

Cazador Acquisition Corp Ltd.  
Form 10-Q  
May 15, 2012

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, DC 20549**

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
X ACT OF 1934**

For the quarterly period ended March 31, 2012

**OR**

**..TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT  
OF 1934**

Commission file number: 001-34887

**CAZADOR ACQUISITION CORPORATION LTD.**

<b>Cayman Islands</b>	98-0668024
(State or other jurisdiction of	(I.R.S. Employer
incorporation or organization)	Identification Number)

**c/o Arco Capital Management LLC**

**7 Sheinovo Street**

**1504 Sofia, Bulgaria**

(Address of principal executive offices)

Francesco Piovanetti

Edgar Filing: Cazador Acquisition Corp Ltd. - Form 10-Q

Chairman of the Board, Chief Executive Officer and Director

Cazador Acquisition Corporation Ltd.

c/o Arco Capital Management LLC

7 Sheinovo Street

1504 Sofia, Bulgaria

Tel: +359 2 895 2000

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No .

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No .

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer   
Non-accelerated filer  Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No .

As of May 13, 2012, there were 5,750,000 shares of common stock, par value \$.0001 per share, of the registrant outstanding.



**TABLE OF CONTENTS**

PART I		
Item 1.	Financial Statements.	2
Item 2.	Management’s Discussion and Analysis of Financial Condition and Results of Operations.	15
Item 3.	Quantitative and Qualitative Disclosures About Market Risk.	17
Item 4.	Controls and Procedures	18
PART II		
Item 1.	Legal Proceedings.	18
Item 1A.	Risk Factors.	18
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds.	18
Item 3.	Defaults Upon Senior Securities.	18
Item 4.	Mine Safety Disclosures.	18
Item 5.	Other Information.	18
Item 6.	Exhibits.	<b>19</b>

## **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This quarterly report contains forward-looking statements as defined in Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934 (the “Exchange Act”). These forward-looking statements include information about our possible or assumed future results of operations or our performance. Words such as “expects,” “intends,” “plans,” “believes,” “anticipates,” “estimates,” and variations of such words and similar expressions are intended to identify the forward-looking statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct. These statements involve known and unknown risks and are based upon a number of assumptions and estimates which are inherently subject to significant uncertainties and contingencies, many of which are beyond our control. Actual results may differ materially from those expressed or implied by such forward-looking statements.

We undertake no obligation to publicly update or revise any forward-looking statements contained in this quarterly report, or the documents to which we refer you in this quarterly report, to reflect any change in our expectations with respect to such statements or any change in events, conditions or circumstances on which any statement is based.

This report should be read in conjunction with our unaudited financial statements and the accompanying notes thereto, which are included in Item 1 to this quarterly report.

## ITEM 1. FINANCIAL STATEMENTS

Cazador Acquisition Corporation Ltd.

(A Development Stage Company)

Balance Sheets

(In United States Dollars)

	March 31, 2012 (Unaudited)	December 31, 2011 (Audited)
Assets		
Current assets		
Cash	\$ 10,298	\$ 101,667
Restricted cash held in trust	46,165,000	46,165,000
Prepaid expenses	-	17,890
Total assets	\$46,175,298	\$46,284,557
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable	304,439	331,016
Note due to related party	6,527	-
Due to related party	321,339	220,345
Total liabilities	\$632,305	\$551,361
Ordinary shares, subject to possible repurchase, 2,295,400 shares stated at repurchase price of \$10.036	23,036,634	23,036,634
Shareholders' equity		
Preferred shares, \$0.0001 par value, 1,000,000 shares authorized, no shares issued and outstanding	-	-
Ordinary shares, \$0.0001 par value, 100,000,000 shares authorized, 5,750,000 shares issued and outstanding	345	345
Additional paid-in capital	23,532,626	23,532,626
Deficit accumulated during the development stage	(1,026,612)	(836,409)
Total shareholders' equity	\$22,506,359	\$22,696,562
Total liabilities and shareholders' equity	\$46,175,298	\$46,284,557

See notes to the unaudited financial statements.

Cazador Acquisition Corporation Ltd.

(A Development Stage Company)

Unaudited Statements of Operations

(In United States Dollars)

	Quarter ended March 31,		Accumulated for the period from April 20, <b>2010</b> <b>(inception)</b> <b>to</b> <b>March 31,</b> <b>2012</b>
	2012	2011	
Operating expenses			
Formation and operating costs	\$ 196,495	\$ 106,306	\$ 1,085,325
Loss from operations	(196,495 )	(106,306 )	(1,085,325 )
Interest income	6,292	9,584	58,713
<b>Net loss and other comprehensive loss</b>	<b>\$(190,203 )</b>	<b>\$(96,722 )</b>	<b>\$(1,026,612 )</b>
Weighted average shares outstanding	5,750,000	5,750,000	4,675,105
Basic and diluted net loss per share	\$(0.03 )	\$(0.02 )	\$(0.22 )

See notes to the unaudited financial statements.

Cazador Acquisition Corporation Ltd.

(A Development Stage Company)

Unaudited Statements of Cash Flows

(In United States Dollars)

	Quarter ended March 31,		Accumulated for the period from April 20, <b>2010</b> <b>(inception)</b> <b>to</b> <b>March 31,</b> <b>2012</b>
	2012	2011	
Cash Flows from Operating Activities			
Net loss	\$(190,203)	\$(96,722)	\$(1,026,612)
Adjustments to reconcile net loss to net cash used in operating activities:			
Decrease in prepaid expenses	17,890	18,511	-
(Decrease) increase in accounts payable	(26,577)	28,367	304,439
Increase in due to related party	100,994	31,536	321,339
Net cash used in operating activities	(97,896)	(18,308)	(400,834)
Cash Flows from Investing Activities			
Cash withdrawn from (placed in) trust	-	14,084	(46,165,000)
Net cash provided by (used in) investing activities	-	14,084	(46,165,000)
Cash Flows from Financing Activities			
Proceeds from sale of sponsor's ordinary shares	-	-	25,000
Proceeds from sale of warrants in private placement	-	-	2,170,000
Proceeds from initial public offering	-	-	46,000,000
Payment of underwriters discount and offering costs	-	-	(1,625,494)
Repurchase of sponsor's ordinary shares	-	-	(1)
Proceeds from sale of underwriters option	-	-	100
Proceeds from note due to related party	6,527	-	6,527
Net cash provided by financing activities	6,527	-	46,576,132
Net (decrease) increase in cash	(91,369)	(4,224)	10,298
Cash at beginning of period	101,667	207,805	-
Cash at end of period	\$10,298	203,581	\$10,298
Supplemental Cash Flow Disclosures			
Offering costs paid for by a related party on behalf of the Company	\$-	\$-	\$133,303
Formation costs paid for by a related party on behalf of the Company	78,494	9,036	228,343

See notes to the unaudited financial statements.





Cazador Acquisition Corporation Ltd.

(A Development Stage Company)

Notes to the Unaudited Financial Statements

(In United States Dollars)

## **1. Organization and plan of business operations**

Cazador Acquisition Corporation Ltd. (the “Company”) is a recently organized blank check company incorporated as a Cayman Islands exempted company for the purpose of effecting a merger, share capital exchange, asset acquisition, share purchase, reorganization or similar business combination (the “Business Combination”). The Company is partially owned by Cazador Sub Holdings Ltd. (the “Sponsor”), a company incorporated as a Cayman Islands exempted company, whose ultimate owner is Arco International Group LLC, a Puerto Rico limited liability company.

The Company is considered to be in the development stage and is subject to the risks associated with activities of development stage companies.

At March 31, 2012, the Company had not commenced any operations. All activity from April 20, 2010 (inception) through March 31, 2012 relates to the Company’s formation, the initial public offering (“Offering”) described below and the active solicitation, investigation and analysis of an acquisition target for an initial business combination.

The registration statement for the initial public offering was declared effective October 7, 2010. The Company consummated the Offering on October 14, 2010 and received net proceeds of \$40.0 million, before deducting underwriting compensation of \$900,000 and \$100 for the purchase of 200,000 warrants by the underwriter.

On the same date, the Company consummated the closing of an additional 600,000 units pursuant to the exercise of the underwriters' over-allotment option as part of the Offering and received net proceeds of \$6.0 million before deducting underwriting compensation of \$135,000.

Total gross proceeds to the Company from the 4,600,000 units sold in the Offering (including the 600,000 units sold pursuant to the over-allotment option) were \$46.0 million and approximately \$2.2 million from the private placement

sale of sponsor warrants described below.

The Sponsor purchased 4,340,000 warrants at a price of \$0.50 per warrant (approximately \$2.2 million in the aggregate) (the “Sponsor Warrants”) immediately prior to the consummation of the Offering. The Sponsor’s Warrants were purchased separately and not in combination with ordinary shares or in the form of units.

The Sponsor’s Warrants are identical to the warrants included in the units sold in the Offering, except that the Sponsor’s Warrants (i) are non-redeemable, so long as they are held by any of the Sponsor or its permitted transferees, (ii) are exercisable on a cashless basis at the election of the holder, so long as they are held by the Sponsor or its permitted transferees, and (iii) are not transferable or saleable by the Sponsor or any of the Sponsor’s beneficial owners, (except to permitted transferees) until six months after the consummation of the Business Combination. In addition, each of the shareholders of the Sponsor will agree not to transfer their respective ownership interests or take any steps to cause the Sponsor to issue new ownership interests in such entities to anyone other than a permitted transferee. The Sponsor’s Warrants are not exercisable and will be held in the escrow account while they are subject to such transfer restrictions.

In addition, commencing after the consummation of the Company’s Business Combination, the holders of the Sponsor’s Warrants and the underlying ordinary shares and their permitted transferees are entitled to registration rights under an agreement signed on the date of the prospectus.

Cazador Acquisition Corporation Ltd.

(A Development Stage Company)

Notes to the Unaudited Financial Statements

(In United States Dollars)

## **1. Organization and plan of business operations (continued)**

The Company's management has broad discretion with respect to the specific application of the net proceeds of the Offering, although substantially all of the net proceeds of the Offering are intended to be generally applied toward the consummation of the Business Combination. Furthermore, there is no assurance that the Company will be able to successfully effect a Business Combination. The Company's management has complete discretion in identifying and electing the target business. The Company anticipates that the initial business combination must occur with one or more target businesses that collectively have a fair market value of at least 80% of the initial amount held in the trust account plus any amounts previously distributed to shareholders who have exercised their shareholder redemption rights. If the Company acquires less than 100% of one or more target businesses, the aggregate fair market value of the portion or portions the Company acquires must equal at least 80% of the amount held in the trust account. In no event, however, will the Company acquire less than a controlling interest of a target business (that is, more than 50% of the voting equity interests of the target business), although after the consummation of the Business Combination public shareholders may own less than a majority of the voting securities of the combined businesses.

The Company's efforts in identifying prospective target businesses are not limited to a particular industry. Instead, the Company focuses on various industries and target businesses in emerging markets in Central and Eastern Europe, Latin America and Asia that provide numerous opportunities for growth. However, the Company may pursue opportunities in other geographical areas.

The purchase price of the Sponsor's Warrants was added to the proceeds from the initial Offering that are held in a trust account ("Trust Account") pending the completion of the Business Combination. If the Company does not complete a Business Combination that meets the criteria described before and is forced to liquidate, then the approximately \$2.2 million purchase price of the Sponsor's Warrants will become part of the distribution to the public shareholders and the Sponsor's Warrants will expire worthless. Management agreed that at least \$10.00 per unit sold in the initial public offering (or \$46.0 million) would be held in the Trust Account and invested in United States "government securities" within the meaning of Section 2(a)(16) of the Investment Company Act of 1940 having a maturity of 180 days or less or in a money market funds meeting certain conditions under Rule 2a-7 promulgated under the Investment Company Act of 1940 until the earlier of (i) the consummation of its first Business Combination or (ii) liquidation of the Company. The placing of funds in the Trust Account may not protect those funds from third party claims against the Company.

The Company seeks to have all third parties (other than the Company's independent accountants, but including vendors, which means entities that provide goods and services to the Company) or other entities the Company engages after the Offering, prospective target businesses and providers of financing, if any, enter into agreements with the Company waiving any right, title, interest or claim of any kind they may have in or to any monies held in the Trust Account. There is no guarantee that vendors, prospective target businesses or other entities will execute such waivers or, even if they execute such waivers, that they would be prevented from bringing claims against the Trust Account, including but not limited to fraudulent inducement, breach of fiduciary responsibility and other similar claims, as well as claims challenging the enforceability of the waiver. Further, the Company could be subject to claims from parties not in contract with it who have not executed a waiver, such as a third party claiming tortious interference as a result of the Company's efforts to consummate the Business Combination.

Cazador Acquisition Corporation Ltd.

(A Development Stage Company)

Notes to the Unaudited Financial Statements

(In United States Dollars)

## 1. Organization and plan of business operations (continued)

The Sponsor and Arco Capital Management LLC (“ACM”), an affiliated company, have agreed that they will be liable jointly and severally, by means of direct payment to the Trust Account, 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 the Company for services rendered or contracted for or products sold to the Company whom have not executed the waiver. However, the agreement entered into by the Sponsor 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 legally enforceable waiver or (2) as to any claims under the indemnity of the underwriters of the Offering against certain liabilities, including liabilities under the Securities Act of 1933, as amended, or the Securities Act. Based upon representations from the Company’s Sponsor that it has sufficient funds available to satisfy this indemnification obligation to the Company, management believes that the Sponsor will be able to satisfy any indemnifications obligations that may arise given the limited nature of the obligations. However, in the event that the Sponsor has liability to the Company under these indemnifications arrangements, the Company cannot assure that it will have the assets necessary to satisfy those obligations.

The remaining net proceeds (not held in the Trust Account) may be used to pay for business, legal and accounting due diligence on prospective acquisitions and continuing general and administrative expenses. Additionally, any interest earned on the Trust Account may be released to the Company to fund working capital and to pay the Company’s tax obligations, if any.

The Company, after signing a definite agreement for the acquisition of a target business, is required to submit such transaction for shareholders approval, even if the business combination would not ordinarily require shareholders approval under applicable law. In connection with the shareholders vote required to approve any Business Combination, the Sponsor has agreed to vote the Sponsor’s ordinary shares (as defined in Note 4) in accordance with the majority of the ordinary shares voted by the public shareholders. “Public Shareholders” are defined as the holders of ordinary shares sold as part of the units, as defined, in the proposed offering or in the aftermarket. The Company will proceed with a Business Combination only if (i) the Business Combination is approved by a majority of votes cast by the Company’s Public Shareholders present in person or by proxy at a duly held shareholders meeting, and (ii) Public Shareholders owning less than 49.9% of the Company’s ordinary shares sold in the Offering both vote against the Business Combination and exercise their shareholder redemption rights.

In the event that shareholders owning 49.9% or more of the ordinary shares sold in the Offering both vote against the Business Combination and exercise their redemption rights described below, the Business Combination will not be consummated. After consummation of a Business Combination, these voting safeguards will no longer be applicable.

If the Business Combination is approved and completed, each Public Shareholder voting against such Business Combination that has duly exercised the shareholder redemption rights will be entitled to redeem its ordinary shares for a pro rata share of the aggregate amount then on deposit in the Trust Account subject to the restriction on a Public Shareholder together with any affiliate of his or any other person with whom he is acting in concert or as a partnership, syndicate or other group for the purpose of acquiring, holding, or disposing of the securities, seeking to exercise shareholder redemption rights with respect to more than 10% of the ordinary shares sold in the Offering on a cumulative basis. Public Shareholders who redeem their ordinary shares into their pro rata share of the Trust Account will continue to have the right to exercise any warrants they may hold.

Pursuant to the amended and restated memorandum and articles of association, the Company has 24 months from the completion of the Offering to consummate the initial business combination, since the period to complete our business combination has been extended because we have entered into a non-binding letter of intent with respect to an initial business combination prior to April 14, 2012.

Cazador Acquisition Corporation Ltd.

(A Development Stage Company)

Notes to the Unaudited Financial Statements

(In United States Dollars)

## **1. Organization and plan of business operations (continued)**

In the event that the Company fails to consummate a business combination within 24 months of the date of the Offering, since the period to complete our business combination has been extended because we have entered into a non-binding letter of intent with respect to an initial business combination prior to April 14, 2012, the Company will compulsorily repurchase within five business days all of the shares held by the Public Shareholders pursuant to the procedures in the Company's Second Amended and Restated Memorandum and Articles of Association.

Following completion of the repurchase of the public shares, the Company will continue in existence. In the event of liquidation, it is possible that the per share value of the residual assets remaining available for distribution (including Trust Account assets) will be less than the initial public offering price per share in the Offering (assuming no value is attributed to the warrants contained in the units offered).

## **2. Summary of significant accounting policies**

### **Basis of presentation**

The financial statements are presented in United States ("U.S.") dollars, and have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The Company selected December 31 as its fiscal year end.

### **Use of estimates**



The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Development stage company**

At March 31, 2012, the Company had not commenced any operations nor generated revenue to date. All activity through March 31, 2012 relates to the Company's formation, the initial public offering and the active solicitation, investigation and analysis of an acquisition target for an initial business combination. The Company will not generate any operating revenues until the completion of the Business Combination, at the earliest. The Company generated and will continue to generate non-operating income in the form of interest income on the designated Trust Account after the Offering.

### **Deferred offering costs**

Deferred offering costs consist principally of legal and registration fees incurred in connection with the initial public offering and were charged to shareholders' equity upon the receipt of the capital raised. As discussed in Note 3, the initial public offering occurred during 2010 and therefore, all related expenses were recognized during such year. As a result, no additional deferred offering costs were incurred during the quarter ended March 31, 2012. The total amount included as a reduction to additional paid-in capital as of March 31, 2012 and December 31, 2011 totaled approximately \$1.6 million.

### **Restricted cash**

Restricted cash includes temporary investments in U.S. Government securities, which have original maturities of three months or less and insignificant interest rate risk.

Cazador Acquisition Corporation Ltd.

(A Development Stage Company)

Notes to the Unaudited Financial Statements

(In United States Dollars)

## **2. Summary of significant accounting policies (continued)**

### **Income taxes**

There is, at present, no direct taxation in the Cayman Islands and interest, dividends, and gains payable to the Company are received free of all Cayman Islands taxes. The Company is registered as an “exempted company” pursuant to the Cayman Islands Companies Law (as amended). The Company has received an undertaking from the Governor in Cabinet of the Cayman Islands to the effect that, for a period of 20 years from such date, no law that thereafter is enacted in the Cayman Islands imposing any tax or duty to be levied on profits, income or on gains or appreciation, or any tax in the nature of estate duty or inheritance tax, will apply to any property composed in or any income arising under the Company, or to the shareholders thereof, in respect of any such property or income. As the Company proceeds with making investments in various jurisdictions, tax considerations outside the Cayman Islands may arise. Although the Company intends to pursue tax-efficient investments, it may be subject to income tax, withholding tax, capital gains tax, and other taxes imposed by tax authorities in other jurisdictions. For U.S. tax purposes, the Company expects to be treated as a passive foreign investment company by its U.S. shareholders. The Company does not expect to be subject to direct taxation based on net income in the U.S. as long as it maintains its non-U.S. trade or business status. The Company does not expect to invest in any U.S. obligation that will be subject to U.S. withholding taxes.

As of March 31, 2012, the Company has not commenced operations other than activities in furtherance of effecting a Business Combination, and thus has no uncertain tax positions.

### **Fair value of financial instruments**

The fair value of the Company’s assets and liabilities, which qualify as financial instruments, approximates the carrying amounts represented in the balance sheet.

**Loss per share**

Basic loss per share is computed by dividing net loss by the weighted-average number of ordinary shares outstanding during the period. Diluted loss per share is computed by dividing net loss by the weighted-average number of ordinary shares and dilutive ordinary share equivalents then outstanding.

The 1,437,500 ordinary shares issued to the Sponsor were issued at a purchase price of \$0.01739 per share, which is considerably less than the proposed offering per share price. Such shares have been assumed to be retroactively outstanding for the period since inception. On October 5, 2010, the Company repurchased 287,500 shares from the Sponsor at an aggregate purchase price of \$1.00. Given that potentially dilutive securities have an anti-dilutive effect, those securities were excluded from the computation of fully diluted loss per share for the quarters ended March 31, 2012 and 2011, and the period from April 20, 2010 (inception) through March 31, 2012. Potentially dilutive securities include:

	For the quarter ended March 31, 2012	For the quarter ended March 31, 2011	For the period from April 20, 2010 (inception) to March 31, 2012
Warrants	8,940,000	8,940,000	8,940,000
Underwriter's options	400,000	400,000	400,000
Total potentially dilutive securities	9,340,000	9,340,000	9,340,000

Cazador Acquisition Corporation Ltd.

(A Development Stage Company)

Notes to the Unaudited Financial Statements

(In United States Dollars)

## **2. Summary of significant accounting policies (continued)**

### **Concentration of credit risk**

Financial instruments that potentially subject the Company to concentrations of credit risk consist of short-term investments in U.S. Treasury bills. The Company has not experienced losses on these accounts and management believes the Company is not exposed to significant risks on such investments. However, the balances in United States financial institution may exceed Federal Deposit Insurance Corporation insured limits. All of the Company's non-interest bearing cash balances were fully insured at March 31, 2012 and December 31, 2011 due to a temporary Federal program in effect from December 31, 2010 through December 31, 2012. Under the program, there is no limit to the amount of insurance for eligible accounts. Beginning in 2013, insurance coverage will revert to \$250,000 per depositor at each financial institution, and non-interest bearing cash balances may again exceed federally insured limits.

### **Geographical risk**

The Company's operations, if a Business Combination is consummated outside the United States, will be subject to local government regulations and to the uncertainties of the economic and political conditions of those areas.

### **Ordinary shares subject to possible repurchase**

Securities that are redeemable for cash or other assets are classified outside of permanent equity if they are redeemable at the option of the holder. In addition, if the redemption causes a liquidation event, the redeemable securities should not be classified outside of permanent equity.

As discussed in Note 1, the Company will proceed with a Business Combination only if (i) the Business Combination is approved by a majority of votes cast by the Company's Public Shareholders present in person or by proxy at a duly held shareholders meeting, and (ii) Public Shareholders owning less than 49.9% of the Company's ordinary shares sold in the Offering (2,295,400 ordinary shares) both vote against the Business Combination and exercise their shareholder redemption rights. As further described in Note 1, if the Company fails to consummate a Business Combination within 24 months of the date of the Offering (since the period to complete our business combination has been extended because we have entered into a non-binding letter of intent with respect to an initial business combination prior to April 14, 2012) , the Company will compulsorily repurchase within five business days all of the shares held by the Public Shareholders pursuant to the procedures in the Company's amended and restated memorandum and articles of association. Accordingly, 2,295,400 ordinary shares have been classified outside of permanent equity at redemption value. The Company recognizes changes in the redemption value immediately as they occur and adjusts the carrying value of the redeemable ordinary shares to equal its redemption value at the end of each reporting period.

### **Recently issued accounting pronouncements**

The Company does not believe that any recently issued, but not yet effective, accounting pronouncements if currently adopted would have a material effect on the accompanying financial statements.

Cazador Acquisition Corporation Ltd.

(A Development Stage Company)

Notes to the Unaudited Financial Statements

(In United States Dollars)

### **3. Initial public offering**

On October 14, 2010, the Company sold 4,600,000 units (including the 600,000 units sold pursuant to the over-allotment option) at a price of \$10.00 per unit ("Unit"). Each Unit consists of one ordinary share, \$0.0001 par value, and one warrant ("Warrant"). Each warrant entitles the holder to purchase from the Company one ordinary share at an exercise price of \$7.50 per share commencing on the later of: (i) the completion of the Business Combination, or (ii) 12 months from the effective date of Offering, provided that at that time the Company has an effective registration statement covering the ordinary shares issuable upon exercise of the warrants and a current prospectus relating to the offer and sale of those ordinary shares is available. The warrants will expire five years from the date of the Business Combination, or earlier upon redemption.

The warrants included in the units sold in the Offering will be redeemable in whole and not in part at a price of \$0.01 per warrant upon a minimum of 30 days notice after the warrants become exercisable, only in the event that the last sale price of the ordinary shares on the Nasdaq Capital Market, equals or exceeds \$15.00 per share for any 20 trading days within a 30 trading day period ending three business days before the Company sends the notice of redemption.

The Company will not redeem the warrants held by Public Shareholders unless a registration statement under the Securities Act of 1933, as amended, or the Securities Act, relating to the ordinary shares issuable upon exercise of the warrants included in the units offered is effective and expected to remain effective to and including the redemption date, and a prospectus relating to the ordinary shares issuable upon exercise of the warrants is available throughout the 30-day redemption period. The Company does not need the consent of the underwriters or the shareholders to redeem the outstanding public warrants.

If the Company calls the warrants held by Public Shareholders for redemption, it will have the option to require all holders that wish to exercise public warrants to do so on a "cashless basis," although the public warrant holders are not eligible to do so at their own option. In such event, each holder would pay the exercise price by surrendering the warrants for that number of ordinary shares equal to the quotient obtained by dividing (x) the product of the number of ordinary shares underlying the warrants, multiplied by the difference between the "fair market value" and the exercise price of the warrants by (y) the fair market value. The "fair market value" shall mean the average reported last sale price of the ordinary shares for the 10 trading days ending on the third trading day prior to the date on which the notice of

redemption is sent to the holders of warrants. This would have the effect of reducing the number of shares received by holders of the warrants.

During 2010, the Company paid the underwriters in the Offering an underwriting discount of 2.25% of the gross proceeds of the Offering (after exercising the over-allotment option), which totaled approximately \$1.1 million and is included as a reduction in additional paid-in capital.

#### **4. Sponsor's ordinary shares**

The Sponsor purchased 1,437,500 ordinary shares for an aggregate amount of \$25,000 or \$0.01739 per unit. On October 5, 2010, the Company repurchased 287,500 of the Sponsor's ordinary shares for an aggregate purchase price of \$1.00. None of the ordinary shares purchased by the Sponsor are subject to compulsory repurchase by the Company at March 31, 2012 and December 31, 2011.

The Sponsor's ordinary shares are identical to those shares sold in the Offering, except that: (i) the Sponsor's ordinary shares will be placed in an escrow account and are subject to certain restrictions; (ii) subject to certain limited exceptions, the shares will not be transferable during the first 12 months following the consummation of the Business Combination; (iii) the Sponsor will not be able to exercise shareholder redemption rights with respect to the Sponsor's ordinary shares; and (iv) the Sponsor has agreed to waive their rights to participate in any liquidation distribution with respect to the Sponsor's ordinary shares if the Company fails to consummate the Business Combination.

Cazador Acquisition Corporation Ltd.

(A Development Stage Company)

Notes to the Unaudited Financial Statements

(In United States Dollars)

#### **4. Sponsor's ordinary shares (continued)**

The Sponsor will agree, and all of their permitted transferees will agree that all of the Sponsor's ordinary shares will be placed in an escrow account, other than with respect to transfer to permitted transferees until (i) with respect to 50% of such shares, when the closing price of the ordinary shares exceeds \$11.50 for any 20 trading days within a 30-trading day period following the consummation of the Business Combination, and (ii) with respect to 50% of such shares, when the closing price of the ordinary shares exceeds \$15.00 for any 20 trading days within a 30-trading day period following the consummation of the Business Combination, provided, however, that in any event all of the foregoing shares shall be released from escrow upon the first anniversary of the effective date of the Business Combination, and in any case, if, following such Business Combination, the Company engages in a subsequent transaction resulting in its shareholders having the right to exchange their shares for cash or other securities. The Sponsor's warrants will be transferable six months after the consummation of the Business Combination.

During the escrow period, the Sponsor will not be able to sell or transfer the Sponsor's ordinary shares except to a permitted transferee. In addition, the interest holders in the entities that hold Sponsor's ordinary shares as Sponsor will agree not to transfer their ownership interests in such entities to anyone other than a permitted transferee. A "permitted transferee" is a person or entity who receives such securities pursuant to a transfer (i) to one or more of the Company's officers, directors or Sponsor and directors and officers of the Sponsor, (ii) to an affiliate, or to an affiliate under common control with the transferor, (iii) to an entity's beneficiaries upon its liquidation or distribution, (iv) to relatives and trusts for estate planning purposes, (v) by virtue of the laws of descent and distribution upon death, (vi) by private sales with respect to up to 33% of the Sponsor's ordinary shares made at or prior to the consummation of a Business Combination at prices no greater than the recalculated price at which the units were purchased (\$0.01739 per unit), or (vii) pursuant to a qualified domestic relations order, and in each case enters into a written agreement agreeing (i) to be bound by the transfer restrictions described above, (ii) to vote in accordance with the majority of the ordinary shares voted by the Public Shareholders to the extent described below, and (iii) to waive any rights to participate in any liquidation distribution if the Company fails to consummate a Business Combination and, in the case of the Sponsor's ordinary shares subject to forfeiture, agreeing to forfeit such Sponsor's ordinary shares to the extent that the underwriters' overallotment option is not exercised. The underwriters' overallotment option was exercised.

The Sponsor will retain all other rights as a shareholder with respect to the Sponsor's ordinary shares, including, without limitation, the right to vote their ordinary shares and the right to receive dividends, if declared (including any transferees). If dividends are declared and payable in units or to extend the period of their underlying securities, such



dividends will also be placed in escrow. If the Company is unable to effect a Business Combination and liquidate, the Sponsor (or any transferees) will not receive any portion of the liquidation proceeds with respect to the Sponsor's ordinary shares.

As previously described in Note 1, the Sponsor has agreed to vote their Sponsor's ordinary shares in the same manner as the majority of the ordinary shares voted by the Public Shareholders in connection with any vote required to approve the Business Combination. As a result, the Sponsor has waived the right to exercise shareholder redemption rights for those shares in the event that the Business Combination is approved by a majority of the Public Shareholders.

In addition, the Sponsor or its permitted transferees are entitled to registration rights with respect to the Sponsor's ordinary shares and underlying securities.

Cazador Acquisition Corporation Ltd.

(A Development Stage Company)

Notes to the Unaudited Financial Statements

(In United States Dollars)

## **5. Purchase option**

The Company issued to the underwriter, for \$100, an option to purchase up to a total of 200,000 units (the “Purchase Option”). The units issuable upon exercise of this Purchase Option are identical to those offered in the Offering. This Purchase Option is exercisable at \$12.50 per unit, and may be exercised on a cashless basis, in whole or in part, during the four year period from the date of the Offering commencing on the later of the commencement of a Business Combination or the one year anniversary of the date of the Offering. The Purchase Option and the 200,000 units, the 200,000 ordinary shares and the 200,000 warrants underlying such units, and the 200,000 ordinary shares underlying such warrants, have been deemed compensation by the Financial Industry Regulatory Authority (“FINRA”) and are therefore subject to a 180-day lock-up pursuant to Rule 5110(g)(1) of the FINRA Conduct Rules. Additionally, the Purchase Option may not be sold, transferred, assigned, pledged or hypothecated for 180 days following the date of the Offering except to any underwriter and selected dealer participating in the Offering and their bona fide officers or partners. Although the Purchase Option and its underlying securities were registered under the Offering, the Purchase Option grants to holders demand and “piggy back” rights for a period of five and seven years, respectively, from the date of the initial public offering with respect to the registration under the Securities Act of the securities directly and indirectly issuable upon exercise of the Purchase Option. The Company assumed all fees and expenses attendant to registering the securities, other than underwriting commissions which were be paid by the holders themselves. The Company will have no obligation to net cash settle the exercise of the Purchase Option or the warrants underlying the Purchase Option. The holder of the Purchase Option will not be entitled to exercise the Purchase Option or the warrants underlying the Purchase Option unless a registration statement covering the securities underlying the Purchase Option is effective or an exemption from registration is available. If the holder is unable to exercise the Purchase Option or underlying warrants, the Purchase Option or warrants, as applicable, will expire worthless.

## **6. Commitments**

Commencing on the closing date of the Offering through the earlier of consummation of the Business Combination or the Company’s voluntary liquidation, the Company will pay ACM a total of \$7,500 per month for accounting, legal and operational support, access to support staff, and information technology infrastructure. In the normal course of business, the Company enters into contracts that contain a variety of indemnifications. The Company’s maximum exposure under these arrangements is unknown. The Company does not anticipate recognizing any loss relating to these arrangements.



Cazador Acquisition Corporation Ltd.

(A Development Stage Company)

Notes to the Unaudited Financial Statements

(In United States Dollars)

## **7. Related-party transactions**

As of March 31, 2012 and December 31, 2011, due to related party amounted to \$321,339 and \$220,345, respectively. The outstanding balances as of March 31, 2012 and December 31, 2011 are comprised of advances made of certain offering, formation and operating costs.

The Sponsor has committed to advance to the Company, by way of a non-interest bearing loan, an amount of up to \$400,000 to be used to cover Cazador's ongoing cost and expenses relating to its operations and in connection with a potential initial business combination until the earlier of (i) consummation of an initial business combination or (ii) liquidation of the Company. This commitment was memorialized in a memorandum of understanding dated as of March 23, 2012 between the Company and the Sponsor. As of March 31, 2012 the Sponsors has advanced the Company \$6,527, which is included within the note due to related party line item of the balance sheet as of such date.

See Note 1 for the Sponsor's purchase of 4,340,000 Sponsor's Warrants.

See Notes 1 and 4 for the Sponsor's registration rights with respect to the Sponsor's ordinary shares and the Sponsor's Warrants, respectively.

The Sponsor, officers and directors, will participate in any liquidation distributions with respect to any ordinary shares purchased by them in the Offering or in the market following consummation of the Offering.

See Note 6 for agreement with ACM for office space, and other professional services. The Company has incurred \$22,500, \$22,500, and \$131,250 in connection with such agreement for the quarter ended March 31, 2012, for the quarter ended March 31, 2011, and since April 20, 2010 (date of inception) through March 31, 2012, respectively. These fees were outstanding as of March 31, 2012 and December 31, 2011, and therefore, are included within the due to related party line item of the balance sheet as of each of those respective dates.



## **ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.**

*The following discussion should be read in conjunction with our financial statements, together with the notes to those statements, included in Item 1 of this Quarterly Report. Our actual results may differ materially from those discussed in these forward-looking statements because of the risks and uncertainties inherent in future events.*

### **Overview**

Cazador Acquisition Corporation Ltd. (the "Company") is an exempted company incorporated on April 20, 2010 in the Cayman Islands with limited liability as a blank check company. We were incorporated for the purpose of effecting a merger, share capital exchange, asset acquisition, share purchase, reorganization or similar business combination, which we refer to throughout the document as our initial business combination, with one or more operating businesses or assets, which we refer to throughout the document as our target business or target businesses. We will focus on effecting a business combination in developing countries in Central and Eastern Europe, Latin America and Asia, but we may pursue opportunities in other geographical areas.

During 2011, the Company determined that we no longer qualified as a "foreign private issuer" under applicable SEC rules. As a result, we filed our annual report for our fiscal year ending December 31, 2011 on Form 10-K and have begun to comply with SEC reporting obligations as a domestic issuer. Accordingly, we are filing our quarterly report on Form 10-Q and we expect to incur incremental general and administrative expenses in the upcoming quarters.

Presently we are not engaged in, and will not engage in, any operations other than activities related to the search for a suitable target for an initial business combination. We intend to utilize the cash proceeds of our initial public offering and the private placement of the sponsor's warrants, our share capital, debt or other securities or a combination of the foregoing as the consideration to be paid in an initial business combination.

We have engaged certain agents and/or representatives to identify and/or locate suitable acquisition candidates and we have actively solicited and investigated potential target businesses.

Pursuant to the amended and restated memorandum and articles of association, we have 24 months from the date of our initial public offering to consummate the initial business combination, since the period to complete our business combination has been extended because we entered into a non-binding letter of intent with respect to an initial

business combination prior to April 14, 2012. The consummation of the business combination is subject to, among other things, execution of a definitive agreement and required stockholder approval. There can be no assurance that a business combination will be consummated and the Company retains the ability to enter into a letter of intent or definitive transaction agreement with respect to a business combination with another target.

### **Going Concern and Management's Plan and Intentions**

We believe that the funds available to us outside the trust account, together with the interest income earned on the trust account, will not be sufficient to maintain the Company until a business combination is consummated. Therefore, on March 23, 2012, Cazador Sub-Holdings Ltd., Cazador's sponsor, entered into an agreement with Cazador in which the sponsor has committed to advance us, by way of a non-interest bearing loan, an amount of up to \$400.0 thousand to cover ongoing costs and expenses relating to Cazador's operations and in connection with a potential business combination. In addition, Cazador Sub-Holdings Ltd. has committed to advance to us by way of a non-interest bearing loan an amount of up to \$400.0 thousand to be used to cover Cazador's ongoing costs and expenses relating to its operations and in connection with a potential initial business combination. We believe it is likely that our sponsor would be willing to make additional loans to us, to the extent that reasonable additional funds are required to fund our short-term operation and/or in connection with our initial business combination. Based on these factors, we believe that we will have access to sufficient funds to meet our working capital and liquidity needs until the earlier of (i) consummation of an initial business combination or (ii) liquidation of the Company.

### **Liquidity and Capital Resources**

At March 31, 2012, total outstanding cash balance available for our working capital needs amounted to \$10.3 thousand, and restricted cash held in trust account amounted to \$46.2 million. Since our initial public offering, our only source of revenue has been interest income earned over the net proceeds from the initial public offering, that are currently held in a trust account and invested in United States government securities within the meaning of Section 2(a)(16) of the Investment Company Act of 1940, having a maturity of 180 days or less, or in money market funds meeting the conditions under Rule 2a-7 under the Investment Company Act, until the earlier of (i) consummation of an initial business combination, or (ii) liquidation of the Company.

Subject to shareholders' approval, we expect to use substantially all of the net proceeds of our initial public offering to acquire one or more target businesses by identifying and evaluating prospective target businesses, selecting one or more target businesses, and structuring, negotiating and consummating the initial business combination. To the extent we use our share capital in whole or in part as consideration for an initial business combination, the proceeds held in the trust account (less amounts paid to any public shareholders who properly exercise their shareholder redemption rights and any interest income previously released to us) as well as any other net proceeds not expended prior to that time will be used to finance the operations of the target business or businesses. The funds could be used in a variety of ways including continuing or expanding the target business' operations, for strategic acquisitions and for marketing, research and development of existing or new products. The funds could also be used to repay any operating expenses or finders' fees which we had incurred prior to the completion of our initial business combination if the funds available to us outside of the trust account were insufficient to cover such expenses.

We believe the funds available to us outside of the trust account, together with (i) the interest income earned on the trust account balance that may be released to us to pay any tax obligations and (ii) interest income of up to \$2.0 million on the balance of the trust account to be released to us for working capital requirements (so long as we have sufficient funds available to us to pay our tax obligations on such interest income or otherwise then due at that time), will not be sufficient to allow us to operate until October 14, 2012, assuming an initial business combination is not completed during that time, unless either current interest rates increase or we locate an investment which pays a higher interest rate than current interest rates. We expect that our primary liquidity requirements during that period including, but not limited to, expenses relating to: (i) due diligence and investigation of a target business or businesses; (ii) transaction structuring, negotiating and documenting an initial business combination; (iii) reporting requirements; (iv) general working capital; (v) an aggregate of \$180.0 thousand for office space, administrative services and support, representing a total of \$7,500 per month for up to 24 months (since the period to complete our business combination has been extended to October 14, 2012, because we have entered into a non-binding letter of intent with respect to an initial business combination prior to April 14, 2012); and (vi) additional expenses that may be incurred by us in connection with our initial public offering over and above the amounts listed in the section entitled "Use of Proceeds" in the prospectus, incorporated by reference, will be less than \$1.25 million. As of March 31, 2012, we have earned \$58.7 thousand on interest income and we anticipate that at the current interest rate of approximately 0.2% per annum, the interest that will accrue on the trust account during the time it will take to identify a target and complete an acquisition will be insufficient to fund our working capital requirements.

As a result of the liquidity requirements discussed in the preceding paragraph, Cazador's sponsor, Cazador Sub-Holdings Ltd., has committed to advance to us by way of a non-interest bearing loan an amount of up to \$400.0 thousand to be used to cover Cazador's ongoing costs and expenses relating to its operations and in connection with a potential initial business combination. This commitment was memorialized in a memorandum of understanding dated as of March 23, 2012 between Cazador and Cazador Sub-Holdings. As of March 31, 2012, the Company had used approximately \$7.0 thousand on the commitment, leaving an outstanding balance of \$393.0 thousand at the Company's disposal. In addition, we believe it is likely that our sponsor would be willing to make additional loans to us, to the extent that reasonable additional funds are required to fund our short-term operation and/or in connection with our initial business combination. Based on these factors, we believe that we will have access to sufficient funds to meet our working capital and liquidity needs until the earlier of (i) consummation of an initial business combination or (ii) liquidation of the Company.



We are not obligated to pay any taxes in the Cayman Islands on either income or capital gains. As a Cayman Islands exempted company, we have obtained a tax exemption undertaking from the Cayman Islands government that, in accordance with section 6 of the Tax Concessions Law (1999 Revision) of the Cayman Islands, for a period of 20 years from the date of the undertaking, no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to us or our operations and, in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable (i) on or in respect of our shares, debentures or other obligations or (ii) by way of the withholding in whole or in part of a payment of dividend or other distribution of income or capital by us to our members or a payment of principal or interest or other sums due under a debenture or other obligation of us.

## Results of Operations

Through March 31, 2012, our efforts have been limited to activities related to the organization of the initial public offering of the Company, the identification and evaluation of prospective acquisition candidates and other general corporate matters. We have not generated any revenues, other than interest income earned on the proceeds held in the trust account.

For the quarter ended March 31, 2012, we had a net loss of approximately \$190.2 thousand, which consisted of interest income of approximately \$6.3 thousand less expenses attributable to formation and operating costs of approximately \$196.5 thousand. During the quarter ended March 31, 2011, we had a net loss of approximately \$96.7 thousand, which consisted of interest income of approximately \$9.6 thousand less expenses attributable to formation and operating costs of approximately \$106.3 thousand. The increase noted in the formation and operating costs is mainly related to higher expenses associated to the identification and evaluation of prospective acquisition candidates. For the period from April 20, 2010 (inception) to March 31, 2012, we had a net loss of approximately \$1.0 million, which included interest income of approximately \$58.7 thousand, offset by formation and operating costs of approximately \$1.1 million.

On October 14, 2010, the Company received net proceeds of \$40.0 million, before deducting underwriting compensation of \$900.0 thousand and \$100 for the purchase of 200,000 warrants by the underwriter. On the same date, pursuant to the exercise of the underwriters' over-allotment option, the Company received \$6.0 million before deducting underwriting compensation of \$135.0 thousand. In addition, immediately before the consummation of the initial public offering, the sponsors purchased 4,340,000 warrants at a price of \$0.50 per warrant, which in the aggregate approximates \$2.2 million. Total gross proceeds to the Company from the 4,600,000 units sold in the initial public offering and the private placement sale of sponsors' warrants amounted to \$48.2 million.

As of March 31, 2012 we had no contractual commitments other than the service agreement to pay ACM a total of \$7.5 thousand per month for accounting, legal and operational support, access to support staff, and information technology infrastructure, which amounted to \$22.5 thousand, and \$131.3 thousand for the quarter ended March 31, 2012, and the period from April 20, 2010 (inception) to March 31, 2012, respectively.

We expect to continue to generate small amounts of non-operating income in the form of interest income on cash and cash equivalents. Interest income is not expected to be significant in light of current low interest rates on risk free investments (treasury securities). In addition, we expect a substantial increase in expenses for the subsequent annual period provided that we are able to consummate an initial business combination.

## Off-Balance Sheet Arrangements

As of March 31, 2012, we did not have any off-balance sheet arrangements as defined in Item 303(a)(4)(ii) of Regulation S-K and did not have any commitments or contractual obligations, other than in relation to the monthly fee payable to ACM of \$7.5 thousand for accounting, legal and operational support, access to support staff, and information technology infrastructure. Such agreement has been in place since October 14, 2010 and shall remain effective upon the earlier of (i) the completion of an initial business combination or (ii) dissolution of the Company.

### **Recent Accounting Pronouncements**

We do not believe that the adoption of any recently issued accounting standards will have a material impact on our financial position and results of operations.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.**

We are a smaller reporting company as defined in Regulation S-K; as such, pursuant to Regulation S-K we are not required to make disclosures under this Item.

#### **ITEM 4. CONTROL AND PROCEDURES.**

##### **Disclosure Controls and Procedures**

As required by Rule 13a-15 under the Exchange Act, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as of the end of the period covered by this report on Form 10-Q. This evaluation was carried out under the supervision and with the participation of our management, including our President, Chief Executive Officer and Chief Financial Officer. Based upon that evaluation, management concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed in the reports that it files or submits under the Exchange Act is accumulated and communicated to management (including the Chief Executive Officer and Chief Financial Officer) to allow timely decisions regarding required disclosure and that our disclosure controls and procedures are effective to give reasonable assurance that the information required to be disclosed by us in reports that we file under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission.

##### **Changes in Internal Control**

There were no changes that occurred during the quarter ended March 31, 2012 that have materially affected, or are reasonably likely to materially affect, the company's internal control over financial reporting.

#### **PART II – OTHER INFORMATION.**

##### **ITEM 1. LEGAL PROCEEDINGS.**

There are no legal proceedings of a material nature pending against the Company. The Company is unaware of any legal proceedings known to be contemplated by any governmental authorities.

##### **ITEM 1A. RISK FACTORS.**

We are a smaller reporting company as defined in Regulation S-K; as such, pursuant to Regulation S-K we are not required to make disclosures under this Item.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.**

No sales of unregistered securities have been made during the applicable period.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES.**

None.

**ITEM 4. MINE SAFETY DISCLOSURES.**

Not applicable.

**ITEM 5. OTHER INFORMATION.**

None.

**ITEM 6. EXHIBITS.**

(1)

Exhibits

Exhibit No. Description

- 3.1 Second Amended and Restated Memorandum and Articles of Association.\*
- 4.1 Specimen Unit Certificate. \*
- 4.2 Specimen Ordinary Share Certificate. \*
- 4.3 Warrant Certificate. \*
- 4.4 Registration Rights Agreement by and between Cazador Acquisition Corporation Ltd., Cazador Sub Holdings Ltd. and Others. \*\*
- 4.5 Warrant Agreement by and between Cazador Acquisition Corporation Ltd. and Continental Stock Transfer & Trust Company. \*\*
- 10.1 Letter Agreement among Cazador Acquisition Corporation Ltd., Arco Capital Management LLC, and Cazador Sub Holdings Ltd. \*\*
- 10.2 Letter Agreement among Cazador Acquisition Corporation Ltd. and Each of the Directors and Executive Officers of Cazador Acquisition Corporation Ltd. \*\*
- 10.3 Form of Service Agreement.\*
- 10.7 Form of Subscription Agreement between Cazador Acquisition Corporation Ltd. and Cazador Sub Holdings Ltd. \*
- 10.5 Warrant Subscription Agreement between Cazador Acquisition Corporation Ltd. and Cazador Sub Holdings Ltd. \*\*
- 10.6 Investment Management Trust Agreement between Cazador Acquisition Corporation Ltd. and Continental Stock Transfer & Trust Company. \*\*
- 10.7 Indemnification Agreement. \*
- 10.8 Form of Security Escrow Agreement by and among Cazador Acquisition Corporation Ltd., Cazador Sub Holdings Ltd., and Continental Stock Transfer & Trust Company. \*\*
- 10.9 Repurchase Agreement between Cazador Acquisition Corporation Ltd. and Cazador Sub Holdings Ltd. \*\*
- 10.10 Memorandum of Understanding by and between Cazador Acquisition Corporation Ltd. and Cazador Sub-Holdings Ltd. \*\*\*\*
- 31.1 Certification of the Chairman of the Board, Chief Executive Officer, Chief Financial Officer and President Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 32.1 Certification of the Chairman of the Board, Chief Executive Officer, Chief Financial Officer and President Pursuant to 18 U.S.C. Section 1350, as Adopted to Section 906 of the Sarbanes-Oxley Act of 2002
- 101.INS XBRL Instance Document
- 101.SCH XBRL Taxonomy Extension Schema Document
- 101.CAL XBRL Taxonomy Extension Calculation Linkbase Document
- 101.DEF XBRL Taxonomy Extension Definition Linkbase Document
- 101.LAB XBRL Taxonomy Extension Label Linkbase Document
- 101.PRE XBRL Taxonomy Extension Presentation Linkbase Document

\* Incorporated by reference to the Registrant's Form F-1 (Commission File No. 333- 169231) filed on September 3, 2010.

\*\*

Edgar Filing: Cazador Acquisition Corp Ltd. - Form 10-Q

Incorporated by reference to the Registrant's Form F-1/A (Commission File No. 333- 169231) filed on October 6, 2010.

\*\*\*  
Incorporated by reference to the Registrant's Form F-1/A (Commission File No. 333- 169231) filed on October 7, 2010.

\*\*\*\*  
Incorporated by reference to the Registrant's Form 10-K (Commission File No. 333- 169231) filed on March 30, 2012.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### CAZADOR ACQUISITION CORPORATION LTD.

(Registrant)

By: /s/ Francesco Piovanetti

Name: Francesco Piovanetti

Title: Chairman of the Board, Chief Executive Officer, President, Chief Financial Officer and Director

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<b>Name</b>	<b>Position</b>	<b>Date</b>
/s/ Francesco Piovanetti Francesco Piovanetti	Chairman of the Board, Chief Executive Officer, Chief Financial Officer and President	May 15, 2012
/s/ Facundo Bacardí Facundo Bacardí	Director	May 15, 2012
/s/ David P. Kelley David P. Kelley	Director	May 15, 2012
/s/ Shai Novik Shai Novik	Director	May 15, 2012
/s/ Carlos Valle Carlos Valle	Director	May 15, 2012



