

From: "jeffrey E." <jeevacation@gmail.com>
To: Richard Kahn <[REDACTED]>
Subject: Re: Bruce Galloway
Date: Thu, 14 Aug 2014 14:54:58 +0000

now [REDACTED]

On Thu, Aug 14, 2014 at 9:39 AM, Richard Kahn <[REDACTED]> wrote:
do you have a specific time you would like to speak with him?

Richard Kahn
HBRK Associates Inc.
[REDACTED]

On Aug 14, 2014, at 9:16 AM, jeffrey E. <jeevacation@gmail.com> wrote:

conference with him today

On Thu, Aug 14, 2014 at 9:03 AM, Richard Kahn <[REDACTED]> wrote:
account closed at 3,720,139.67 last night (see attached)
there are 14 option positions expiring on 8/16/2014
only 4 positions have value that must be sold and all others will expire worthless:

- 1) C 49 Calls 400 quantity bid 0.15 / 0.16 ask 6,000 value
- 2) PEIX 16 Calls 270 quantity bid 3.80 / 4.20 ask 102,600 value
- 3) RDNT 5 Calls 110 quantity bid 1.70 / 1.85 ask 18,700 value
- 4) YHOO 33 Calls 120 quantity bid 3.05 / 3.25 ask 33,600 value

In email below Bruce is asking if he can role PEIX calls to a later month
Please advise

From: Bruce Galloway <[REDACTED]>
Subject: PEIX CALLS
Date: August 13, 2014 at 4:24:45 PM EDT
To: <[REDACTED]>

RICH, We have a n option position expiring on Friday, PEIX . They are a premier west coast ethanol producer.
Due to corn prices tanking and a bumper crop, along with firm ethanol export demand, the crush spread for them
is currently .70. They produce 200mm gallons per year. At this rate the co. should make 140mm . The market cap

is 440mm or 3x earnings . I feel that it should trade at 7-8X, which implies a 40-60 dollar stock price. As a result, I would like to roll the position into a forward contract. Let me know if this is OK . This is an industry thrown out for dead. The stock is down from 6500 to 20.

Begin forwarded message:

From: [REDACTED]
Subject: Message from KMBT_C253
Date: August 13, 2014 at 4:11:46 PM EDT
To: [REDACTED]
Reply-To: [REDACTED]

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please note

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