

IN THE SUPREME COURT OF THE STATE OF NEVADA

**FILED**

OCT 16 2014

PARAMETRIC SOUND CORPORATION,  
VTB HOLDINGS, Inc. and PARIS  
ACQUISITION CORP.;  
Petitioners,

v.

THE EIGHTH JUDICIAL DISTRICT  
COURT, in and for the County of Clark,  
State of Nevada, and THE ELIZABETH  
GONZALEZ, District Judge  
Respondents,

Case No. 66689

TRACIE K. LINDEMAN  
CLERK OF SUPREME COURT  
BY *Shacago*  
DEPUTY CLERK

District Court No. A-13-686890-B  
Dept. No. XI

**PETITION**

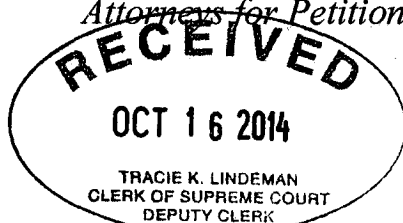
**From the Eighth Judicial District Court  
The Honorable Elizabeth Gonzalez**

**MOTION TO FILE PETITIONERS' APPENDIX UNDER SEAL**

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**DETACHED EXHIBITS FIVE AND SIX AND FILED UNDER SEAL**

**PER ORDER OF 11/26/14.**

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## Introduction

Petitioners move to file a portion of their Appendix under seal. The documents to be filed under seal were previously filed under seal with the district court, as they contain highly confidential and proprietary information. Petitioners seek to maintain that confidentiality and the protection over proprietary information during these writ proceedings.

## Factual Background

In the proceedings before the district court, the Director Defendants<sup>1</sup> moved to seal their unredacted motion to dismiss and reply in support thereof. (See The Director Defs.' Mot. to Seal Their Unredacted Mot. To Dismiss The First Cause of Action in Pls.' Class Action Compl. in Intervention and Certain Exhibits Thereto, a true and correct copy of which is attached as **Exhibit 1** and The Director Defs.' Mot to Seal Their Unredacted Reply in Support of Their Mot. to Dismiss the First Cause of Action in Pls.' Class Action Compl. in Intervention and Exhibit A Thereto, a true and correct copy of which is attached as **Exhibit 2**.) The redacted information at issue is proprietary, highly confidential, and not publicly available. Accordingly, the Director Defendants sought to ensure that the confidentiality of the documents be maintained, and their filing or other use in the litigation to be

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<sup>1</sup> The Director Defendants, who comprise several of the Petitioners, are Kenneth Potashner, Elwood Norris, Seth Putterman, Robert Kaplan, Andrew Wolfe, and James Honore.

under seal. Neither motion was opposed. The district court granted both motions. (See March 28, 2014 Order, a true and correct copy of which is attached as **Exhibit 3** and October 1, 2014 Order, a true and correct copy of which is attached as **Exhibit 4**.) In both orders, the district court found that the commercially sensitive and confidential nature of the information contained in the moving papers outweighs the interest of public disclosure and found good cause to seal the motions and certain exhibits. (*Id.*) Petitioners now request that this Court accept the Unredacted Mot. To Dismiss The First Cause of Action in Pls.' Class Action Complaint in Intervention (**Exhibit 5**) and Unredacted Reply in Support of Their Motion To Dismiss the First Cause of Action in Plaintiffs' Class Action Complaint In Intervention (**Exhibit 6**) under seal to maintain that confidentiality during these writ proceedings.

## **Argument**

### **I. Legal Standard**

Under Nevada Supreme Court Rule Part VII ("SRCR"), 3.1, any person may request that the court seal or redact court records for a case by filing a written motion. When a motion to seal or redact court records has been filed, the information to be sealed or redacted remains confidential for a reasonable period of time until the court rules on the motion. SRCR 3.2. The "court may order the court files and records, or any part thereof, in a civil action to be sealed or redacted,

provided the court makes and enters written findings that the specific sealing or redaction is justified by identified compelling privacy or safety interests that outweigh the public interest in access to the court record.” SRCR 3.4. Such written findings must include findings that:

- (a) The sealing or redaction is permitted or required by federal or state law;
- (b) The sealing or redaction furthers an order entered under NRCP 12(f) or JCRCP 12(f) or a protective order entered under NRCP 26(c) or JCRCP 26(c);
- (c) The sealing or redaction furthers an order entered in accordance with federal or state laws that serve to protect the public health and safety;
- (d) The redaction includes only restricted personal information contained in the court record;
- (e) The sealing or redaction is of the confidential terms of a settlement agreement of the parties;
- (f) The sealing or redaction includes medical, mental health, or tax records;
- (g) The sealing or redaction is necessary to protect intellectual proprietary or property interests such as trade secrets as defined in NRS 600A.030(5); or
- (h) The sealing or redaction is justified or required by another identified compelling circumstance.

Here, subparts (a), (b), and (g) apply.

## **II. Petitioners Satisfy the Standard To Maintain The Sealing Of The Unredacted Motion and Reply.**

### **A. The Requested Sealing And Redaction Furthers an Order Entered Under NRCP 26(c).**

Subpart (b) clearly applies here because Petitioners' request furthers an order the district court entered under NRCP 26(c), concerning protective orders. The district court explicitly found that the information at issue is commercially sensitive and highly confidential. Petitioners request that this Court do the same, or otherwise adopt the district court's findings for this purpose. Accordingly, on the basis of (b) alone, accepting a portion of Petitioners' supplemental appendix under seal is justified under the Rules.

### **B. Subparts (a) And (g), Also Justify Sealing The Unredacted Documents.**

The Court may enter an order that "a trade secret or other confidential research, development, or commercial information not be revealed or be revealed only in a designated way." NRCP 26(c)(7); *see also* 6-26 Patrick E. Higginbotham, Moore's Federal Practice, Civil § 26.105[8] (2011). In this case, good cause exists because Petitioners' proprietary information is confidential, and the harm caused by its disclosure outweighs the need of the party seeking disclosure.

Petitioners' proprietary business information is a protectable trade secret. Courts have acknowledged the confidential nature of a company's internal

processes and internal documents can constitute trade secrets entitled to protection against unwarranted disclosure of such data through discovery. *See, e.g., Citibank, N.A. v. Recycling Carroll Gardens, Inc.*, 116 A.D.2d 494 (N.Y. 1986); *see also Carpenter v. U.S.*, 484 U.S. 19, 26 (1987) (“Confidential information acquired or compiled by a corporation in the course and conduct of its business is a species of property to which the corporation has the exclusive right and benefit, and which a court of equity will protect”) (internal citation omitted).

Here, Petitioners seek to protect proprietary business information. These documents contain strategy information, guidelines, processes, and procedures by which Petitioners operate. None of these documents have been released to the public and Petitioners seek to protect them from disclosure to the public. In the aggregate, this information would reveal significant information of the type requiring protection.

## Conclusion

Petitioners' interest in protecting their internal processes, operations, decisions, and analyses outweighs any perceived inconvenience, or public interest in favor of public disclosure. The district court so found, and no reason exists to disturb that determination. Based upon the foregoing, Petitioners respectfully request that the Court grant the Motion To File Petitioners' Appendix Under Seal.

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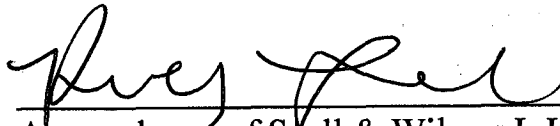
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Wolfe, James Honore*

### **CERTIFICATE OF SERVICE**

I, the undersigned, declare under penalty of perjury, that I am over the age of eighteen (18) years, and I am not a party to, nor interested in, this action. On October 13, 2014, I caused to be served a true and correct copy of the foregoing **UNOPPOSED MOTION TO FILE PETITIONERS' SUPPLEMENTAL APPENDIX UNDER SEAL** by the method indicated:

- ☐ **BY FAX:** by transmitting via facsimile the document(s) listed above to the fax number(s) set forth below on this date before 5:00 p.m. pursuant to EDCR Rule 7.26(a). A printed transmission record is attached to the file copy of this document(s).
- ☒ **BY U.S. MAIL:** by placing the document(s) listed above in a sealed envelope with postage thereon fully prepaid, in the United States mail at Las Vegas, Nevada addressed as set forth below.
- ☐ **BY EMAIL:** by emailing a PDF of the document(s) listed above to the email addresses of the individual(s) listed below.
- ☐ **BY OVERNIGHT MAIL:** by causing document(s) to be picked up by an overnight delivery service company for delivery to the addressee(s) on the next business day.
- ☐ **BY ELECTRONIC SUBMISSION:** submitted to the above-entitled Court for electronic filing and service upon the Supreme Court of Nevada's Service List for the above-referenced case.

Supreme Court of Nevada – Clerk's Office  
201 South Carson Street, Suite 201  
Carson City, Nevada 89701

  
An employee of Snell & Wilmer L.L.P.

# EXHIBIT 1

FEB 25 2014

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24 **DISTRICT COURT**  
25 **CLARK COUNTY, NEVADA**

26 **IN RE PARAMETRIC SOUND**  
27 **CORPORATION SHAREHOLDERS'**  
28 **LITIGATION**

**CONSOLIDATED**  
**CASE NO.: A-13-686890-B**

**DEPT NO.: XI**

**Date:**  
**Time:**

**DIRECTOR DEFENDANTS' MOTION**  
**TO SEAL UNREDACTED VERSION OF**  
**THEIR MOTION TO DISMISS SECOND**  
**AMENDED CLASS ACTION**  
**COMPLAINT**


Defendants Kenneth F. Potashner, Elwood G. Norris, Seth Putterman, Robert M. Kaplan,  
Andrew Wolfe, and James L. Honore (collectively, the "Director Defendants"), by and through  
their undersigned counsel, Holland & Hart, LLP and Sheppard Mullin Richter & Hampton LLP,

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1 move generally and pursuant to the Nevada Rules for Sealing and Redacting Court Records (the  
2 "SRCR") for an order sealing the unredacted version of the Director Defendants' Motion to  
3 Dismiss Second Amended Class Action Complaint. A redacted version of the Director  
4 Defendants' Motion to Dismiss is being filed concurrently herewith. Pursuant to SRCR 3(2),  
5 upon the filing of this Motion, the unredacted Motion shall remain confidential for a reasonable  
6 time until the Court rules upon this Motion.

7 This Motion is made and based on the attached Memorandum of Points and Authorities,  
8 the Nevada Rules for Sealing and Redacting Court Records, the papers and pleadings on file in  
9 this action, and any oral argument this Court may allow.

10 Dated this 24th day of February, 2014.

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**NOTICE OF MOTION**

PLEASE TAKE NOTICE the undersigned will bring the foregoing **DIRECTOR DEFENDANTS' MOTION TO SEAL UNREDACTED VERSION OF THEIR MOTION TO DISMISS SECOND AMENDED CLASS ACTION COMPLAINT** on for a hearing in Department XI of the above-entitled Court, on the \_\_\_\_\_ day of \_\_\_\_\_, 2014, at \_\_\_\_\_ a.m./p.m. or as soon thereafter as counsel may be heard.

Dated this 24th day of February, 2014.

  
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**MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF DIRECTOR DEFENDANTS' MOTION TO REDACT PORTIONS OF THEIR MOTION TO DISMISS SECOND AMENDED CLASS ACTION COMPLAINT**

**I.**

**INTRODUCTION**

The Director Defendants' Motion to Dismiss Second Amended Class Action Complaint directly quotes from allegations in the Second Amended Class Action Complaint ("SAC") that Plaintiffs have requested to be sealed because it quotes from or paraphrases materials that have been designated as "Confidential" in accordance with the provisions of the parties' Stipulated Confidentiality Agreement and Protective Order ("Protective Order") and otherwise contains

1 highly confidential and proprietary information of Parametric Sound Corporation ("Parametric").

2 Pursuant to the Protective Order, the parties to this lawsuit have agreed to file under seal  
3 any Confidential Information submitted to the Court in accordance with the Nevada Rules for  
4 Sealing and Redacting Court Records. The Protective Order permits the parties to designate  
5 documents and other discovery materials as confidential:

6 Any Party or non-Party person or entity producing Discovery Materials  
7 (the "Producing Party") may designate as "confidential" those portions of  
8 Discovery Materials that contains or discloses confidential or proprietary  
9 information, information protected by the right to privacy, trade secrets,  
10 nonpublic inside information, private individual financial information,  
11 commercially sensitive information, personnel files or any other sensitive  
12 or proprietary information that has not been made public or otherwise  
13 disclosed to third parties ("Confidential Information").

14  
15 Protective Order at ¶ 2.

16 Paragraph 7 of the Protective Order governs the parties' filing of Confidential  
17 Information with the Court and provides as follows:

18 Any party seeking to file or disclose materials designated as Confidential  
19 Information with the Court in this action *must file such Confidential*  
20 *Information under seal pursuant to Rule 3 of the Nevada Rules for*  
21 *Sealing and Redacting Court Records.*

22 See Protective Order at ¶ 7 (emphasis added).

23 In accordance with the requirements of the Protective Order, and consistent with the  
24 provisions of SRCR Rule 3, the Director Defendants request that the Court seal the unredacted  
25 Direct Defendants' Motion to Dismiss that reproduces or paraphrases Parametric's Confidential  
26 Information.

## 27 II.

### 28 LEGAL ARGUMENT

#### A. Standards for Sealing or Redacting Records or Exhibits.

Pursuant to SRCR Rule 3(1), "[a]ny person may request that the court seal or redact court records for a case that is subject to these rules by filing a written motion...." SRCR Rule 3(1). SRCR Rule 3 sets forth the grounds upon which the Court may seal or redact documents or exhibits filed with the Court. SRCR Rule 3(4) provides, in pertinent part:

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4. Grounds to seal or redact; written findings required. The court may order the court files and records, or any part thereof, in a civil action to be sealed or redacted, provided the court makes and enters written findings that the specific sealing or redaction is justified by identified compelling privacy or safety interests that outweigh the public interest in access to the court record. The parties' agreement alone does not constitute a sufficient basis for the court to seal or redact court records. The public interest in privacy or safety interests that outweigh the public interest in open court records include findings that:

7 (a) The sealing or redaction is permitted or required by federal or state law;

8 (b) *The sealing or redaction furthers* an order entered under NRCP 12(f) or JCRCP 12(f) or *a protective order entered under NRCP 26(c)* or JCRCP 26(c);

9  
10 (g) The sealing or redaction is necessary to protect intellectual proprietary or property interests such as trade secrets as defined in NRS 600A.030(5);

11  
12  
13 SRCR Rule 3(4) (emphasis added).

14  
15 **B. The Court Should Seal the Exhibits in Furtherance of the Protective Order and to Protect Parametric's Proprietary Information.**

16 In this case, as set forth herein, the request for sealing of the unredacted version of  
17 Director Defendants' Motion to Dismiss furthers the purposes of SRCR Rule 3(4)(b). The  
18 Protective Order entered in accordance with NRCP 26(c) permits the parties to designate  
19 documents and portions of deposition transcripts as "Confidential" and subject to the terms of the  
20 Protective Order by designating those materials "Confidential." See Protective Order at ¶ 2.  
21 Defendants designated the discovery materials discussing these matters as "Confidential" in  
22 accordance with the provisions of the Protective Order and the SAC, and, in turn, the Motion,  
23 quote directly from or paraphrase the Confidential Information. The Motion refers to  
24 Confidential Information from discovery materials produced as Confidential under the Protective  
25 Order as well as information related to Parametric's "intellectual proprietary or property interests  
26 such as trade secrets as defined in NRS 600A.030(5)" (see SRCR Rule 3(4)(g)) that has been  
27 reproduced and paraphrased in the SAC.

28 Pursuant to SRCR Rule 3(5)(b), the Director Defendants request that only those portions



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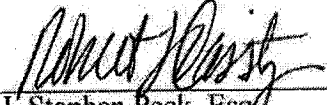
1 of the Motion reproducing or paraphrasing Confidential Information as set forth in the SAC be  
2 redacted (in the manner in which the redacted version of the Director Defendants' Motion is  
3 filed) and that the unredacted version of the Director Defendants' Motion be sealed.

4 **III.**

5 **CONCLUSION**

6 Because the sealing of the unredacted version of the Director Defendants' Motion to  
7 Dismiss furthers the Court's Protective Order and preserves the confidentiality of Parametric's  
8 confidential and proprietary information, the Court should grant the Director Defendants'  
9 Motion.

10 Dated this 24th day of February, 2014.

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**CERTIFICATE OF SERVICE**

Pursuant to Nev. R. Civ. P. 5(b), I certify that on February 24, 2014, I served a true and correct copy of the foregoing **DIRECTOR DEFENDANTS' MOTION TO SEAL UNREDACTED VERSION OF THEIR MOTION TO DISMISS SECOND AMENDED CLASS ACTION COMPLAINT** via email and also regular U.S. Mail to the persons and addresses listed below:

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21 *Elwood Norris, Seth Putterman,*  
22 *Robert Kaplan, Andrew Wolfe and*  
23 *James Honore*

24 **DISTRICT COURT**  
25 **CLARK COUNTY, NEVADA**

26 IN RE PARAMETRIC SOUND  
27 CORPORATION SHAREHOLDERS'  
28 LITIGATION

CONSOLIDATED  
CASE NO.: A-13-686890-B

DEPT NO.: XI

Date:  
Time:

**THE DIRECTOR DEFENDANTS'  
MOTION TO SEAL THEIR  
UNREDACTED REPLY BRIEF IN  
SUPPORT OF THEIR MOTION TO  
DISMISS THE FIRST CAUSE OF  
ACTION IN PLAINTIFFS' CLASS  
ACTION COMPLAINT IN  
INTERVENTION AND EXHIBIT "A"  
THERETO**

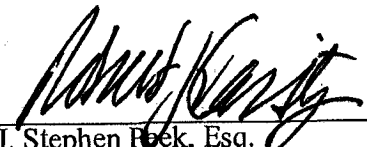
Defendants Kenneth F. Potashner, Elwood G. Norris, Seth Putterman, Robert M. Kaplan,

Holland & Hart LLP  
9555 Hillwood Drive, 2nd Floor  
Las Vegas, Nevada 89134

1 Andrew Wolfe, and James L. Honore (collectively, the "Director Defendants"), by and through  
2 their undersigned counsel, Holland & Hart, LLP and Sheppard Mullin Richter & Hampton LLP,  
3 move generally and pursuant to the Nevada Rules for Sealing and Redacting Court Records (the  
4 "SRCR") for an order sealing (a) the unredacted Reply in support of their Motion to Dismiss the  
5 First Cause of Action in Plaintiffs' Class Action Complaint in Intervention (the "Reply") and (b)  
6 Exhibit "A" to the Reply (the "Exhibit"). A redacted version of the Director Defendants' Reply  
7 brief is being filed concurrently herewith. Pursuant to SRCR 3(2), upon the filing of this  
8 Motion, the unredacted Reply and the Exhibit shall remain confidential for a reasonable time  
9 until the Court rules upon this Motion.

10 This Motion is made and based on the attached Memorandum of Points and Authorities,  
11 the Nevada Rules for Sealing and Redacting Court Records, the papers and pleadings on file in  
12 this action, and any oral argument this Court may allow.

13 Dated this 1st day of August, 2014.

14  
15   
16 J. Stephen Beck, Esq.  
17 Robert J. Cassity, Esq.  
18 Holland & Hart LLP  
19 9555 Hillwood Drive, 2nd Floor  
20 Las Vegas, Nevada 89134

21 John Peter Stigi, III, Esq.  
22 Sheppard Mullins Richter & Hampton  
23 LLP  
24 1901 Avenue of the Stars, Suite 1600  
25 Los Angeles, California 90067


26 *Attorneys for Defendants*  
27 *Kenneth Potashner, Elwood Norris,*  
28 *Seth Putterman, Robert Kaplan,*  
*Andrew Wolfe and James Honore*

Holland & Hart LLP  
9555 Hillwood Drive, 2nd Floor  
Las Vegas, Nevada 89134

**NOTICE OF MOTION**

PLEASE TAKE NOTICE the undersigned will bring the foregoing **THE DIRECTOR DEFENDANTS' MOTION TO SEAL THEIR UNREDACTED REPLY BRIEF IN SUPPORT OF THEIR MOTION TO DISMISS THE FIRST CAUSE OF ACTION IN PLAINTIFFS' CLASS ACTION COMPLAINT IN INTERVENTION AND EXHIBIT "A" THERETO** on for a hearing in Department XI of the above-entitled Court, on the \_\_\_\_\_ day of \_\_\_\_\_, 2014, at \_\_\_\_\_ a.m./p.m. or as soon thereafter as counsel may be heard.

Dated this 1st day of August, 2014.

  
\_\_\_\_\_  
J. Stephen Peek, Esq.  
Robert J. Cassity, Esq.  
Holland & Hart LLP  
9555 Hillwood Drive, 2nd Floor  
Las Vegas, Nevada 89134

John Peter Stigi, III, Esq.  
Sheppard Mullins Richter & Hampton  
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1901 Avenue of the Stars, Suite 1600  
Los Angeles, California 90067

*Attorneys for Defendants  
Kenneth Potashner, Elwood Norris,  
Seth Putterman, Robert Kaplan,  
Andrew Wolfe and James Honore*

**MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF THE  
DIRECTOR DEFENDANTS' MOTION TO SEAL THEIR UNREDACTED REPLY  
BRIEF IN SUPPORT OF THEIR MOTION TO DISMISS THE FIRST CAUSE OF  
ACTION IN PLAINTIFFS' CLASS ACTION COMPLAINT IN INTERVENTION AND  
EXHIBIT "A" THERETO**

**I.**

**INTRODUCTION**

The Director Defendants' Reply brief in support of their Motion to Dismiss contains highly confidential and proprietary information of Turtle Beach Corporation (formerly known as Parametric Sound Corporation). Further, the Reply attaches a document that has been designated

1 as "Confidential" and produced pursuant to the terms of a Stipulated Confidentiality Agreement  
2 and Protective Order (the "Protective Order") entered in this case.

3 The Protective Order permits the parties to designate documents and other discovery  
4 materials as confidential:

5 Any Party or non-Party person or entity producing Discovery Materials  
6 (the "Producing Party") may designate as "confidential" those portions of  
7 Discovery Materials that contains or discloses confidential or proprietary  
8 information, information protected by the right to privacy, trade secrets,  
9 nonpublic inside information, private individual financial information,  
commercially sensitive information, personnel files or any other sensitive  
or proprietary information that has not been made public or otherwise  
disclosed to third parties ("Confidential Information").

10 Protective Order at ¶ 2.

11 Pursuant to the Protective Order, the parties agreed to file under seal any Confidential  
12 Information submitted to the Court in accordance with the Nevada Rules for Sealing and  
13 Redacting Court Records. Paragraph 7 of the Protective Order governs the parties' filing of  
14 Confidential Information with the Court and provides as follows:

15 Any party seeking to file or disclose materials designated as Confidential  
16 Information with the Court in this action *must file such Confidential*  
17 *Information under seal pursuant to Rule 3 of the Nevada Rules for*  
*Sealing and Redacting Court Records.*

18 See Protective Order at ¶ 7 (emphasis added).

19 In accordance with the requirements of the Protective Order, and consistent with the  
20 provisions of SRCR Rule 3, the Director Defendants request that the Court seal the unredacted  
21 Reply, which contains Turtle Beach's Confidential Information, and the document attached to  
22 the Reply as Exhibit "A" that has been designated as "Confidential" pursuant to the Protective  
23 Order.

## 24 II.

### 25 LEGAL ARGUMENT

#### 26 A. Standards for Sealing or Redacting Court Records.

27 Pursuant to SRCR Rule 3(1), "[a]ny person may request that the court seal or redact court  
28 records for a case that is subject to these rules by filing a written motion...." SRCR Rule 3(1).



1 SRCR Rule 3 sets forth the grounds upon which the Court may seal or redact documents or  
2 exhibits filed with the Court. SRCR Rule 3(4) provides, in pertinent part:

3  
4 4. Grounds to seal or redact; written findings required. The court may  
5 order the court files and records, or any part thereof, in a civil  
6 action to be sealed or redacted, provided the court makes and  
7 enters written findings that the specific sealing or redaction is  
8 justified by identified compelling privacy or safety interests that  
9 outweigh the public interest in access to the court record. The  
10 parties' agreement alone does not constitute a sufficient basis for  
11 the court to seal or redact court records. The public interest in  
12 privacy or safety interests that outweigh the public interest in open  
13 court records include findings that:

14 (a) The sealing or redaction is permitted or required by federal  
15 or state law;

16 (b) *The sealing or redaction furthers* an order entered under  
17 NRCP 12(f) or JCRCP 12(f) or *a protective order entered*  
18 *under NRCP 26(c) or JCRCP 26(c);*

19 (g) The sealing or redaction is necessary to *protect intellectual*  
20 *proprietary or property interests* such as trade secrets as  
21 defined in NRS 600A.030(5);

22 ...

23 SRCR Rule 3(4) (emphasis added).

24 **B. The Court Should Seal the Unredacted Reply and Exhibit "A" Thereto in**  
25 **Furtherance of the Protective Order and to Protect Turtle Beach's**  
26 **Proprietary Information.**

27 In this case, as set forth herein, the request for sealing of the unredacted version of  
28 Director Defendants' Reply and the Exhibit furthers the purposes of SRCR Rule 3(4)(b). The  
Protective Order entered in accordance with NRCP 26(c) permits the parties to designate  
documents and portions of deposition transcripts as "Confidential" and subject to the terms of the  
Protective Order by designating those materials "Confidential." See Protective Order at ¶ 2.  
Defendants designated the Exhibits as "Confidential" in accordance with the provisions of the  
Protective Order and the Reply quotes directly from or paraphrases the Confidential Information  
and discusses other confidential and proprietary business information of Turtle Beach. The  
Reply thus refers to Confidential Information from discovery materials produced as Confidential  
under the Protective Order as well as information related to Turtle Beach's "intellectual

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1 proprietary or property interests such as trade secrets as defined in NRS 600A.030(5)" (see  
2 SRCR Rule 3(4)(g)) that has been reproduced and paraphrased in the Reply.

3 Pursuant to SRCR Rule 3(5)(b), the Director Defendants request that only those portions  
4 of the Reply reproducing or discussing Confidential Information be redacted (in the manner in  
5 which the redacted version of the Director Defendants' Reply is filed) and that the unredacted  
6 Reply brief and Exhibit "A" to the Reply brief be sealed.

7 **III.**

8 **CONCLUSION**

9 Because the sealing of the unredacted version of the Director Defendants' Reply and the  
10 Exhibit furthers the Court's Protective Order and preserves the confidentiality of Turtle Beach's  
11 confidential and proprietary information, the Court should grant the Director Defendants' Motion  
12 to Seal.

13 Dated this 1st day of August, 2014.

14  
15   
16

17 J. Stephen Peek, Esq.  
18 Robert J. Cassity, Esq.  
19 Holland & Hart LLP  
20 9555 Hillwood Drive, 2nd Floor  
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27 *Attorneys for Defendants*  
28 *Kenneth Potashner, Elwood Norris,*  
*Seth Putterman, Robert Kaplan,*  
*Andrew Wolfe and James Honore*

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9555 Hillwood Drive, 2nd Floor  
Las Vegas, Nevada 89134

# CERTIFICATE OF SERVICE

I hereby certify that on the 1st day of August, 2014, a true and correct copy of the foregoing **THE DIRECTOR DEFENDANTS' MOTION TO SEAL THEIR UNREDACTED REPLY BRIEF IN SUPPORT OF THEIR MOTION TO DISMISS THE FIRST CAUSE OF ACTION IN PLAINTIFFS' CLASS ACTION COMPLAINT IN INTERVENTION AND EXHIBIT "A" THERETO** was served by the following method(s):

- ☐ Electronic: by submitting electronically for filing and/or service with the Eighth Judicial District Court's e-filing system and served on counsel electronically in accordance with the E-service list to the following email addresses:
- ☐ U.S. Mail: by depositing same in the United States mail, first class postage fully prepaid to the persons and addresses listed below:
- ☒ Email: by electronically delivering a copy via email to the following e-mail address:

Name	Party	E-Mail Address
David C. O'Mara	Plaintiffs	david@omaralaw.net
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David Knotts	Plaintiffs	DKnotts@rgrdlaw.com
Randall Baron	Plaintiffs	RandyB@rgrdlaw.com
Jamie Meske (paralegal)	Plaintiffs	JaimeM@rgrdlaw.com
Adam Warden	Plaintiffs	Awarden@saxenawhite.com
Jonathan Stein	Plaintiffs	istein@saxenawhite.com
Mark Albright	Plaintiffs	gma@albrightstoddard.com
Loren Rvan (paralegal)	Plaintiffs	e-file@saxenawhite.com
Steve Peek	Defendants	speek@hollandhart.com
Bob Cassity	Defendants	bcassity@hollandhart.com
Alejandro Moreno	Defendants	amoreno@sheppardmullin.com
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Tina Jakus	Defendants	tiakus@sheppardmullin.com
Valerie Larsen (assistant)	Defendants	Vlarsen@hollandhart.com
Richard Gordon	Defendants	rgordon@swlaw.com
Gaylene Kim (assistant)	Defendants	gkim@swlaw.com
Joshua Hess	Defendants	Joshua.Hess@dechert.com
Brian Raphel	Defendants	Brian.Raphel@dechert.com
Reginald Zeigler	Defendants	Reginald.Zeigler@dechert.com

- ☐ Facsimile: by faxing a copy to the following numbers referenced below:

  
An Employee of Holland & Hart LLP

# EXHIBIT 3

**DISTRICT COURT  
CLARK COUNTY, NEVADA**

**Business Court**

**COURT MINUTES**

**March 28, 2014**

---

A-13-686890-B      Kearney IRRV Trust, Plaintiff(s)  
vs.  
Kenneth Potashner, Defendant(s)

---

March 28, 2014      3:00 AM      **Director Defendants' Motion to Seal Unredacted  
Version of their Motion to Dismiss Second Amended  
Class Action Complaint**

**HEARD BY:** Gonzalez, Elizabeth

**COURTROOM:** RJC Courtroom 14C

**COURT CLERK:** Dulce Romea

**RECORDER:**

**PARTIES**      None. Minute order only - no hearing held.  
**PRESENT:**

**JOURNAL ENTRIES**

- Upon review of the papers and pleadings on file in this Matter, as proper service has been provided, this Court notes no opposition has been filed. Accordingly, pursuant to EDCR 2.20(e) the Director Defendants' Motion to Seal Unredacted Version of Motion to Dismiss 2nd Amended Complaint is deemed unopposed. Therefore, as the motion to dismiss includes commercially sensitive information and good cause appearing, COURT ORDERED, motion is GRANTED. Moving Counsel is to prepare and submit an order within ten (10) days and distribute a filed copy to all parties involved in this matter.

Mr. Cassity is to be notified by way of minute order to prepare the Order and notify the appropriate parties.

CLERK'S NOTE: A copy of the above minute order was distributed via electronic mail to: Robert Cassity, Esq. (bassity@hollandhart.com); J. Stephen Peek, Esq. (speek@hollandhart.com); John P. Stigi, Esq. (jstigi@sheppardmullin.com); G. Mark Albright, Esq. (gma@albrightstoddard.com); Joseph E. White, Esq. (jwhite@saxenawhite.com); Richard Maniskas, Esq. (rmaniskas@rmclasslaw.com); Richard C. Gordon, Esq. (rgordon@swlaw.com); John P. Aldrich, Esq. (jaldrich@johnaldrichlawfirm.com); Griffith Hayes, Esq. (ghayes@cookseylaw.com); Dustin Johnson, Esq. (dustin@muckleroyjohnson.com); Shannon Hopkins, Esq. (shopkins@zlk.com).

# EXHIBIT 4

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Las Vegas, Nevada 89134

1 **ORDG**  
2 J. Stephen Peek, Esq.  
3 Nevada Bar No. 1758  
4 Robert J. Cassity, Esq.  
5 Nevada Bar No. 9779  
6 **HOLLAND & HART LLP**  
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17 (310) 228-3717  
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19 JStigi@sheppardmullin.com

20 *Attorneys for Defendants Kenneth Potashner,*  
21 *Elwood Norris, Seth Putternman,*  
22 *Robert Kaplan, Andrew Wolfe and*  
23 *James Honore*

**DISTRICT COURT**  
**CLARK COUNTY, NEVADA**

24 IN RE PARAMETRIC SOUND  
25 CORPORATION SHAREHOLDERS'  
26 LITIGATION

CONSOLIDATED  
CASE NO.: A-13-686890-B

DEPT NO.: XI

Hearing Date: September 5, 2014  
Hearing Time: In Chambers

**ORDER GRANTING THE DIRECTOR  
DEFENDANTS' MOTION TO SEAL  
THEIR UNREDACTED REPLY IN  
SUPPORT OF THEIR MOTION TO  
DISMISS THE FIRST CAUSE OF  
ACTION IN PLAINTIFFS' CLASS  
ACTION COMPLAINT IN  
INTERVENTION AND EXHIBIT "A"  
THERETO**

27  
28 Having reviewed the Director Defendants' Motion to Seal their Unredacted Reply in

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CLERK OF THE COURT

Holland & Hart LLP  
9555 Hillwood Drive, 2nd Floor  
Las Vegas, Nevada 89134

1 Support of Their Motion to Dismiss the First Cause of Action in Plaintiffs' Class Action  
2 Complaint in Intervention and Exhibit "A" Thereto (the "Motion"), and other relevant pleadings  
3 and papers on file herein, and no Opposition having been filed, the Court deems the Motion  
4 unopposed pursuant to EDCR 2.20(e) and finds that in furtherance of the Stipulated  
5 Confidentiality Agreement and Protective Order entered pursuant to NRCP 26(c) and given the  
6 commercially sensitive and confidential nature of the information contained in the Director  
7 Defendants' unredacted Reply in Support of Their Motion to Dismiss the First Cause of Action  
8 in Plaintiffs' Class Action Complaint in Intervention and in Exhibit "A" attached thereto, the  
9 public interest of privacy of the commercially sensitive and proprietary information of  
10 Parametric Sound Corporation outweighs the public interest of public disclosure of said  
11 information in accordance with Rule 3(4) of the Nevada Rules for Sealing and Redacting Court  
12 Records ("SRCR"). Accordingly, good cause appearing,

13 IT IS HEREBY ORDERED that the Director Defendants' Motion be and the same  
14 hereby is GRANTED as follows:

15 1. The Director Defendants' unredacted Reply in Support of Their Motion to  
16 Dismiss the First Cause of Action in Plaintiffs' Class Action Complaint in Intervention and  
17 Exhibit "A" to the Reply are hereby SEALED;

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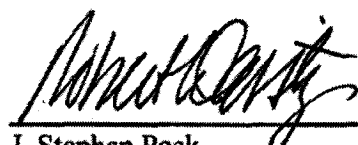
2. In accordance with SRCR Rule 3(5)(b), the redacted version of the Director Defendants' Reply in Support of Their Motion to Dismiss the First Cause of Action in Plaintiffs' Class Action Complaint in Intervention is authorized to be redacted in the manner in which it was e-filed with the Court.

IT IS SO ORDERED.

DATED this 20<sup>th</sup> day of September, 2014.

  
DISTRICT COURT JUDGE

Respectfully submitted by:

  
J. Stephen Peek  
Robert J. Cassity  
HOLLAND & HART LLP  
9555 Hillwood Drive, 2nd Floor  
Las Vegas, NV 89134

John Peter Stigi, III, Esq.  
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*Attorneys for Defendants Kenneth Potashner,  
Elwood Norris, Seth Putterman, Robert Kaplan,  
Andrew Wolfe and James Honore*

# **EXHIBIT 5**

**SEALED PER ORDER OF 11/26/14.**

# **EXHIBIT 6**

**SEALED PER ORDER OF 11/26/14.**

EXHIBIT A

EXHIBIT A

**PARAMETRIC SOUND CORPORATION**  
**Minutes of the Regular Meeting of**  
**the Board of Directors of**  
**Parametric Sound Corporation**  
**December 13, 2012**

A regular meeting of the Board of Directors (the "Board") of Parametric Sound Corporation (the "Company"), was held, commencing at approximately 11:00 a.m. (Pacific Time), Wednesday, December 13, 2012 at the offices of the Company at 13771 Danielson Street, #L, Poway, CA as previously noticed to each member.

Kenneth F. Potashner, Executive Chairman of the Company, acted as chairman of the meeting. Mr. Potashner designated James A. Barnes, Secretary of the Company, to act as the secretary of the meeting.

1. Call to Order, Roll Call, Establish Quorum

The following directors, constituting all of the directors and a quorum for the conduct of business, were present in person or telephonically.

Kenneth F. Potashner (Chairman)  
Elwood G. Norris  
Jimmy Honore  
Seth Putterman  
Robert M. Kaplan  
Andrew Wolfe

James A. Barnes the Company's Secretary, Treasurer and CFO was present at the invitation of the Board. All participants confirmed that they could hear and be heard by others.

2. Approval of Prior Minutes

Each member was provided minutes for the prior meeting on October 10, 2012 and after reading was waived the directors unanimously approved such minutes as presented.

3. China Trip

Chairman Potashner presented a summary of his prior week's trip to China with Epsilon and to visit with SIIG. He summarized the status of Epsilon. He then outlined the background of the SIIG group of companies and our work with their domestic representatives. Chairman Potashner, Mr. Norris and Mr. Barnes also reported on a recent technical call with SIIG scientists. After discussion and input from members the consensus was that it made business sense to continue discussions to pursue a wide range of possible relationships. He indicated the next in person meetings were scheduled for CES in January 2013.

4. Bonuses

Chairman Potashner discussed certain employee matters and indicated to the BOD that he was granting a \$10,000 spot bonus to Stephen Thesing and a \$10,000 spot bonus to consultant John Todd. This was considered a management matter but after discussion there was no objection.

5. HHI

Chairman Potashner updated the BOD on developments with respect to the health subsidiary HHI including status of medical team arrangements. At the last BOD meeting the following actions steps had been identified: (a) formation of HHI, (b) completion of a subsidiary option plan for the medical team and directors/employees/consultants, (c) development of a deck for financing, (d) completion of definitive agreements with the medical team, (d) commencement of FDA product development/approval, and (e) development of intercompany license and other agreements between PAMT and HHI.

**PARAMETRIC SOUND CORPORATION**  
**Minutes of the Regular Meeting of**  
**the Board of Directors of**  
**Parametric Sound Corporation**  
**December 13, 2012**

Chairman Potashner indicated that HHI had been formed and an option plan drafted and contracts developed and in the process of being negotiated with the medical team. An initial deck was being presented to 2-3 initial financing prospects and that FDA development had commenced but was being held up by the finalization of the medical team agreements.

Seth Putterman reported on the independent director telephonic meeting with counsel on November 8, 2012. There was confirmation that the terms of the intercompany license, option plan, medical team agreements and any option grants and related party arrangements would require board approval and that any compensation arrangements with executive officers would require independent director approval. Mr. Norris indicated that there were many items that needed clarification and negotiation prior to approval especially in lieu of the related party nature of some of the matters. There was discussion and consensus that Dr. Putterman be appointed the lead independent director to work on finalizing the details for formal approval. Mr. Norris indicated he preferred that the entire board participate in the details of these items. Chairman Potashner indicated that the process needed to move timely to retain the medical team and FDA momentum.

Mr. Barnes indicated that he had discussions and was retaining a firm for the 409a valuation of HHI for option purposes. This is necessary for any option grants under the proposed HHI stock option plan. He was also charged with continuing conversations to engage a compensation consultant to advise the independent directors on the proposed related party option grants.

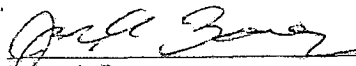
Chairman Potashner requested that Mr. Barnes arrange for another BOD meeting to further discuss the details of HHI as soon as schedules permit.

6. Executive Search

Chairman Potashner outlined the longer-term plans for him to transition more time to HHI. He indicated that this would require a CEO for PAMT in an operating role. He indicated a search, which would remain confidential, could require up to 6 months. There was discussion that it would need to be triggered on significant business or licensing and positive funding prospects for HHI. After discussion the BOD authorized engagement of a search firm on a confidential basis with a limit of \$25,000 cash commitment with future BOD approval for any further payments intended to be based on both progress of the search and the company's business.

7. Adjournment

There being no further business to come before the meeting, on motion duly made seconded and carried, the meeting of the Board was adjourned at 12:05 p.m.

  
\_\_\_\_\_  
James A. Barnes  
Secretary of the Meeting