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**From:** Paul Barrett [REDACTED]  
**Sent:** Tuesday, August 7, 2018 4:16 PM  
**To:** jeffrey E. [REDACTED]  
**Cc:**  
**Subject:** Rackspace bond

Hi Jeffrey

JPM likes the following HY bond:

Rackspace 8.625% 2024

- \* Apollo took them private in 11/2016
- \* They are cloud resellers (so work with AWS, Azure, GOOG and sell their cloud offerings to small and mid size companies) and offer SaaS solutions
  - Company is 4x levered; \$975MM of EBITDA
- \* Bonds yield 8% with a 3.4yr duration; unsecured; B rated

Can you check with anyone at Apollo to see how the company is doing? I would feel comfortable with \$2-3MM.

Paul

Paul Barrett

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