



Robert E. Zoellner Jr., CEO, Co-Chief Investment Officer, and Michael Tenebruso, Co-Chief Investment Officer

Photography by paulschneck.com

Four Decades Focused on Merger Arbitrage

THIS FIRM USES EXPERIENCE AND EXPERTISE TO YIELD SUPERIOR RETURNS.

Merger arbitrage is also referred to as risk arbitrage, but Michael Tenebruso, Co-CIO of Alpine Associates Management Inc., believes investing in risk arbitrage doesn't have to be risky. In the firm's 39-year history, Alpine has consistently produced superior risk-adjusted returns for investors, which Tenebruso credits to an almost exclusive focus on merger arbitrage, including vigilant attention to a wide range of factors that influence mergers and acquisitions (M&A).

"We bring a trader's mentality to the arbitrage business," he says. "That means we keep an eye on global events, financial markets, and trends. We actively manage our positions rather than sitting back and waiting for mergers to complete. We've invested

in over 5,000 mergers, and in our core strategy of merger arbitrage, we've never had a losing year."

Combined with patient investing, this deep expertise has made one of the oldest private fund managers in the United States one of the most successful. The original Alpine fund was founded in 1976, and Alpine currently has \$1.6 billion in total assets under management. "Over the long-term, Alpine has handily beaten stock and bond market returns," says CEO and Co-CIO Robert E. Zoellner Jr.

That kind of preservation of capital and positive compounding over time is something only a well-established manager can boast. The "pure-play arbitrage fund" continues to prove its worth as part of a diversified investment

portfolio, regardless of the economy.

"We've been giving our investors an attractive rate of return relative to low-risk alternatives, even in a zero interest rate environment," Zoellner says. "There aren't any surprises. When there's a lot of volatility in the market, we're not the fund you're going to be worried about."

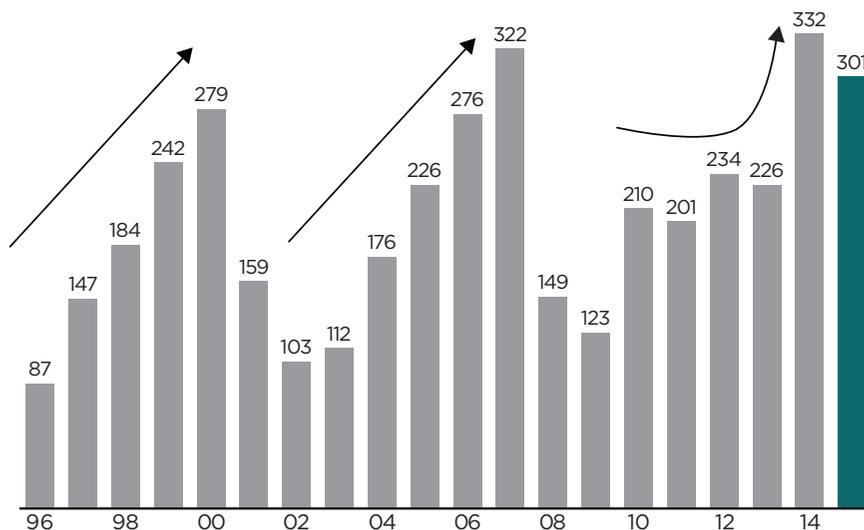
FAVORABLE MARKET TRENDS

2014 and 2015 brought a sharp spike in the M&A market, which Alpine is monitoring with great interest. After the financial crisis, activity in the area had been subdued, but Senior Research Analyst Chris Row thinks that conditions are favorable for the M&A boom to continue.

"There's been a huge pickup that started during 2014. We may be headed into an extended period of above-average M&A activity," he says. "Alpine offers a dedicated way to invest in the M&A market, rather than some multi-strategy firms that might do a little merger arbitrage here and there. No one has the long, proven track record that we have. We're a stable organization."

North American M&A

Number of Deals > \$1Billion



Sources: FactSet Mergerstat/RBC Capital Markets

Alpine Associates
Management Inc. *since 1976*

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