



Ogier's BVI team busy due to SPAC resurgence

News - 03/08/2017

| Ogier's BVI team busy due to SPAC resurgence

Ogier's BVI team has advised on three SPAC IPOs worth a combined \$400 million since mid-May as the market for IPOs continues to improve.

Improved market conditions for fund raising in the equity capital markets combined with the liquidity offered by SPACS – both in terms of the "money back" feature of SPACS that do not achieve a Business Combination by their deadline, and because listed shares can be freely traded – have led to the resurgence that Ogier's corporate team were among those predicting last year.

Partner Michael Killourhy has acted on all three IPOs – he says that the striking feature is the spread of activity covered, both geographically and in terms of the sectors represented.

The three most recent IPOs undertaken by Michael's team are:

- The \$210 million launch of National Energy Services Reunited Corp targeting businesses in the energy services industry, with an emphasis on oil and gas services globally.
- The \$143 million launch of Constellation Alpha Capital Corp, a SPAC seeking investment opportunities in the healthcare services and manufacturing industries in India.
- The \$52.5 million launch of Bison Capital Acquisition Corp, a SPAC targeting businesses located in Asia and North America in the healthcare, consumer services and media/entertainment industries.

Michael said: "All of the signs have been pointing towards this for a year or more, and it is particularly interesting to see that this trend is not confined to one region or sector, but is spread widely.

"There has been a significant increase in IPO activity, particularly in the US, over the last weeks

and months and that confidence is reflected in the increase in SPAC-related activity. That BVI companies are well represented amongst recent SPACs is also very encouraging for the jurisdiction".

Using a BVI company as a SPAC entity provides a number of advantages. The company laws of the BVI are modern and flexible and adaptable not only to market custom and investor needs but also to the rules of those stock exchanges on which SPACs list, enabling the evolution of market trends in SPAC structuring to be easily accommodated within a BVI company.

Combining this with the modern, efficient BVI court system grounded in English process and jurisprudence with an ultimate right of appeal to the Privy Council in London (essentially the English Supreme Court), makes BVI a highly attractive international structuring jurisdiction for SPACs for both sponsors and investors alike.

As a result, says Michael, "We expect to see this activity continue, and we expect the flexibility of BVI legislation to continue to be attractive to sponsors as a structuring option."

About Ogier

Ogier is a professional services firm with the knowledge and expertise to handle the most demanding and complex transactions and provide expert, efficient and cost-effective services to all our clients. We regularly win awards for the quality of our client service, our work and our people.

Disclaimer

This client briefing has been prepared for clients and professional associates of Ogier. The information and expressions of opinion which it contains are not intended to be a comprehensive study or to provide legal advice and should not be treated as a substitute for specific advice concerning individual situations.

Regulatory information can be found under [Legal Notice](#)

Meet the Author



Michael Killourhy

Partner

British Virgin Islands

E: michael.killourhy@ogier.com

T: +1 284 852 7309

Related Services

Corporate

Equity Capital Markets

Listing services

Legal