



IMMEDIATE RELEASE

Easterly Alternatives Launches SPAC Fund I to Invest in Portfolio of SPACs

- **Becomes one of the first funds to focus only on investing in a diversified portfolio of SPACs**
- **SPACs made up over 50% of this year's total IPO market, and are expected to continue launching at a record pace into 2021**

NEW YORK, December 17, 2020 – Easterly Alternatives today announced the launch of SPAC Fund I, which will invest in Special Purpose Acquisition Companies (“SPAC”) IPOs, making it one of the first funds to invest solely in a portfolio of SPACs. The fund, structured as a limited partnership and with a target of \$100 million, will invest in a diversified portfolio of 10-15 SPACs, primarily through SPAC IPO units, but also as opportunities arise in the SPAC secondary market.

“SPACs are an increasingly popular way for private businesses to access the capital markets. We are seeing startups use them for exits and private equity firms use them to take portfolio companies public,” said Darrell Crate, chairman of Easterly Alternatives. “A diversified portfolio of SPACs can provide competitive, risk-adjusted returns, while also providing a measure of downside protection. Allocators are finding that SPACs can fit in multiple different buckets within their overall portfolio – equities, absolute return, cash replacements, or alternatives, due to the structure of the fund. By offering access to a basket of SPACs, we are expanding access to an upside-focused investment with low volatility and downside protection.”

SPACs are companies formed to raise capital through an IPO with the purpose of using the proceeds to acquire an unspecified business or private company. In 2019, 59 SPAC IPOs raised \$13.6 billion in gross proceeds, or roughly 20% of the total IPO market. SPAC fundraising in 2020 has proceeded at a record pace, with over 235 SPAC IPOs raising roughly \$79 billion, accounting for over 50% of the total IPO market.

Easterly Alternatives will serve as the investment advisor to the Fund, and Levin Easterly Partners will serve as sub-advisor. Both entities have experience that gives them insights into the likelihood of a SPAC's success: Easterly Alternatives' Crate was part of a SPAC sponsor team that took Easterly Acquisition Corp. public and merged it with Sirius International Insurance Group. Levin Easterly's team has been investing in SPACs since 2006 as a fundamental, value equity manager, and, since 2015, has participated in 100 SPAC IPOs with a cumulative deal size of more than \$31 billion. Easterly Alternatives and Levin Easterly are part of Easterly Asset Management LP, which holds a diverse group of asset management firms and financial services platforms that provide unique and differentiated investment solutions across asset classes.

“Advances in SPACs over strengthened stakeholder alignment have attracted world-class sponsors, investment partners, and high-quality businesses to the SPAC structure” said Sam Hendel, president of Levin Easterly and part of the SPAC Fund I management team. “Our team’s experience in both SPACs and fundamental investing gives us an edge as we selectively deploy capital to top sponsors and utilize the optionality inherent in the SPAC construct. We expect to see a robust opportunity set in 2021 and beyond.”

SPAC Fund I will be among the first funds dedicated to investing strictly in SPAC IPOs. Until now, investors such as hedge funds, family offices, pensions and endowments and other investors typically invested in individual SPAC IPOs or gained access to the SPAC market through multi-strategy hedge funds. The Easterly Alternatives fund allows allocators to know their exact SPAC allocation within their broader portfolio and provides investors access to SPAC IPOs that they might not otherwise have.

“Investing in a basket of SPACs increases diversification and potentially reduces the risks posed by a single investment. Downside protection also can be provided both through daily liquidity via the secondary market and investors’ right to redeem their equity shares for trust value at the time of the business combination, which is essentially the investor getting their money back plus interest,” said Evan Ratner of Levin Easterly, a member of the management team.

About Easterly Alternatives

Easterly Alternatives serves as the investment advisor to SPAC Fund I and manages its investment program. It is chaired by Darrell Crate, who also serves as chair of Levin Easterly Partners. For more information, please visit Easterly Alternatives at <https://easterlyalternatives.com/>.

About Levin Easterly Partners

Levin Easterly is a private asset management firm specializing in serving institutions with approximately \$4.1 billion of AUM, as of 11/30/2020. The firm is focused on bottom-up, fundamental research with the goal of preserving capital and generating profit consistently through all market environments. For more information, please visit Levin Easterly at <https://LevinEasterly.com>.

About Easterly Asset Management

Easterly Asset Management holds a diverse group of asset management firms and financial services platforms, providing unique and differentiated investment solutions across asset classes. Easterly Asset Management has interests in Easterly Alternatives, Levin Easterly, James Alpha Advisors, and Easterly EAB Risk Solutions.

Media Contact:

Erin Daigle
The Hubbell Group, Inc.
859 Willard Street, Suite 502
Quincy, MA 02169
Cell: (781) 815-2827
Email: edaigle@hubbellgroup.com