shares of common stock into a *pro rata* share of the aggregate amount on deposit in the trust account in the event that such stockholders elect to vote against a subsequent business combination which is approved by stockholders and completed, or in connection with our dissolution and liquidation. The initial stockholders, sponsors and our officers and directors will not be able to exercise conversion rights with respect to any of our shares that they may acquire prior to, in or after this offering including pursuant to the limit orders discussed above, under any circumstances.

Public stockholders who convert their common stock into a pro rata share of the trust account will be paid their conversion price promptly following

the consummation of our initial business combination and will continue to have the right to exercise any warrants they own. The initial per share conversion price is approximately $7.82 per share (or approximately $7.80 per share if the underwriters over-allotment option is exercised in full), without taking into account any interest earned on such funds. Since this amount may be less than the $8.00 per unit price in this offering and may be lower than the market price of the common stock on the date of conversion, there may be a disincentive on the part of public stockholders to exercise their conversion rights. Because converting stockholders will receive their proportionate share of deferred underwriting compensation and the underwriters will be paid the full amount of the deferred underwriting compensation promptly after completion of our initial business combination, the non-converting stockholders will bear the financial effect of such payments to both the converting stockholders and the underwriters.

Liquidation if no initial business combination:

If we are unable to complete an initial business combination by 24 months from the date of this prospectus, our corporate existence will cease except for the purposes of winding up our affairs and liquidating pursuant to Section 278 of the Delaware General Corporation Law, in which case we will as promptly as practicable thereafter adopt a plan of distribution in accordance with Section 281(b) of the Delaware General Corporation Law. Section 278 provides that our existence will continue for at least three years after its expiration for the purpose of prosecuting and defending suits, whether civil, criminal or administrative, by or against us, and of enabling us gradually to settle and close our business, to dispose of and convey our property, to discharge our liabilities and to distribute to our stockholders any remaining assets, but not for the purpose of continuing the business for which we were organized. Our existence will continue automatically even beyond the three-year period for the purpose of completing the prosecution or defense of suits begun prior to the expiration of the three-year period, until such time as any judgments, orders or decrees resulting from such suits are fully executed. Section 281(b) will require us to pay or make reasonable provision for all then-existing claims and obligations, including all contingent, conditional, or unmatured contractual claims known to us, and to make such provision as will be reasonably likely to be sufficient to provide compensation for any then-pending claims and for claims that have not been made

known to us or that have not arisen but that, based on facts known to us at the time, are likely to arise or to become known to us within 10 years after the date of dissolution. Under Section 281(b), the plan of distribution must provide for all of such claims to be paid in full or make provision for payments to be made in full, as applicable, if there are sufficient assets. If there are insufficient assets to provide for all such claims, the plan must provide that such claims and obligations be paid or provided for according to their priority and, among claims of equal priority, ratably to the extent of legally available assets. These claims must be paid or provided for before we make any distribution of our remaining assets to our stockholders. We cannot assure you those funds will be sufficient to pay or provide for all creditors claims. Although we will seek to have all third parties (including any vendors (which means entities that provide goods or services to us) or other entities we engage after this offering) and any prospective target businesses enter into agreements with us waiving any right, title, interest or claim of any kind in or to any monies held in the trust account, there is no guarantee that they will execute such agreements. We have not engaged any such third parties or asked for or obtained any such waiver agreements at this time. There is no guarantee that the third parties would not challenge the enforceability of these waivers and bring claims against the trust account for monies owed them. In addition, there is no guarantee that such entities will agree to waive any claims they

may have in the future as a result of, or arising out of, any negotiations, contracts or agreements with us and will not seek recourse against the trust account for any reason. Mark Klein and Paul Lapping have agreed that they will be personally liable to ensure that the proceeds in the trust account are not reduced by the claims of target businesses or claims of vendors or other entities that are owed money by us for services rendered or contracted for or products sold to us. However, the agreement entered into by Messrs. Klein and Lapping specifically provides for two exceptions to this indemnity; there will be no liability (1) as to any claimed amounts owed to a third party who executed a waiver (even if such waiver is subsequently found to be invalid and unenforceable) or (2) as to any claims under our indemnity of the underwriters of this offering against certain liabilities, including liabilities under the Securities Act. However, in the event Messrs. Klein and Lapping have liability to us under these indemnification arrangements, we cannot assure you that they will have the assets necessary to satisfy those obligations.

Our initial stockholders have waived their rights to participate in any liquidation distribution with respect to the founders common stock. We will pay the costs of liquidation from our remaining assets outside of the trust account. If such funds are insufficient, Mark Klein and Paul Lapping have agreed to advance us the funds necessary to complete such liquidation (currently anticipated to be no more than approximately $15,000) and have agreed not to seek repayment for such expenses.

If we are unable to conclude an initial business combination and we expend all of the net proceeds from this offering and the sale of the sponsors warrants not deposited in the trust account, without taking into account any interest earned on the trust account, we expect that the initial per-share liquidation price will be approximately $7.82 (or approximately $7.80 per share if the underwriters over-allotment option is exercised in full), or $0.18 less than the per-unit offering price of $8.00 (or $0.20 less than the per-unit offering price of $8.00 if the underwriters over-allotment is exercised in full). The proceeds deposited in the trust account could, however, become subject to claims of our creditors that are in preference to the claims of our stockholders. In addition, if we are forced to file a bankruptcy case or an involuntary bankruptcy case is filed against us that is not dismissed, the proceeds held in the trust account could be subject to applicable bankruptcy law, and may be included in our bankruptcy estate and subject to the claims of third parties with priority over the claims of our stockholders. Therefore, we cannot assure you that the actual per-share liquidation price will not be less than approximately $7.82 (or approximately $7.80 per share if the underwriters over-allotment option is exercised in full).

Escrow of founders common stock and sponsors warrants:

On or prior to the date of this prospectus, our initial stockholders and sponsors will place the founders common stock and sponsors warrants into an escrow account maintained by Continental Stock Transfer &

Trust Company, acting as escrow agent until termination of the transfer restrictions applicable to such securities discussed above.

Audit Committee to monitor compliance: Effective upon consummation of this offering, we will establish and will maintain an audit committee to, among other things, monitor compliance on a quarterly basis with the terms described above and the other terms relating to this offering. If any noncompliance is identified, then the audit committee will be charged with the responsibility to immediately take all action necessary to rectify such noncompliance or otherwise cause compliance with the terms of this offering.

Determination of offering amount: We determined the size of this offering based on our estimate of the capital required to facilitate our combination with one or more viable target businesses with sufficient scale to operate as a stand-alone public entity. We intend to utilize the proceeds of this offering and the private placement of the sponsors warrants, our capital stock, debt or a combination of these as the consideration to be paid in an initial business combination. Based on the experience of our management team, we believe that there should be opportunities to acquire one or more target businesses. This belief is not based on any research, analysis, evaluations, discussions, or compilations of information with respect to any particular investment or any such action undertaken in connection with our organization. We cannot assure you that our belief is correct, that we will be able to successfully identify target businesses, that we will be able to obtain any necessary financing or that we will be able to consummate a transaction with one or more target businesses.

Risks

We are a newly formed company that has conducted no operations and has generated no revenues. Until we complete an initial business combination, we will have no operations and will generate no operating revenues. In making your decision on whether to invest in our securities, you should take into account not only the background of our management team, but also the special risks we face as a blank check company. This offering is not being conducted in compliance with Rule 419 promulgated under the Securities Act. Accordingly, you will not be entitled to protections normally afforded to investors in Rule 419 blank check offerings. You should carefully consider these and the other risks set forth in the section entitled Risk Factors beginning on page 17 of this prospectus.

SUMMARY FINANCIAL DATA

The following table summarizes the relevant financial data for our business and should be read with our financial statements, which are included in this prospectus. We have not had any significant operations to date, so only balance sheet data is presented.

	March 15, 2007	
	Actual	**As Adjusted**
Balance Sheet Data:		
Working capital (deficiency)	$ (8,500)	$142,174,000
Total assets	$212,500	$142,174,000
Total liabilities	$188,500	$ -0-
Value of common stock which may be converted to cash	$	$ 43,972,837

	March 15, 2007	
Stockholders equity	$ 24,000	$ 98,201,163

The as adjusted information gives effect to the sale of the units we are offering including the application of the related gross proceeds, the receipt of $3.25 million from the sale of the sponsors warrants and the payment of the estimated remaining expenses of this offering. The as adjusted working capital and as adjusted total assets is net of $4.5 million being held in the trust account (or approximately $5.2 million if the underwriters over-allotment option is exercised in full) representing deferred underwriting discounts and commissions.

The as adjusted working capital and total assets amounts include approximately $142.1 million (which is net of deferred underwriting discounts and commissions of approximately $4.5 million) to be held in the trust account, which will be distributed to us on completion of our initial business combination. We will use the initial trust amount of $146.6 million to pay amounts owed to (i) any public stockholders who exercise their conversion rights and (ii) the underwriters in the amount of $4.5 million (or approximately $5.2 million if the underwriters over-allotment option is exercised in full) in payment of their deferred underwriting discounts and commissions. All such proceeds will be distributed to us from the trust account only upon the consummation of an initial business combination within 24 months from the date of this prospectus. If an initial business combination is not so consummated, the proceeds held in the trust account, including the deferred underwriting discounts and commission and all interest thereon, net of income taxes on such interest and interest income of up to $1.825 million on the trust account balance previously released to us to fund our working capital requirements, will be distributed solely to our public stockholders as part of our liquidation.

We will not consummate an initial business combination if public stockholders owning 30% or more of the shares sold in this offering vote against the initial business combination and exercise their conversion rights. Accordingly, we may effect an initial business combination if public stockholders owning up to 29.99% of the shares sold in this offering vote against the initial business combination and exercise their conversion rights. If this occurs, we would be required to convert to cash up to approximately 5,623,125 shares of common stock (or 6,466,594 shares of common stock if the underwriters exercise their over-allotment option in full) at an initial per-share conversion price of approximately $7.82 for approximately $43,972,837 in the aggregate (or approximately $7.80 per share for approximately $50,450,678 in the aggregate if the underwriters exercise their over-allotment option in full). The actual per-share conversion price will be equal to:

> the aggregate amount then on deposit in the trust account, before payment of deferred underwriting discounts and commissions and including accrued interest, net of income taxes on such interest and net of interest income on the trust account balance released to us as described above, as of two business days prior to the proposed consummation of the initial business combination,
>
> divided by the number of shares of common stock sold in this offering.

RISK FACTORS

An investment in our securities involves a high degree of risk. You should consider carefully all of the material risks described below, together with the other information contained in this prospectus before making a decision to invest in our units. We believe that the risks described below are all of the material risks we face. If any of the following events occur, our business, financial condition and operating results may be materially adversely affected. In that event, the trading price of our securities could decline, and you could lose all or part of your investment. This prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of specific factors, including the risks described below.

We are a newly formed development stage company with no operating history and no revenues, and you have no basis on which to evaluate our ability to achieve our business objective.

We are a recently formed development stage company with no operating results, and we will not commence operations until obtaining funding through this offering. Because we lack an operating history, you have no basis upon which to evaluate our ability to achieve our business objective of completing an initial business combination with one or more target businesses. We have no plans, arrangements or understandings with any prospective target business concerning an initial business combination and may be unable to complete an initial business combination. If we expend all of the $25,000 in proceeds from this offering not held in trust and interest income earned of up to $1.825 million (net of income taxes on such interest) on the balance of the trust account that may be released to us to fund our working capital requirements in seeking an initial business combination, but fail to complete such a combination, we will never generate any operating revenues.

Our independent registered public accounting firm s report contains an explanatory paragraph that expresses substantial doubt about our ability to continue as a going concern.

As of March 15, 2007, we had $180,000 in cash and a working capital deficiency of $8,500. Further, we have incurred and expect to continue to incur significant costs in pursuit of our acquisition plans. Management s plans to address this need for capital through this offering are discussed in the section of this prospectus titled Management s Discussion and Analysis of Financial Condition and Results of Operations. We cannot assure you that our plans to raise capital or to consummate an initial business combination will be successful. These factors, among others, raise substantial doubt about our ability to continue as a going concern. The financial statements contained elsewhere in this prospectus do not include any adjustments that might result from our inability to consummate this offering or our inability to continue as a going concern.

We may not be able to consummate an initial business combination within the required time frame, in which case, we would be forced to liquidate our assets.

Pursuant to our certificate of incorporation, which will be in effect upon consummation of this offering, we will have 24 months in which to complete an initial business combination. If we fail to consummate an initial business combination within the required time frame, our corporate existence will, in accordance with our certificate of incorporation, cease except for the purposes of winding up our affairs and liquidating. The foregoing requirements are set forth in Article Sixth of our certificate of incorporation and may not be eliminated except in connection with, and upon consummation of, an initial business combination. We may not be able to find suitable target businesses within the required time frame. In addition, our negotiating position and our ability to conduct adequate due diligence on any potential target may be reduced as we approach the deadline for the consummation of an initial business combination. We do not have any specific business combination under consideration, and neither we, nor any representative acting on our behalf, has had any contacts with any target businesses regarding an initial business combination, nor taken any direct or indirect actions to locate or search for a target business.

If we are forced to liquidate before an initial business combination and distribute the trust account, our public stockholders may receive less than $8.00 per share and our warrants will expire worthless.

If we are unable to complete an initial business combination within 24 months from the date of this prospectus and are forced to liquidate our assets, the per-share liquidation distribution may be less than $8.00 because of the expenses of this offering, our general and administrative expenses and the anticipated costs of

seeking an initial business combination. Furthermore, there will be no distribution with respect to our outstanding warrants which will expire worthless if we liquidate before the completion of an initial business combination.

If we are unable to consummate an initial business combination, our public stockholders will be forced to wait the full 24 months before receiving liquidation distributions.

We have 24 months in which to complete an initial business combination. We have no obligation to return funds to investors prior to such date unless we consummate an initial business combination prior thereto and only then in cases where investors have sought conversion of their shares. Only after the expiration of this full time period will public stockholders be entitled to liquidation distributions if we are unable to complete an initial business combination. Accordingly, investors funds may be unavailable to them until such date.

You will not be entitled to protections normally afforded to investors of blank check companies.

Since the net proceeds of this offering are intended to be used to complete an initial business combination with a target business that has not been identified, we may be deemed to be a blank check company under the United States securities laws. However, since our securities will be listed on the American Stock Exchange, a national securities exchange, and we will have net tangible assets in excess of $5.0 million upon the successful consummation of this offering and will file a Current Report on Form 8-K, including an audited balance sheet demonstrating this fact, we are exempt from rules promulgated by the SEC to protect investors in blank check companies such as Rule 419. Accordingly, investors will not be afforded the benefits or protections of those rules. Among other things, this means our units will be immediately tradable and we will have a longer period of time to complete a business combination in some circumstances than do companies subject to Rule 419. Moreover, offerings subject to Rule 419 would prohibit the release of any interest earned on funds held in the trust account to us unless and until the funds in the trust account were released to us in connection with our consummation of an initial business combination. For a more detailed comparison of our offering to offerings that comply with Rule 419, please see Proposed Business Comparison of This Offering to Those of Blank Check Companies Subject to Rule 419.

Because there are numerous companies with a business plan similar to ours seeking to effectuate an initial business combination, it may be more difficult for us to do so.

Since January 2005, based upon publicly available information, approximately __ similarly structured blank check companies have completed initial public offerings in the United States or have filed registration statements with the SEC seeking to go public. Of these companies, 13 companies have consummated an initial business combination, while 19 companies have announced they have entered into a definitive agreement for an initial business combination, but have not consummated such initial business combination, and 5 companies have failed to complete business combinations and have either dissolved or announced their intention to dissolve and return trust proceeds to their stockholders. Accordingly, there are approximately __ blank check companies with more than $__ billion in trust, or proposed to be put in trust with respect to those companies currently in the registration process with the SEC, that are seeking to carry out a business plan similar to our business plan. Furthermore, there are a number of additional offerings for blank check companies that are still in the registration process but have not completed initial public offerings and there are likely to be more blank check companies filing registration statements for initial public offerings after the date of this prospectus and prior to our completion of an initial business combination. While some of those companies must complete an initial business combination in specific industries, a number of them may consummate an initial business combination in any industry they choose. Therefore, we may be subject to competition from these and other companies seeking to consummate a business plan similar to ours. Because of this competition, we cannot assure you that we will be able to effectuate an initial business combination within the required time periods.

If the net proceeds of this offering not being held in trust are insufficient to allow us to operate for at least the next 24 months, we may be unable to complete an initial business combination.

We believe that, upon consummation of this offering, the funds available to us outside of the trust account, plus the interest earned on the funds held in the trust account that may be available to us, will be sufficient to allow us to operate for at least the next 24 months, assuming that an initial business combination is not consummated

during that time. However, we cannot assure you that our estimates will be accurate. We could use a portion of the funds available to us to pay fees to consultants to assist us with our search for a target business. We could also use a portion of the funds as a down payment or to fund a no-shop provision (a provision in letters of intent designed to keep target businesses from shopping around for transactions with other companies on terms more favorable to such target businesses) with respect to a particular proposed initial business combination, although we do not have any current intention to do so. If we entered into a letter of intent where we paid for the right to receive exclusivity from a target business and were subsequently required to forfeit such funds (whether as a result of our breach or otherwise), we might not have sufficient funds to continue searching for, or conduct due diligence with respect to, a target business.

If our due diligence investigation of a target business with which we combine does not uncover all material issues or risks, we may be required to subsequently take write-downs or write-offs, restructuring, and impairment or other charges that could have a significant negative effect on our financial condition, results of operations and our stock price, which could cause you to lose some or all of your investment.

We must conduct a due diligence investigation of the target businesses we intend to acquire. Intensive due diligence is time consuming and expensive due to the operations, accounting, finance and legal professionals who must be involved in the due diligence process. Even if we conduct extensive due diligence on a target business with which we combine, we cannot assure you that this diligence will surface all material issues that may affect a particular target business, or that factors outside the control of the target business and outside of our control will not later arise. If our diligence fails to identify issues specific to a target business, industry or the environment in which the target business operates, we may be forced to later write-down or write-off assets, restructure our operations, or incur impairment or other charges that could result in our reporting losses. Even though these charges may be non-cash items and not have an immediate impact on our liquidity, the fact that we report charges of this nature could contribute to negative market perceptions about us or our common stock. In addition, charges of this nature may cause us to violate net worth or other covenants to which we may be subject as a result of assuming pre-existing debt held by a target business or by virtue of our obtaining post-combination debt financing.

A decline in interest rates could limit the amount available to fund our search for a target business or businesses and complete an initial business combination since we will depend on interest earned on the trust account to fund our search, to pay our tax obligations and to complete our initial business combination.

Of the net proceeds of this offering, only $25,000 will be available to us initially outside the trust account to fund our working capital requirements. We will depend on sufficient interest being earned on the proceeds held in the trust account to provide us with the additional working capital we will need to identify one or more target businesses and to complete our initial business combination, as well as to pay any tax obligations that we may owe. While we are entitled to have released to us for such purposes certain interest earned on the funds in the trust account, a substantial decline in interest rates may result in our having insufficient funds available with which to structure, negotiate or close an initial business combination. In such event, we would need to borrow funds from our initial stockholders to operate or may be forced to liquidate. Our initial stockholders are under no obligation to advance funds in such circumstances.

If third parties bring claims against us, the proceeds held in trust could be reduced and the per-share liquidation price received by stockholders may be less than approximately $7.82 per share (or $7.80 per share if the underwriters over-allotment option is exercised in full).

Our placing of funds in trust may not protect those funds from third party claims against us. Although we will seek to have all vendors and service providers we engage and prospective target businesses with which we negotiate, execute agreements with us waiving any right, title, interest or claim of any kind in or to any monies held in the trust account for the benefit of our public stockholders, there is no guarantee that they will execute such agreements. Furthermore, there is no guarantee that, even if such entities execute such agreements with us, they will not seek recourse against the trust account. Nor is there any guarantee that such entities will agree to waive any claims they may have in the future as a result of, or arising out of, any negotiations, contracts or agreements with us and will not seek recourse against the trust account for any reason. There is also no guarantee that a court would uphold the validity of such agreements. Further, we could be subject to claims from parties not in contract with us who have