

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 17, 2022

ALLIANCEBERNSTEIN HOLDING L.P.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-09818
(Commission File Number)

13-3434400
(I.R.S. Employer Identification Number)

501 Commerce Street, Nashville, TN 37023
(Address of principal executive offices)
(Zip Code)

(212) 969-1000
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of Each Exchange on which Registered</u>
Units rep. assignments of beneficial ownership of limited partnership interests in AB Holding	AB	NYSE

Item 1.01. Entry into a Material Definitive Agreement.

On March 17, 2022, AllianceBernstein Holding L.P. ("AB Holding") and AllianceBernstein L.P. ("AB" and together with AB Holding, the "AB Parties") entered into a transaction agreement (the "Transaction Agreement") with CarVal Investors, L.P. ("CarVal"), CarVal Investors Management L.P. ("CIM") and CarVal Investors Governance, LLC ("CIG", together with CIM, the "CarVal Group", and together with CarVal, the "CarVal Parties") to acquire 100% of the equity interests of CarVal (such transaction, the "Acquisition") from the CarVal Group through a contribution of 100% of the CarVal equity interests held by the CarVal Group to AB Holding in exchange for (i) units representing assignments of beneficial ownership of limited partnership interests in AB Holding ("AB Holding Units") subject to customary adjustments (the "Fixed AB Units") and (ii) an issuance of additional AB Units (the "Contingent AB Units") at a future date that is contingent upon achievement of management fee hurdles by CarVal and its subsidiaries during the six-year period beginning on January 1, 2022 and ending on December 31, 2027. In connection with the acquisition of the equity interests in CarVal, AB will fund CarVal with a specified amount at closing to cover certain CarVal business expenses and other CarVal obligations, which amounts, when combined with the assigned value, prior to any adjustments, of the Fixed AB Units, will total \$750,000,000. The Contingent AB Units may be issued on an accelerated basis in certain circumstances relating to the post-closing operation of the parties' businesses.

Each of the AB Parties' and the CarVal Parties' obligation to complete the Acquisition is subject to certain customary closing conditions for a transaction of this nature, including, among others: (i) receipt of certain required regulatory approvals and competition clearances, (ii) absence of injunctions, judgments or orders prohibiting the completion of the Acquisition, (iii) receipt of consents from certain clients of CarVal, (iv) approval from the New York Stock Exchange for the listing of the AB Holdings Units to be issued as consideration for the Acquisition, (v) subject to certain materiality thresholds, the accuracy of the representations and warranties made by the other party, (vi) material compliance by the other party with its respective obligations under the Transaction Agreement, and (viii) in the case of the AB Parties' obligations only, continued employment of CarVal's managing principals with CarVal.

The Transaction Agreement may be terminated by either the AB Parties or the CarVal Parties if the closing has not been consummated by September 1, 2022, provided that if a certain required regulatory approval for the Acquisition is not received by such date, this date will be automatically extended to December 31, 2022. The Transaction Agreement may also be terminated in certain other circumstances, including (i) if there is a final and non-appealable injunction, judgment or ruling by a governmental authority permanently prohibiting or otherwise making illegal the consummation of the Acquisition, (ii) subject to certain cure periods, if the other party is in material breach of any of its representations, warranties, covenants, agreements or obligations under the Transaction Agreement that renders or would render the terminating party's closing conditions incapable of being satisfied, or (iii) by mutual written consent of the parties.

The parties have each made customary representations and warranties in the Transaction Agreement with respect to their respective businesses and ability to enter into and consummate the Acquisition. The parties have agreed under the Transaction Agreement to cooperate in seeking regulatory approvals and to otherwise facilitate the completion of the Acquisition. CarVal has agreed to conduct its business in the ordinary course and to not take certain actions during the period between the signing of the Transaction Agreement and closing of the Acquisition. The Transaction Agreement contains certain indemnification rights, including with respect to breaches of representations, warranties or covenants and certain other specified matters, generally subject to deductible amounts and caps.

The foregoing does not constitute a complete summary of the terms of the Acquisition or the Transaction Agreement and is qualified in its entirety by reference to the complete text of the Transaction Agreement, which will be filed with the U.S. Securities and Exchange Commission as an exhibit to its Form 10-Q for the fiscal quarter ending March 31, 2022. The Transaction Agreement will be filed to provide investors and security holders with information regarding its terms. The Transaction Agreement is not intended to provide any other factual or financial information about the AB Parties, the CarVal Parties or their respective subsidiaries and affiliates. The representations, warranties and covenants contained in the Transaction Agreement were made only for purposes of that agreement and as of specific dates; were solely for the benefit of the parties to the Transaction Agreement; may be subject to limitations agreed upon by the parties, including being qualified by confidential disclosures, and may have been made for the purposes of allocating contractual risk between the parties to the Transaction Agreement instead of establishing these matters as facts; and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors. Investors should not rely on the representations,

warranties and covenants, or any descriptions thereof, as characterizations of the actual state of facts or condition of the AB Parties, CarVal Parties or any of their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations, warranties and covenants may change after the date of the Transaction Agreement, which subsequent information may or may not be fully reflected in public disclosures by AB Holding.

Item 3.02. Unregistered Sales of Equity Securities.

The information contained in Item 1.01 of this current report on Form 8-K is incorporated by reference herein. The issuance of the AB Holding Units in the Acquisition is expected to be exempt from the registration requirements of the Securities Act of 1933, as amended, because such issuance will not involve a public offering.

Item 7.01. Regulation FD Disclosure.

A news release ("Carval Release") relating to the Acquisition is attached hereto Exhibit 99.01.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.01 [CarVal Release.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

*This exhibit is furnished pursuant to Item 7.01 hereof and should not be deemed to be "filed" under the Securities Exchange Act of 1934, as amended.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

17, 2022

Dated: March

ALLIANCEBERNSTEIN HOLDIN

By: _____
Corporate Secretary



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AllianceBernstein to Acquire Global Private Alternatives Manager CarVal Investors

Nashville, Tenn., March 17, 2022- AllianceBernstein L.P. ("AB") and AllianceBernstein Holding L.P. ("AB Holding") (NYSE: AB), a leading research and global investment firm, announced today it will acquire CarVal Investors L.P. ("CarVal").

CarVal is a leading global private alternatives investment manager with approximately \$14.3 billion in assets under management ("AUM")⁽¹⁾, primarily focused on opportunistic and distressed credit, renewable energy infrastructure, specialty finance and transportation investments.

The acquisition represents an important step forward in AB's continued goal of better serving its clients by building and growing its world-class Private Alternatives business. The addition of CarVal, with 190 employees, including 68 investment professionals, in five offices across four countries, enhances AB's Private Alternatives platform by adding complementary investment capabilities in opportunistic and private credit and expanding across multiple geographic regions, including North America, Europe, Latin America, and Asia.

As clients increasingly look to private market strategies for return and yield enhancement, as well as diversification, CarVal brings complementary private markets capabilities to AB's Private Alternatives business and augments the firm's position as a market leader. The addition of CarVal now expands AB's private markets capabilities to encompass almost \$50 billion in AUM⁽¹⁾ on a pro forma basis.

CarVal's senior leadership team will continue to lead the firm. CarVal's teams will remain independent, continuing to operate from its Minneapolis, Minnesota, headquarters and offices around the world, with no change to the current investment process or personnel, and will benefit from AB's broader resources, including global distribution and product development.

"This acquisition reflects our firm's continued commitment to advancing AB's Private Alternatives business," said CEO and President of AB Seth Bernstein. "CarVal's global presence and broad capability set creates new and exciting growth opportunities for AB – diversifying and expanding our services to meet our clients' evolving needs."

"We are pleased to join forces with CarVal to broaden our global Private Alternatives platform," said AB's Head of Private Alternatives Matt Bass. "CarVal's extensive market experience, combined with its strong leadership team and collaborative, entrepreneurial culture, is a natural and strong fit with AB's strategic priorities. Working closely with the CarVal team, we look forward to all that we will accomplish together."

"AB's leadership, track record, values and platform make it an excellent business partner for CarVal and our investors long term, aligning in culture, execution and excellence," said CarVal Investors Managing Principal Lucas Detor. "This acquisition allows CarVal to grow while retaining our investment and day-to-day independence."

This agreement is an example of the unique synergies between AllianceBernstein and Equitable, the two complementary and well-established companies of Equitable Holdings. Equitable has committed to deploy \$10 billion in investment capital from its General Account towards AB's Private Alternatives platform. Of the commitment, \$750 million will be allocated across targeted CarVal strategies, further improving Equitable's risk-adjusted return and strengthening AB's efforts to grow higher multiple, higher margin and capital light businesses.



AB has announced a definitive agreement to purchase 100% of CarVal for an upfront purchase price of \$750 million, and a multi-year earnout if certain targets are reached. At the transaction closing, expected to occur in the second quarter of 2022, CarVal will become a wholly owned subsidiary of AllianceBernstein L.P. and will be rebranded as AB CarVal Investors. The transaction is subject to customary regulatory and closing conditions.

Citi served as financial advisor and Wachtell, Lipton, Rosen & Katz served as legal counsel to AB. Rothschild & Co served as financial advisor and Schulte Roth & Zabel LLP served as legal counsel to CarVal.

Conference Call Information

Management will host a live audio webcast today at 8:00 a.m. (CDT) to discuss the acquisition. The conference call will be hosted by Seth P. Bernstein, President and Chief Executive Officer; Ali Dibadj, Chief Financial Officer and Head of Strategy; Matthew Bass, SVP and Head of Private Alternatives; and Steven M. Joenk, Chief Investment Officer, Equitable Holdings. Access to the webcast and presentation deck will be available via the firm's Investor Relations website.

Parties may access the conference call by either webcast or telephone:

1. To listen by webcast, please visit AB's Investor Relations website at <http://alliancebernstein.com/investorrelations> at least 15 minutes prior to the call to download and install any necessary audio software.
2. To listen by telephone, please dial (833) 495-0952 in the U.S. or (409) 216-0498 outside the U.S. 10 minutes before the scheduled start time. The conference ID# is 9198961

A replay of the webcast will be made available beginning approximately one hour after the conclusion of the conference call and will be available on AB's website for two weeks. An audio replay of the conference call will also be available for two weeks. To access the audio replay, please call (855) 859-2056 in the US, or (404) 537-3406 outside the US and provide the conference ID #: 9198961.

⁽¹⁾ AUM of CarVal comprised of approximately \$9.9 billion in fee-earning AUM and \$4.5 billion in fee-eligible AUM. Private markets pro forma AUM of AB comprised of approximately \$37.2 billion in fee-earning AUM and \$12.0 billion in fee-eligible AUM. Figures may not sum due to rounding. Numbers as of December 31, 2021.



About AllianceBernstein

AllianceBernstein is a leading global investment management firm that offers high-quality research and diversified investment services to institutional investors, individuals, and private wealth clients in major world markets. As of February 28, 2022, AllianceBernstein had \$739 billion in assets under management. Additional information about AB may be found on our website, www.alliancebernstein.com.

Cautions Regarding Forward Looking Statements

Various statements provided by management in this news release are “forward-looking statements” within the meaning of the Private Securities Litigation Act of 1995 and relate to the acquisition by AllianceBernstein LP (“AB”) of CarVal Investors, LP (“CarVal”). These statements, which are subject to risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements, concern expected growth, client and stockholder benefits, key assumptions, timing of closing of the transaction, revenue realization, financial benefits or returns, accretion and integration costs. The most significant transaction-related and other risk factors that may cause actual results to differ materially from future results expressed or implied by our forward-looking statements include: (i) the occurrence of any event, change or other circumstances that could give rise to the termination of the acquisition agreement; (ii) the transaction closing conditions may not be satisfied in a timely manner or at all, including due to the failure to obtain regulatory and client approvals; (iii) the announcement and pendency of the acquisition may disrupt CarVal's business operations (including the threatened or actual loss of employees, clients or suppliers); (iv) CarVal could experience financial or other setbacks if the transaction encounters unanticipated problems; and (v) anticipated benefits of the transaction, including the realization of revenue, accretion, and financial benefits or returns, may not be fully realized or may take longer to realize than expected, including if ABH units to be issued after the closing trade at a price below anticipated levels. We caution readers to carefully consider such factors.

Further, these forward-looking statements speak only as of the date on which such statements are made; we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements. For further information regarding these forward-looking statements and the factors that could cause actual results to differ, see “Risk Factors” and “Cautions Regarding Forward Looking Statements” in AB's Form 10-K for the year ended December 31, 2021, and subsequent Forms 10 Q. Any or all of the forward-looking statements made in this news release, Form 10-K, Forms 10 Q, other documents we file with or furnish to the SEC, and any other public statements we issue, may turn out to be wrong. It is important to remember that other factors besides those listed in “Risk Factors” and “Cautions Regarding Forward Looking Statements,” and those listed above, could also adversely affect our revenues, financial condition, results of operations and business prospects.