

# Fir Tree Special Opportunities Fund XII , LTD (SPAC)

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|--------------------------------|--|
| <b>New Category</b>            | Investment in Private Company  |
| <b>Investment Manager</b>      | Fir Tree Capital Management, LP  |
| <b>Fund Status</b>             | Open   |
| <b>Archive</b>                 | No   |
| <b>Custodian</b>               | Prime Brokers hold the fund assets<br>Citco is the funds administrator   |
| <b>Jurisdiction</b>            | Cayman Islands<br>Yes ( unless holds more than 10% - T1134)<br>** Please refer to <a href="#">Tax memo/Special treatment</a> for ownership details.      |
| <b>T1135 Reporting</b>         |  |
| <b>Currency</b>                | CDN or USD   |
| <b>Tax Slip</b>                | PFIC   |
| <b>Receiver of Tax Receipt</b> | RFO  |
| <b>Tax Slips Expected</b>      | June   |
| <b>Statements Expected</b>     | Quarterly  |
| <b>Accounting Treatment</b>    | Distributions should be treated as dividends and are considered as foreign dividend income. Reconcile at year-end with PFIC for amount of distributions. |

**Tax Memo/  
Tax Treatment**

Investors are investing in shares of a Cayman corporation. Distributions are treated as dividends and are considered foreign dividend income by the investors. Redemptions of the CaymanCo shares are considered dispositions for income tax purposes, which must be reflected on the investors' tax returns. The redemptions will trigger capital gains or capital losses for the investors.

**US Tax Return Required**

No

**Type**

SPAC Arbitrage Hedge Fund

**Nature  
of Investment**

SPAC Arbitrage which involves buying SPACs at issue or in the market if there is a sufficient discount. When the SPAC announces it will be acquiring a company, Fir Tree will sell the SPAC. Fir Tree will also sell SPACs which are trading at large premiums over NAV. This is a lower risk strategy as the SPAC will hold cash and cash equivalents until an acquisition is made. Fir Tree sells SPACs before the deal is made therefore is not exposed to the risk associated with the acquired company. Profit is made when the SPAC's price increases pre deal.

**Notes**