

December 8, 2022

Dear clients and friends,

Re: The Caesar's Palace Coup by Max Frumes and Sujeet Indap

In the spirit of the season please accept this book as a gift from Lewin Capital Management. This book is a riveting account of the failed leveraged buyout of the Caesar's Palace Casino by private equity firms Apollo and TPG. After buying the casino in 2007 for \$28 billion, the company declared bankruptcy in 2015 and this book tells that story.

In 1990, the now famous book, Barbarians At The Gate by Burroughs and Helyar, introduced readers to the giant egos and greed in the private equity industry during the leadup to the 1988 leveraged buyout of RJR Nabisco. The Caesar's Palace Coup takes the story of leveraged buyouts a little further, by beginning 8 years after the buyout and providing a fascinating insider's view of the dynamics that unfold during a huge bankruptcy.

One theme central to the story is the legal notion of 'fraudulent conveyance' where the borrowers, in this case the private equity firms, unfairly make off with the crown jewels in several crafty deals instead of paying back the lenders. There is enough greed and bad behavior on display to make you think twice about ever getting involved in private equity!

I hope you enjoy this book and as always if it's not for you please feel free to pass it on.

Best wishes over the holidays.

Sincerely,

Dan