
From: Aleksandr Rabodzey
To: Brian Grossman; Vivek Khanna
Sent: 1/28/2014 3:31:16 PM
Subject: RE: Open Items for PFM Investment

Vivek is checking with his contacts and we have one more call with a scientific consultant tomorrow.
Did you get your test results?

From: Brian Grossman
Sent: Tuesday, January 28, 2014 3:29 PM
To: Aleksandr Rabodzey; Vivek Khanna
Subject: RE: Open Items for PFM Investment

The issue is they won't let us talk to wag or unh. So how hell are we suppose to figure this out?

From: Aleksandr Rabodzey
Sent: Tuesday, January 28, 2014 3:28 PM
To: Vivek Khanna; Brian Grossman
Subject: RE: Open Items for PFM Investment

I guess the question is whether we trust WAG and UHC to have done enough diligence to confirm that the device works and that Theranos can miniaturize their tests.
What I noticed is that their tests are not as accurate as those marketed by other vendors, but I feel that since they did get CLIA certification, they are okay there.
I think what may be happening is that BCBS saw some of the tests that they have not optimized yet and that did not look good.
I agree that we need to understand what scared BCBS. They may be just lazy and haven't done the work, or, may be, WAG and UHC were lazy and just wrote checks

From: Vivek Khanna
Sent: Tuesday, January 28, 2014 3:18 PM
To: Brian Grossman
Cc: Aleksandr Rabodzey
Subject: RE: Open Items for PFM Investment

Each Blue cross is a separate company and they do not share stuff between each other
However, they got UNH contract so must be ok. Anyway they are checking their files for more details

From: Brian Grossman
Sent: Tuesday, January 28, 2014 3:17 PM
To: Vivek Khanna
Cc: Aleksandr Rabodzey
Subject: RE: Open Items for PFM Investment

And did the other affiliated group at BCBS that did invest reach a different conclusion? Different due diligence?

From: Vivek Khanna
Sent: Tuesday, January 28, 2014 3:14 PM
To: Brian Grossman
Subject: RE: Open Items for PFM Investment

Checking the exact date..

From: Brian Grossman

Exhibit No. 151

B. Grossman
5/23/2019
5 page(s)

J. Rumsey, CSR 14144

Sent: Tuesday, January 28, 2014 3:08 PM
To: Vivek Khanna
Cc: Aleksandr Rabodzey
Subject: RE: Open Items for PFM Investment

When did they conduct the due diligence?
How can they say the analyzer doesn't work when they have clia approval for bunch of tests?

From: Vivek Khanna
Sent: Tuesday, January 28, 2014 3:03 PM
To: Brian Grossman
Subject: RE: Open Items for PFM Investment

They have an NDA and they only said analyzer but they have several pages of due diligence they cannot share

From: Brian Grossman
Sent: Tuesday, January 28, 2014 2:59 PM
To: Vivek Khanna; Aleksandr Rabodzey
Cc: Sriram Balasuryan
Subject: RE: Open Items for PFM Investment

It would be helpful to know what part of the service they felt would not work. Was it the analyzer? Was it the wag retail model? I'm in air for next 2 1/2 hrs. can u track this down?

From: Vivek Khanna
Sent: Tuesday, January 28, 2014 2:56 PM
To: Brian Grossman; Aleksandr Rabodzey
Cc: Sriram Balasuryan
Subject: RE: Open Items for PFM Investment

Sure, when?

From: Brian Grossman
Sent: Tuesday, January 28, 2014 2:55 PM
To: Vivek Khanna; Aleksandr Rabodzey
Cc: Sriram Balasuryan
Subject: RE: Open Items for PFM Investment

That's not good
Did they say why they didn't think it worked? Can we talk to somebody?

From: Vivek Khanna
Sent: Tuesday, January 28, 2014 2:51 PM
To: Brian Grossman; Aleksandr Rabodzey
Cc: Sriram Balasuryan
Subject: RE: Open Items for PFM Investment

I checked with BCBSIL, and they said they evaluated service and came to the conclusion that it does not work. They have no contract with Theranos and they did extensive diligence on the machine and came to this conclusion. FYI, Alek still has no results.

From: Brian Grossman
Sent: Tuesday, January 28, 2014 2:42 PM
To: Aleksandr Rabodzey
Cc: Vivek Khanna; Sriram Balasuryan
Subject: FW: Open Items for PFM Investment

Not sure you are going to get a holiday card this year from Sunny.

I think we should just roll with the vikram. Lets see how long we can keep it going

So based on this, we will have alek/vivek do Newark, vivek do the lab.

From: Sunny Balwani [<mailto:sbalwani@theranos.com>]
Sent: Tuesday, January 28, 2014 2:36 PM
To: Brian Grossman
Subject: RE: Open Items for PFM Investment

We can walk you through part of the lab where we have dozens of devices being used. However, as we chated before, if you can limit this to you and vikram, that would be appreciated. Thanks.

From: Brian Grossman [<mailto:Brian@pfmlp.com>]
Sent: Tuesday, January 28, 2014 2:35 PM
To: Sunny Balwani
Subject: RE: Open Items for PFM Investment

Ok thanks. Is there a way we can see a part of the lab without compromising the patent pending or unfiled parts of it? This is more a perfunctory exercise to make sure there actually is a lab there.

From: Sunny Balwani [<mailto:sbalwani@theranos.com>]
Sent: Tuesday, January 28, 2014 2:26 PM
To: Brian Grossman
Subject: RE: Open Items for PFM Investment

Brian.

I am working on both. Newark has a lot of open devices and equipment so we are moving them aside but we can visit Newark on Friday morning. I am confirming 11am for Newark; will send you directions. Lab is going to be very difficult as large parts of it are patent pending and/or not filed yet.

Thanks.

From: Brian Grossman [<mailto:Brian@pfmlp.com>]
Sent: Tuesday, January 28, 2014 2:19 PM
To: Sunny Balwani
Subject: RE: Open Items for PFM Investment

Sunny, just to confirm we still would like to see the Newark and the Theranos Clia lab.

Friday works for us

Thanks

From: Sunny Balwani [<mailto:sbalwani@theranos.com>]
Sent: Monday, January 27, 2014 3:27 PM
To: Brian Grossman
Subject: RE: Open Items for PFM Investment

Great. I have blocked off 9-930 am tomorrow morning for a tentative call for now.

Assuming your conversations with Adam are productive and we continue to move forward, lets also tentatively block off Friday morning from 8-10 to go visit Newark.

Thanks
Sunny.

From: Brian Grossman [mailto:Brian@pfmlp.com]
Sent: Monday, January 27, 2014 3:23 PM
To: Sunny Balwani
Subject: Re: Open Items for PFM Investment

sunny

thanks. we should have more than enough time to talk to adam. i will send over questions on financial model when i'm back in office in front of a computer. thanks again. and my morning is open tomorrow so if we need a short follow up call i can work with you or your team on times.

thanks again

brian

On Jan 27, 2014, at 11:57 AM, "Sunny Balwani" <sbalwani@theranos.com> wrote:

Brian.

I sent the CDA for Adam to Kimberley a bit ago. Hopefully you will get to spend time with Adam early in the week to get the feedback you need. In parallel, if possible you can send us the questions about the financial model and we will respond in real time. We can also do a call tomorrow if needed o answer these questions. I am working on visit to Newark for Thursday or Friday - will confirm that tomorrow. Can you please ask Kimberly to send me her questions and I will direct them within our team based on nature of questions and will have the appropriate counsel work with her.

Regards,
Sunny.

From: Brian Grossman [mailto:Brian@pfmlp.com]
Sent: Sunday, January 26, 2014 6:13 PM
To: Sunny Balwani
Subject: Open Items for PFM Investment

Sunny

Everything looking good for next week's close. We have a few open items that should be relatively straight forward.

1. We'd like to tour the lab.
2. We'd also like to see the Newark facility
3. Would it be possible to speak to somebody for 20-30 minutes on the Theranos financial model. I want to be sensitive to your time, as you've already been generous with us over last few weeks. I was wondering if there was somebody else that might be able to answer some of our questions on the model you sent over. Or maybe we could send you some questions in email form if that's easier.
4. We'd like to get adam clammer, one of our outside consultants, under a CDA. I think we are waiting to hear from your legal department on that.
5. Ken Freeman – is this a no go or can we reach out to him?

Lastly, our GC Kimberly Summe, will have deal related questions having reviewed the term sheet you sent over at the

end of the week. Are her questions best directed to you? And our plan is to come back to you with a hard number at the end of the week as we work through the above list.

Regards,

Brian