

IN THE SUPREME COURT OF THE STATE OF NEVADA

Nos. 83598, 84971, and 85358

IN RE PARAMETRIC SOUND CORPORATION
SHAREHOLDERS' LITIGATION.

Electronically Filed
Jan 12 2023 08:54 PM
Elizabeth A. Brown
Clerk of Supreme Court

PAMTP, LLC,

Appellant,

v.

KENNETH F. POTASHNER; VTB HOLDINGS, INC.;
STRIPE GROUP, LLC; SG VTB HOLDINGS, LLC;
JUERGEN STARK; and KENNETH FOX,

Respondents.

Consolidated Appeals from Final Judgment and Fees and Costs Awards
Eighth Judicial District Court Case No. A-13-686890-B

APPELLANT'S APPENDIX – VOLUME 18 OF 24

Jeff Silvestri (NSBN 5779)
George F. Ogilvie III (NSBN 3552)
Chelsea Latino (NSBN 14227)
MCDONALD CARANO LLP
2300 W. Sahara Ave., Ste. 1200
Las Vegas, NV 89102
(702) 873-4100
jsilvestri@mcdonaldcarano.com
gogilvie@mcdonaldcarano.com
clatino@mcdonaldcarano.com

Daniel M. Sullivan (Admitted *PHV*)
Scott M. Danner (Admitted *PHV*)
Jordan Pietzsch (*PHV* Forthcoming)
HOLWELL SHUSTER & GOLDBERG LLP
425 Lexington Ave., 14th Fl.
New York, NY 10017
(646) 837-5151
dsullivan@hsgllp.com
sdanner@hsgllp.com
jpietzsch@hsgllp.com

Attorneys for PAMTP, LLC

INDEX TO JOINT APPENDIX

(Chronological)

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
3/7/18	Amended Class Action and Derivative Complaint	1	AA 0001- AA 0078
3/27/18	Order Denying Defendants' Motions to Dismiss the Amended Class Action and Derivative Complaint	1	AA 0079- AA 0090
11/15/19	Stipulation of Settlement	1	AA 0091- AA 0174
5/19/20	Final Judgment and Order of Dismissal With Prejudice	1	AA 0175- AA 0203
5/20/20	PAMTP LLC's Complaint	2	AA 0204- AA 0270
8/20/20	Order Denying Defendants' Motions to Dismiss Plaintiff's Complaint	2	AA 0271- AA 0280
9/3/20	Director Defendants' Answer to Complaint	2	AA 0281- AA 0317
9/3/20	Answer to Plaintiff PAMTP LLC's Complaint	2	AA 0318- AA 0360
5/18/21	Order Granting Plaintiff's Motion Against Defendants Kenneth Potashner, Juergen Stark, and VTB Holdings, inc. Setting Evidentiary Hearing Re Spoilation Sanctions	2	AA 0361- AA 0368
6/23/21	Transcript of Evidentiary Hearing re: Spoilation Sanctions (6/18/21)	3-4	AA 0369- AA 0696
7/15/21	Findings of Fact, Conclusions of Law and Order Imposing Spoilation Sanctions	5	AA 0697- AA 0707
8/3/21	Order Denying Motion for Summary Judgment of Specially Appearing Defendants Stripes Group, LLC, SG VTB Holdings. LLC Juergen Stark, Kenneth Fox	5	AA 0708- AA 0725

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
8/3/21	Order Denying Defendants' Motion in Limine to Exclude Plaintiff's Damages	5	AA 0726-AA 0742
8/3/21	Order Denying the Director Defendants' Motion for Summary Judgment	5	AA 0743-AA 0760
8/3/21	Order Denying Defendants' Motion in Limine to Exclude All Reference, Evidence, and Testimony Regarding Post Merger Conduct	5	AA 0761-AA 0778
8/3/21	Order Denying Defendants' Motion in Limine to Exclude the Opinions, Testimony, and Reports of J.T. Atkins	5	AA 0779-AA 0795
8/3/21	Order Denying Defendants' Motion in Limine to Exclude Evidence Related to Alleged Fraud by the Non- Director Defendants	5	AA 0796-AA 0813
8/3/21	Order Denying Motion for Summary Judgment of Defendant VTB Holdings, Inc. and Specially Appearing Defendants Stripes Group, LLC SG VTB Holdings, LLC Juergen Stark, and Kenneth Fox	5	AA 0814-AA 0831
8/3/21	Order Granting in Part Defendants' Motion in Limine to Exclude Evidence and Testimony Related to Irrelevant or Undisclosed Measures of Damages	5	AA 0832-AA 0838
8/23/21	Order Granting Certain Director Defendants' Motion for Determination of Good Faith Settlement	5	AA 0839-AA 0844
8/24/21	Plaintiff PAMTP LLC's Memorandum of Law Regarding NRS 78.200 and NRS 78.211	5	AA 0845-AA 0850
8/24/21	Defendants' Motion for Judgment on Partial Findings Pursuant to NRCP 52(c) Regarding Lack of Control or Expropriation	5	AA 0851-AA 0865
8/24/21	Defendants' Motion for Judgment on Standing Pursuant to NRCP 52(c)	5	AA 0866-AA 0876

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
8/24/21	Defendants' Motion for Judgment for Lack of Evidence on <i>Gentile</i> Damages Pursuant to NRCP 52(c)	5	AA 0877- AA 0886
8/24/21	Specially Appearing Defendants Juergen Stark's and Kenneth Fox's Motion for Judgment Under the Statute of Limitations Pursuant to NRCP 52(c)	5	AA 0887- AA 0896
8/25/21	Non-Director Defendants' Trial Brief Re: Section 14(A)	5	AA 0897- AA 0904
8/25/21	Opposition to Plaintiff PAMTP LLC's Memorandum of Law Regarding NRS 78.200 and NRS 78.211	5	AA 0905- AA 0914
8/26/21	Transcript of Proceedings Bench Trial – Day 1 (8/16/21)	6-7	AA 0915- AA 1231
	Trial Exhibit 244	7-8	AA 1232- AA 1573
	Trial Exhibit 376	9	AA 1574- AA 1575
8/26/21	Transcript of Proceedings (8/17/21) Bench Trial – Day 2, Vol. 1	9	AA 1576- AA 1719
8/26/21	Transcript of Proceedings (8/17/21) Bench Trial – Day 2, Vol. 2	10	AA 1720- AA 1888
8/26/21	Transcript of Proceedings (8/18/21) Bench Trial – Day 3, Vol. 1	11	AA 1889- AA 2018
	Trial Exhibit 5	11	AA 2019- AA 2022
	Trial Exhibit 6	11	AA 2023- AA 2029
	Trial Exhibit 26	11	AA 2030
	Trial Exhibit 38	11	AA 2031
	Trial Exhibit 95	11	AA 2032

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
	Trial Exhibit 106	11	AA 2033
	Trial Exhibit 108	11	AA 2034- AA 2037
	Trial Exhibit 109	11	AA 2038- AA 2041
	Trial Exhibit 111	11	AA 2042- AA 2043
	Trial Exhibit 137	11	AA 2044- AA 2047
	Trial Exhibit 142	11	AA 2048
	Trial Exhibit 152	11	AA 2049- AA 2050
	Trial Exhibit 194	11	AA 2051- AA 2092
	Trial Exhibit 277	11	AA 2093- AA 2095
	Trial Exhibit 296	11	AA 2096- AA 2097
8/26/21	Transcript of Proceedings (8/18/21) Bench Trial – Day 3, Vol. 2	12	AA 2098- AA 2238
	Trial Exhibit 78	12	AA 2239- AA 2240
	Trial Exhibit 82	12	AA 2241- AA 2243
	Trial Exhibit 83	12	AA 2244
	Trial Exhibit 87	12	AA 2245- AA 2246
	Trial Exhibit 88	12	AA 2247- AA 2248
	Trial Exhibit 89	12	AA 2249
	Trial Exhibit 90	12	AA 2250-

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
			AA 2251
	Trial Exhibit 94	12	AA 2252
	Trial Exhibit 98	12	AA 2253- AA 2254
	Trial Exhibit 99	12	AA 2255- AA 2256
	Trial Exhibit 113	12	AA 2257- AA 2260
	Trial Exhibit 132	12	AA 2261
	Trial Exhibit 171	12	AA 2262
	Trial Exhibit 293	12	AA 2263- AA 2264
	Trial Exhibit 346	12	AA 2265- AA 2267
8/26/21	Transcript of Proceedings (8/19/21) Bench Trial – Day 4, Vol. 1	13	AA 2268- AA 2387
	Trial Exhibit 775	13	AA 2388
	Trial Exhibit 776	13	AA 2389- AA 2390
	Trial Exhibit 781	13	AA 2391- AA 2394
	Trial Exhibit 785	13	AA 2395- AA 2411
	Trial Exhibit 789	13	AA 2412- AA 2413
	Trial Exhibit 821	13	AA 2414
	Trial Exhibit 837	13	AA 2415- AA 2416

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
8/26/21	Transcript of Proceedings (8/19/21) Bench Trial – Day 4, Vol. 2	14	AA 2417- AA 2597
	Trial Exhibit 265	14	AA 2598- AA 2599
	Trial Exhibit 345	14	AA 2600- AA 2602
8/26/21	Transcript of Proceedings (8/20/21) Bench Trial – Day 5	15	AA 2603- AA 2800
	Trial Exhibit 17	15	AA 2801- AA 2803
	Trial Exhibit 58	15	AA 2804- AA 2805
	Trial Exhibit 60	15	AA 2806- AA 2807
	Trial Exhibit 116	15	AA 2808
	Trial Exhibit 120	15	AA 2809- AA 2816
	Trial Exhibit 305	15	AA 2817
	Trial Exhibit 1052	16	AA 2818- AA 2862
8/26/21	Transcript of Proceedings (8/23/21) Bench Trial – Day 6, Vol. 1	16	AA 2863- AA 2984
	Trial Exhibit 84	16	AA 2985- AA 3045
	Trial Exhibit 110	17	AA 3046
	Trial Exhibit 143	17	AA 3047- AA 3048
	Trial Exhibit 160	17	AA 3049
	Trial Exhibit 166	17	AA 3050- AA 3058

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
	Trial Exhibit 170	17	AA 3059- AA 3060
	Trial Exhibit 172	17	AA 3061- AA 3064
	Trial Exhibit 267	17	AA 3065- AA 3069
	Trial Exhibit 271	17	AA 3070
	Trial Exhibit 330	17	AA 3071- AA 3073
	Trial Exhibit 338	17	AA 3074- AA 3076
	Trial Exhibit 339	17	AA 3077- AA 3084
	Trial Exhibit 364	17	AA 3085- AA 3087
	Trial Exhibit 425	17	AA 3088- AA 3106
8/26/21	Transcript of Proceedings (8/23/21) Bench Trial – Day 6, Vol. 2	17	AA 3107- AA 3282
8/26/21	Transcript of Proceedings (8/24/21) Bench Trial – Day 7, Vol. 1	18	AA 3283- AA 3410
	Trial Exhibit 428	18	AA 3411- AA 3415
	Trial Exhibit 464	18	AA 3416- AA 3422
	Trial Exhibit 909	18	AA 3423- AA 3433
8/26/21	Transcript of Proceedings (8/24/21) Bench Trial – Day 7, Vol. 2	19	AA 3434- AA 3579
	Trial Exhibit 413	19	AA 3580- AA 3600

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
8/26/21	Transcript of Proceedings (8/25/21) Bench Trial – Day 8	20	AA 3601- AA 3703
9/2/21	Notice of Submission of Proposed Order Granting Defendants' Motion for Judgment Pursuant to NRCP 52(c), Findings of Fact and Conclusions of Law, and Judgment Thereon	20	AA 3704- AA 3735
9/3/21	Notice of Submission of Plaintiff's Objections to Defendants' Proposed Order Granting Defendants' Motion for Judgment Pursuant to NRCP 52(c), Findings of Fact and Conclusions of Law, and Judgment Thereon	20	AA 3736- AA 3771
9/3/21	Order Granting Motion for Judgment Pursuant to NRCP 52(c)	20	AA 3772- AA 3795
9/8/21	Notice of Entry of Order Granting Defendants Motion for Judgment Pursuant to NRCP 52(c), Findings of Fact and Conclusions of Law, and Judgment Thereon	20	AA 3796- AA 3822
9/22/21	Non-Director Defendants' Memorandum of Costs	20	AA 3823- AA 3831
9/22/21	Defendant Kenneth Potashner's Verified Memorandum of Costs	21	AA 3832- AA 3872
9/29/21	Defendants' Motion for Attorneys' Fees	21	AA 3873- AA 3901
9/30/21	Plaintiff PAMTP LLC's Notice of Appeal	21	AA 3902- AA 3929
10/7/21	Motion to Retax Defendant Kenneth Potashner's Verified Memorandum of Costs	21	AA 3930- AA 3945
10/7/21	Motion to Retax Non-Director Defendants' Memorandum of Costs	21	AA 3946- AA 3964
10/13/21	Plaintiff PAMTP LLC's Opposition to Motion for Attorneys' Fees	21	AA 3965- AA 4046

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
10/21/21	Non-Director Defendants' Opposition to Plaintiff's Motion to Retax Costs	21	AA 4047-AA 4069
10/21/21	Opposition to Plaintiff's Motion to Retax Defendant Kenneth Potashner's Verified Memorandum of Costs	22	AA 4070-AA 4131
10/28/21	Reply in Support of Defendants' Motion for Attorneys' Fees	22	AA 4132-AA 4159
11/9/21	PAMTP, LLC's Reply in Support of Motion to Retax Non-Director Defendants' Memorandum of Costs	22	AA 4160-AA 4170
11/9/21	PAMTP, LLC's Reply in Support of Motion to Retax Defendant Kenneth Potashner's Verified Memorandum of Costs	22	AA 4171-AA 4178
12/16/21	Plaintiff PAMTP LLC's Supplemental Brief in Opposition to Motion for Attorneys' Fees	22	AA 4179-AA 4189
12/16/21	Supplemental Brief in Support of Defendants' Motion for Attorneys' Fees	22	AA 4190-AA 4204
12/22/21	Transcript of Hearing re: Defendants' Motion for Attorneys' Fees (12/2/21)	23	AA 4205-AA 4311
1/13/22	Transcript of Hearing re: Plaintiff's Motions to Retax (11/16/21)	23	AA 4312-AA 4369
6/7/22	Order Denying Defendants' Motion for Attorneys' Fees	23	AA 4370-AA 4386
6/15/22	Notice of Entry of Order Denying Defendants' Motion for Attorneys' Fees	23	AA 4387-AA 4407
6/30/22	Notice of Appeal	23	AA 4408-AA 4414
8/29/22	Order re: PAMTP LLC'S Motions to Re-Tax Costs	23	AA 4415-AA 4439
9/2/22	Notice of Entry of Order re: PAMTP, LLC's Motions to Re-Tax Costs	24	AA 4440-AA 4466
9/14/22	Plaintiff PAMTP LLC's Case Appeal Statement	24	AA 4467-AA 4526

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
9/16/22	Amended Judgment	24	AA 4527- AA 4536
10/19/22	Order Granting Plaintiff's Motion to Stay Execution of Amended Judgment on Order Shortening Time	24	AA 4537- AA 4547
12/12/22	Order Granting Defendants' Motion to Amend Judgment	24	AA 4548- AA 4562
12/18/22	Second Amended Judgment	24	AA 4563- AA 4571

INDEX TO JOINT APPENDIX

(Alphabetical)

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
3/7/18	Amended Class Action and Derivative Complaint	1	AA 0001- AA 0078
9/16/22	Amended Judgment	24	AA 4527- AA 4536
9/3/20	Answer to Plaintiff PAMTP LLC's Complaint	2	AA 0318- AA 0360
9/22/21	Defendant Kenneth Potashner's Verified Memorandum of Costs	21	AA 3832- AA 3872
9/29/21	Defendants' Motion for Attorneys' Fees	21	AA 3873- AA 3901
8/24/21	Defendants' Motion for Judgment for Lack of Evidence on <i>Gentile</i> Damages Pursuant to NRCP 52(c)	5	AA 0877- AA 0886
8/24/21	Defendants' Motion for Judgment on Partial Findings Pursuant to NRCP 52(c) Regarding Lack of Control or Expropriation	5	AA 0851- AA 0865
8/24/21	Defendants' Motion for Judgment on Standing Pursuant to NRCP 52(c)	5	AA 0866- AA 0876
9/3/20	Director Defendants' Answer to Complaint	2	AA 0281- AA 0317
5/19/20	Final Judgment and Order of Dismissal With Prejudice	1	AA 0175- AA 0203
7/15/21	Findings of Fact, Conclusions of Law and Order Imposing Spoliation Sanctions	5	AA 0697- AA 0707
10/7/21	Motion to Retax Defendant Kenneth Potashner's Verified Memorandum of Costs	21	AA 3930- AA 3945
10/7/21	Motion to Retax Non-Director Defendants' Memorandum of Costs	21	AA 3946- AA 3964

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
9/22/21	Non-Director Defendants' Memorandum of Costs	20	AA 3823-AA 3831
10/21/21	Non-Director Defendants' Opposition to Plaintiff's Motion to Retax Costs	21	AA 4047-AA 4069
8/25/21	Non-Director Defendants' Trial Brief Re: Section 14(A)	5	AA 0897-AA 0904
6/30/22	Notice of Appeal	23	AA 4408-AA 4414
6/15/22	Notice of Entry of Order Denying Defendants' Motion for Attorneys' Fees	23	AA 4387-AA 4407
9/8/21	Notice of Entry of Order Granting Defendants Motion for Judgment Pursuant to NRCP 52(c), Findings of Fact and Conclusions of Law, and Judgment Thereon	20	AA 3796-AA 3822
9/2/22	Notice of Entry of Order re: PAMTP, LLC's Motions to Re-Tax Costs	24	AA 4440-AA 4466
9/3/21	Notice of Submission of Plaintiff's Objections to Defendants' Proposed Order Granting Defendants' Motion for Judgment Pursuant to NRCP 52(c), Findings of Fact and Conclusions of Law, and Judgment Thereon	20	AA 3736-AA 3771
9/2/21	Notice of Submission of Proposed Order Granting Defendants' Motion for Judgment Pursuant to NRCP 52(c), Findings of Fact and Conclusions of Law, and Judgment Thereon	20	AA 3704-AA 3735
8/25/21	Opposition to Plaintiff PAMTP LLC's Memorandum of Law Regarding NRS 78.200 and NRS 78.211	5	AA 0905-AA 0914
10/21/21	Opposition to Plaintiff's Motion to Retax Defendant Kenneth Potashner's Verified Memorandum of Costs	22	AA 4070-AA 4131
6/7/22	Order Denying Defendants' Motion for Attorneys' Fees	23	AA 4370-AA 4386

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
8/20/20	Order Denying Defendants' Motions to Dismiss Plaintiff's Complaint	2	AA 0271- AA 0280
3/27/18	Order Denying Defendants' Motions to Dismiss the Amended Class Action and Derivative Complaint	1	AA 0079- AA 0090
8/3/21	Order Denying Defendants' Motion in Limine to Exclude All Reference, Evidence, and Testimony Regarding Post Merger Conduct	5	AA 0761- AA 0778
8/3/21	Order Denying Defendants' Motion in Limine to Exclude Evidence Related to Alleged Fraud by the Non- Director Defendants	5	AA 0796- AA 0813
8/3/21	Order Denying Defendants' Motion in Limine to Exclude Plaintiff's Damages	5	AA 0726- AA 0742
8/3/21	Order Denying Defendants' Motion in Limine to Exclude the Opinions, Testimony, and Reports of J.T. Atkins	5	AA 0779- AA 0795
8/3/21	Order Denying Motion for Summary Judgment of Defendant VTB Holdings, Inc. and Specially Appearing Defendants Stripes Group, LLC SG VTB Holdings, LLC Juergen Stark, and Kenneth Fox	5	AA 0814- AA 0831
8/3/21	Order Denying Motion for Summary Judgment of Specially Appearing Defendants Stripes Group, LLC, SG VTB Holdings. LLC Juergen Stark, Kenneth Fox	5	AA 0708- AA 0725
8/3/21	Order Denying the Director Defendants' Motion for Summary Judgment	5	AA 0743- AA 0760
8/23/21	Order Granting Certain Director Defendants' Motion for Determination of Good Faith Settlement	5	AA 0839- AA 0844

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
12/12/22	Order Granting Defendants' Motion to Amend Judgment	24	AA 4548- AA 4562
8/3/21	Order Granting in Part Defendants' Motion in Limine to Exclude Evidence and Testimony Related to Irrelevant or Undisclosed Measures of Damages	5	AA 0832- AA 0838
9/3/21	Order Granting Motion for Judgment Pursuant to NRCP 52(c)	20	AA 3772- AA 3795
5/18/21	Order Granting Plaintiff's Motion Against Defendants Kenneth Potashner, Juergen Stark, and VTB Holdings, inc. Setting Evidentiary Hearing Re Spoilation Sanctions	2	AA 0361- AA 0368
10/19/22	Order Granting Plaintiff's Motion to Stay Execution of Amended Judgment on Order Shortening Time	24	AA 4537- AA 4547
8/29/22	Order re: PAMTP LLC'S Motions to Re-Tax Costs	23	AA 4415- AA 4439
5/20/20	PAMTP LLC's Complaint	2	AA 0204- AA 0270
11/9/21	PAMTP, LLC's Reply in Support of Motion to Retax Defendant Kenneth Potashner's Verified Memorandum of Costs	22	AA 4171- AA 4178
11/9/21	PAMTP, LLC's Reply in Support of Motion to Retax Non-Director Defendants' Memorandum of Costs	22	AA 4160- AA 4170
9/14/22	Plaintiff PAMTP LLC's Case Appeal Statement	24	AA 4467- AA 4526
8/24/21	Plaintiff PAMTP LLC's Memorandum of Law Regarding NRS 78.200 and NRS 78.211	5	AA 0845- AA 0850
9/30/21	Plaintiff PAMTP LLC's Notice of Appeal	21	AA 3902- AA 3929
10/13/21	Plaintiff PAMTP LLC's Opposition to Motion for Attorneys' Fees	21	AA 3965- AA 4046

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
12/16/21	Plaintiff PAMTP LLC's Supplemental Brief in Opposition to Motion for Attorneys' Fees	22	AA 4179- AA 4189
10/28/21	Reply in Support of Defendants' Motion for Attorneys' Fees	22	AA 4132- AA 4159
12/18/22	Second Amended Judgment	24	AA 4563- AA 4571
8/24/21	Specially Appearing Defendants Juergen Stark's and Kenneth Fox's Motion for Judgment Under the Statute of Limitations Pursuant to NRCF 52(c)	5	AA 0887- AA 0896
11/15/19	Stipulation of Settlement	1	AA 0091- AA 0174
12/16/21	Supplemental Brief in Support of Defendants' Motion for Attorneys' Fees	22	AA 4190- AA 4204
6/23/21	Transcript of Evidentiary Hearing re: Spoliation Sanctions (6/18/21)	3-4	AA 0369- AA 0696
12/22/21	Transcript of Hearing re: Defendants' Motion for Attorneys' Fees (12/2/21)	23	AA 4205- AA 4311
1/13/22	Transcript of Hearing re: Plaintiff's Motions to Retax (11/16/21)	23	AA 4312- AA 4369
8/26/21	Transcript of Proceedings Bench Trial – Day 1 (8/16/21)	6-7	AA 0915- AA 1231
8/26/21	Transcript of Proceedings (8/17/21) Bench Trial – Day 2, Vol. 1	9	AA 1576- AA 1719
8/26/21	Transcript of Proceedings (8/17/21) Bench Trial – Day 2, Vol. 2	10	AA 1720- AA 1888
8/26/21	Transcript of Proceedings (8/18/21) Bench Trial – Day 3, Vol. 1	11	AA 1889- AA 2018
8/26/21	Transcript of Proceedings (8/18/21) Bench Trial – Day 3, Vol. 2	12	AA 2098- AA 2238

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
8/26/21	Transcript of Proceedings (8/19/21) Bench Trial – Day 4, Vol. 1	13	AA 2268- AA 2387
8/26/21	Transcript of Proceedings (8/19/21) Bench Trial – Day 4, Vol. 2	14	AA 2417- AA 2597
8/26/21	Transcript of Proceedings (8/20/21) Bench Trial – Day 5	15	AA 2603- AA 2800
8/26/21	Transcript of Proceedings (8/23/21) Bench Trial – Day 6, Vol. 1	16	AA 2863- AA 2984
8/26/21	Transcript of Proceedings (8/23/21) Bench Trial – Day 6, Vol. 2	17	AA 3107- AA 3282
8/26/21	Transcript of Proceedings (8/24/21) Bench Trial – Day 7, Vol. 1	18	AA 3283- AA 3410
8/26/21	Transcript of Proceedings (8/24/21) Bench Trial – Day 7, Vol. 2	19	AA 3434- AA 3579
8/26/21	Transcript of Proceedings (8/25/21) Bench Trial – Day 8	20	AA 3601- AA 3703
	Trial Exhibit 5	11	AA 2019- AA 2022
	Trial Exhibit 6	11	AA 2023- AA 2029
	Trial Exhibit 17	15	AA 2801- AA 2803
	Trial Exhibit 26	11	AA 2030
	Trial Exhibit 38	11	AA 2031
	Trial Exhibit 58	15	AA 2804- AA 2805
	Trial Exhibit 60	15	AA 2806- AA 2807
	Trial Exhibit 78	12	AA 2239- AA 2240

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
	Trial Exhibit 82	12	AA 2241- AA 2243
	Trial Exhibit 83	12	AA 2244
	Trial Exhibit 84	16	AA 2985- AA 3045
	Trial Exhibit 87	12	AA 2245- AA 2246
	Trial Exhibit 88	12	AA 2247- AA 2248
	Trial Exhibit 89	12	AA 2249
	Trial Exhibit 90	12	AA 2250- AA 2251
	Trial Exhibit 94	12	AA 2252
	Trial Exhibit 95	11	AA 2032
	Trial Exhibit 98	12	AA 2253- AA 2254
	Trial Exhibit 99	12	AA 2255- AA 2256
	Trial Exhibit 106	11	AA 2033
	Trial Exhibit 108	11	AA 2034- AA 2037
	Trial Exhibit 109	11	AA 2038- AA 2041
	Trial Exhibit 110	17	AA 3046
	Trial Exhibit 111	11	AA 2042- AA 2043
	Trial Exhibit 113	12	AA 2257- AA 2260
	Trial Exhibit 116	15	AA 2808

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
	Trial Exhibit 120	15	AA 2809- AA 2816
	Trial Exhibit 132	12	AA 2261
	Trial Exhibit 137	11	AA 2044- AA 2047
	Trial Exhibit 142	11	AA 2048
	Trial Exhibit 143	17	AA 3047- AA 3048
	Trial Exhibit 152	11	AA 2049- AA 2050
	Trial Exhibit 160	17	AA 3049
	Trial Exhibit 166	17	AA 3050- AA 3058
	Trial Exhibit 170	17	AA 3059- AA 3060
	Trial Exhibit 171	12	AA 2262
	Trial Exhibit 172	17	AA 3061- AA 3064
	Trial Exhibit 194	11	AA 2051- AA 2092
	Trial Exhibit 244	7-8	AA 1232- AA 1573
	Trial Exhibit 265	14	AA 2598- AA 2599
	Trial Exhibit 267	17	AA 3065- AA 3069
	Trial Exhibit 271	17	AA 3070
	Trial Exhibit 277	11	AA 2093- AA 2095
	Trial Exhibit 293	12	AA 2263- AA 2264

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
	Trial Exhibit 296	11	AA 2096- AA 2097
	Trial Exhibit 305	15	AA 2817
	Trial Exhibit 330	17	AA 3071- AA 3073
	Trial Exhibit 338	17	AA 3074- AA 3076
	Trial Exhibit 339	17	AA 3077- AA 3084
	Trial Exhibit 345	14	AA 2600- AA 2602
	Trial Exhibit 346	12	AA 2265- AA 2267
	Trial Exhibit 364	17	AA 3085- AA 3087
	Trial Exhibit 376	9	AA 1574- AA 1575
	Trial Exhibit 413	19	AA 3580- AA 3600
	Trial Exhibit 425	17	AA 3088- AA 3106
	Trial Exhibit 428	18	AA 3411- AA 3415
	Trial Exhibit 464	18	AA 3416- AA 3422
	Trial Exhibit 775	13	AA 2388
	Trial Exhibit 776	13	AA 2389- AA 2390
	Trial Exhibit 781	13	AA 2391- AA 2394
	Trial Exhibit 785	13	AA 2395- AA 2411

<u>Date</u>	<u>Document Description</u>	<u>Vol.</u>	<u>Pages</u>
	Trial Exhibit 789	13	AA 2412- AA 2413
	Trial Exhibit 821	13	AA 2414
	Trial Exhibit 837	13	AA 2415- AA 2416
	Trial Exhibit 909	18	AA 3423- AA 3433
	Trial Exhibit 1052	16	AA 2818- AA 2862

AFFIRMATION

Pursuant to NRS 239B.030, the undersigned does hereby affirm that the preceding document does not contain the social security number of any person.

Respectfully submitted this 12th day of January, 2023.

MCDONALD CARANO LLP

/s/ Jeff Silvestri
Jeff Silvestri (NSBN 5779)
George F. Ogilvie III (NSBN 3552)
Chelsea Latino (NSBN 14227)
2300 W. Sahara Ave., Ste. 1200
Las Vegas, NV 89102
(702) 873-4100
jsilvestri@mcdonaldcarano.com
gogilvie@mcdonaldcarano.com
clatino@mcdonaldcarano.com


Daniel M. Sullivan (Admitted *PHV*)
Scott M. Danner (Admitted *PHV*)
Jordan Pietzsch (*PHV* Forthcoming)
HOLWELL SHUSTER & GOLDBERG LLP
425 Lexington Ave., 14th Fl.
New York, NY 10017
(646) 837-5151
dsullivan@hsgllp.com
sdanner@hsgllp.com
jpietzsch@hsgllp.com

Attorneys for PAMTP, LLC

CERTIFICATE OF SERVICE

I hereby certify that I am an employee of McDonald Carano LLP, and on January 12, 2023, a true and correct copy of the foregoing was e-filed and e-served on all registered parties to the Supreme Court's electronic filing system.

/s/ CaraMia Gerard
An Employee of McDonald Carano LLP



TRAN

DISTRICT COURT
CLARK COUNTY, NEVADA
* * * * *

IN RE PARAMETRIC SOUND)
CORPORATION SHAREHOLDERS')
LITIGATION)

CASE NO. A-13-686890-B
DEPT NO. XI

This Document Relates to:)
ALL ACTIONS)

**CORRECTED TRANSCRIPT
OF PROCEEDINGS**

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT COURT JUDGE

TUESDAY, AUGUST 24, 2021

BENCH TRIAL - DAY 7 - VOLUME I

APPEARANCES:

FOR PAMPT LLC:

GEORGE F. OGILVIE, III, ESQ.
ADAM M. APTON, ESQ.

FOR KENNETH POTASHNER,
NORRIS, PUTTERMAN,
KAPLAN, & WOLFE:

J. STEPHEN PEEK, ESQ.
JOHN P. STIGI, III, ESQ.
ROBERT J. CASSITY, ESQ.

FOR VTB HOLDINGS, STRIPES
GROUP, SG VTB HOLDINGS,
KENNETH FOX & JUERGEN STARK:

DAVID A. KOTLER, ESQ.
JOSHUA D. N. HESS, ESQ.
RYAN MOORE, ESQ.

RECORDED BY: JILL HAWKINS, COURT RECORDER
TRANSCRIBED BY: JD REPORTING, INC.

I N D E X

W I T N E S S E S

WITNESSES FOR THE PLAINTIFF:

JUERGEN STARK

Continued Direct Examination by Mr. Apton 12

Cross-Examination by Mr. Hess 16

E X H I B I T S

EXHIBITS ADMITTED:

31 11

38 11

130 11

143 10

143 11

145-148 11

157 11

163-164 11

167 10

170 10

189-191 11

244 10

267-268 11

277 10

312-313 11

314 10

JD Reporting, Inc.

315	11
317	10
317-319	11
321	11
324	10
326	11
328	11
331	10
337-338	11
363	10
369	10
419	11
421-422	11
424-428	11
430-431	11
433	11
442-443	11
448	11
460	10
462-465	11
515	10
527	10
538	10
548	10
551	10

JD Reporting, Inc.

554	10
575	10
577-578	10
585	10
612-613	10
628	10
645	10
655	10
672-673	10
698	10
721	10
754	10
773-776	10
784-785	10
789	10
800	10
810	10
821	10
834	10
861	10
875	10
881	10
890	10
908-909	10
916	10

919	10
921	10
926	10
934	10
1046	10
1057	10
1070	10

1 **LAS VEGAS, CLARK COUNTY, NEVADA, AUGUST 24, 2021, 9:06 A.M.**

2 *** * * * ***

3 THE COURT: Good morning, Counsel. Sorry for the
4 delay.

5 Are we ready to start? I know that we have a short,
6 brief time with Mr. Stark.

7 MR. HESS: There's just a few administrative items, I
8 think, Your Honor. First is yesterday you indicated that you
9 would like plaintiff to produce the amended PAMPT LLC operating
10 agreement. We have yet to receive that document, so I was just
11 wanting to poke to plaintiff when they intended to put that
12 into the record.

13 MR. APTON: Your Honor, it's being validated with
14 I.T.

15 THE COURT: Okay. So you sent it to the clerk and
16 they're going through the process of I.T.?

17 MR. APTON: Yes.

18 THE COURT: Did you send a copy to opposing counsel?

19 MR. APTON: Not yet. I can do it right now.

20 THE COURT: You should send it to them, too.

21 MR. APTON: Okay.

22 THE COURT: Okay.

23 MR. HESS: Okay, thank you. Also, plaintiff has not
24 made a disclosure with respect to witnesses for tomorrow, so we
25 are curious whether or not they intend to rest today.

JD Reporting, Inc.

1 THE COURT: They told me yesterday when I asked that
2 they had two more witnesses after Mr. Stark. Are they on
3 today?

4 MR. HESS: Yeah, who are disclosed for today, Your
5 Honor.

6 THE COURT: Okay.

7 MR. APTON: So if we get through Stark today, we Ken
8 Fox and Karen Kenworthy and then that's it, so the disclosure
9 don't change.

10 THE COURT: So I think the answer is yes. Did you
11 disclose witnesses?

12 MR. HESS: We have not, but we will, Your Honor.

13 THE COURT: You should.

14 MR. HESS: Yeah.

15 THE COURT: You should do that just in case.

16 MR. HESS: We have one prepared, Your Honor.

17 THE COURT: All right. So send it, so they know.

18 MR. HESS: Yes. On that note in terms of witness
19 timing, since the two other witnesses that are coming today
20 will be remote, I just wanted to get maybe a budget from
21 Mr. Apton.

22 THE COURT: So, Mr. Apton has about a half hour more
23 with Stark -- you think?

24 MR. APTON: That's about right.

25 THE COURT: He says yeah and then you guys are going

1 to go at it. We have no idea how long you guys are going to
2 take because I wasn't going to pressure you because I know
3 you've got lots of stuff to cover.

4 MR. HESS: Yeah.

5 THE COURT: And so you have control of that issue.

6 MR. HESS: Right. That's what I was just going to --
7 that I appreciate. Thank you, Your Honor.

8 THE COURT: Okay.

9 MR. HESS: And then, finally, I think we do have
10 hopefully some stipulations to documents that we can get in as
11 well.

12 THE COURT: That would be lovely. What documents are
13 we stipulating to today?

14 MR. HESS: Okay. And I apologize for -- let me --

15 THE COURT: Go slow. Val is out today, so --

16 MR. HESS: Oh.

17 THE COURT: Yeah.

18 MR. HESS: Okay. I will go slow. All right. So I
19 believe we have stipulated -- we have a few pages here.

20 Stipulations to 143, 167, 170, 244, 277, 314, 317, 324, 331,
21 363, 369, 460.

22 MR. APTON: Josh, can I interrupt you?

23 THE COURT: I'll ask you at the end.

24 MR. APTON: Well, I'm just not following. I don't
25 know what you're reading from.

1 MR. HESS: I'm reading from our disclosure on Stark
2 for August 23rd, 2021.

3 MR. APTON: Apologies, sir.

4 THE COURT: Are we on the same list now?

5 MR. APTON: Not yet.

6 MR. HESS: Do you want me to wait until you get it?

7 MR. APTON: Yeah, please.

8 THE CLERK: Some of these are already admitted,
9 Counsel.

10 THE COURT: Yeah, they know.

11 THE CLERK: Okay.

12 THE COURT: They're having trouble keeping track.

13 THE CLERK: Oh, that's all right.

14 MR. HESS: Yeah, I'm trying -- we're doing what we
15 can. I apologize.

16 THE COURT: It's all right. We'll just keep track.
17 By "we," I mean the clerk.

18 MR. HESS: I do that a lot, too.

19 MR. APTON: Okay. Can we start over? I've got it
20 now. I'm writing.

21 THE COURT: All right. Let's go.

22 MR. HESS: Okay.

23 MR. APTON: Sorry.

24 MR. HESS: Yeah. Okay. So, 143, 167, 170, 244, 277,
25 314, 317, 324, 331, 363, 369, 460, 515, 527, 538, 548, 551,

1 554, 575, 577, 578, 585, 612, 613, 628, 645, 655, 672, 673,
2 698, 721, 754, 773, 774, 775, 776, 784, 785, 789, 800, 810,
3 821, 834, 861, 875, 881, 890, 908, 909, 916, 919, 921, 926,
4 934, 1046, 1057 and 1070.

5 THE COURT: Mr. Apton, does that accurately represent
6 the stipulation?

7 MR. APTON: Yes, it does.

8 THE COURT: Those will be admitted.
9 (Exhibit Number(s) 143, 167, 170, 244, 277, 314, 317, 324, 331,
10 363, 369, 460, 515, 527, 538, 548, 551, 554, 575, 577-578, 585
11 612-613, 628, 645, 655, 672-673, 698, 721, 754, 773-776,
12 784-785, 789, 800, 810, 821, 834, 861, 875, 881, 890, 908-909,
13 916, 919, 921, 926, 934, 1046, 1057 and 1070 admitted.)

14 MR. APTON: And we have some more, too.

15 MR. HESS: Yeah, we do.

16 THE COURT: Okay. Great.

17 MR. HESS: Do you want to take over the reading?

18 MR. APTON: I'm going to read the Kenworthy/Fox
19 exhibits.

20 MR. HESS: Okay.

21 MR. APTON: Minus the four that you guys objected to.

22 MR. HESS: Yeah.

23 MR. APTON: All right. Ready? 31, 38, 130, 143,
24 145, 146, 147, 148, 157, 163, 164, 189, 190, 191, 267, 268,
25 312, 313, 315, 317, 318, 319, 321, 326, 328, 337, 338, 419,

1 421, 422, 424, 425, 426, 427, 428, 430, 431, 433, 442, 443,
2 448, 462, 463, 464 and 465.

3 THE COURT: Is that accurate, Mr. Hess?

4 MR. HESS: That is accurate. And do we have
5 stipulations on ours for Kenworthy and Fox?

6 THE COURT: Hold on. Those will be admitted.
7 (Exhibit Number(s) 31, 38, 130, 143, 145-148, 157, 163-164,
8 189-191, 267-268, 312-313, 315, 317-319, 321, 326, 328,
9 337-338, 419, 421-422, 424-428, 430-431, 433, 442-443, 448,
10 462-465 admitted.)

11 THE COURT: Okay. And now for the other ones.

12 (Pause in the proceedings.)

13 THE COURT: Do them after lunch?

14 MR. HESS: Yep.

15 THE COURT: Okay. Anything else before we resume
16 with Mr. Stark?

17 (No audible response.)

18 THE COURT: Mr. Stark, come on up. We're going to
19 re-swear you since it's a new day, please. And then, remember,
20 if you need a break anytime, you just let us know.

21 MR. STARK: Thank you.

22 **JUERGEN STARK**

23 [having been called as a witness and being first duly sworn,
24 testified as follows:]

25 THE CLERK: Please be seated. Please state your full

JD Reporting, Inc.

1 name, spelling your first and last name for the record.

2 THE WITNESS: Juergen Stark.

3 THE CLERK: Can you spell your name, please?

4 THE WITNESS: Yeah. J-u-e-r-g-e-n. Stark,
5 S-t-a-r-k.

6 THE CLERK: Thank you.

7 THE COURT: Thank you, sir. Mr. Apton, you're up.

8 CONTINUED DIRECT EXAMINATION

9 BY MR. APTON:

10 Q Mr. Stark, when we last left off yesterday afternoon
11 I was asking you whether you promised Ken Potashner any sort of
12 benefits in exchange for his help with the merger, and I
13 believe we were talking about a draft press release in which he
14 was listed as being able to, quote, "continue a leadership role
15 for HyperSound Health." It was tab 86.

16 Do you remember that?

17 A I remember the conversation, yes.

18 Q And I then directed your attention to tab 160, in
19 which you write an email to Mr. Doornink saying that -- this
20 was the email with the subject line "Bone," saying that you
21 would throw Ken a bone by giving him this advisor role on HHI.
22 Do you remember our discussion about tab 160?

23 A I do, but that's not me saying I was going to do
24 that. We were exchanging ideas about how to solve the HHI
25 issue or how to help Parametric solve it. You're on 160, is

1 that right?

2 Q It was 160, right.

3 A Okay.

4 Q And that was my point. From the emails it seemed to
5 me like you and Mr. Doornink, at least, had no intention of
6 giving him that role. Is that correct?

7 A No, that's not true; not at that time. As I
8 mentioned yesterday, I mean, this email -- nothing happened
9 with this. This was Ron and I exchanging ideas. I don't --
10 you know, as I mentioned yesterday, five -- Parametric is the
11 only of the last six acquisitions that I've done where I
12 actually didn't keep the CEO on. It's very normal to do that.
13 Now, we decided along the way, I don't remember exactly when,
14 but as we went through the year that he would not be able to
15 add value to Parametric post close, and so we came to the
16 decision that he wouldn't continue.

17 Q But he stated on through May of '14; right?

18 A As a board member, not as an executive.

19 Q And my point is that you and Ken Fox, if you look at
20 tab 130, you and Ken Fox knew that Mr. Potashner was going to,
21 quote, "have effectively no role going forward."

22 But you didn't tell Mr. Potashner that, did you?

23 A So this is an exchange on the press release, right,
24 that Parametric drafted, that didn't -- actually, when it went
25 out didn't list Ken's role. I don't know if we made a decision

1 at this point. We certainly had -- Ken had a view that he
2 would not have a role post close, other than the board seat.
3 But I'm not sure that that was decided at the time.

4 Q And finally, you also gave Mr. Potashner an
5 indemnification agreement; right?

6 A I'm not familiar with what that -- what you mean by
7 that.

8 Q If you go to tab 183, this is an indemnification
9 agreement between Mr. Potashner and your company. It's dated
10 March 5th of '14; right?

11 A Okay. I assume this is something to do with the
12 board seat. I'm assuming it's kind of standard process.

13 Q Is it your testimony that this is the first time
14 you've seen this indemnification agreement?

15 A Yes. I have not seen this. I mean, I might have
16 signed it. I don't recall it. But I'm assuming this is kind
17 of standard process for board members.

18 Q And you're aware that Turtle Beach has been paying
19 Mr. Potashner's legal bills; right?

20 A Yes.

21 Q And that Turtle Beach may have to indemnify him for
22 any judgment against him; correct?

23 MR. HESS: Objection.

24 THE COURT: Overruled.

25 THE WITNESS: That's not up to me. That's up to the

1 lawyers.

2 BY MR. APTON:

3 Q Has this indemnification agreement been modified
4 since its original signing in March of '14?

5 A I have no idea.

6 Q Have you or anyone else ever referred to -- you know
7 who Mr. Robert Kaplan is; right?

8 A Yes.

9 Q And you know who Mr. Seth Putter-- Dr. Seth Putterman
10 is?

11 A Yes.

12 Q And Elwood Norris?

13 A Yes.

14 Q Have you or anyone ever referred to them as
15 "Sleepy" --

16 THE COURT: So can we hang up the phone? Because the
17 lawyers on the calendar call are still listening. Although
18 they're very excited about your case, they just don't think
19 they should have to. I don't know why they're still listening.

20 So just hang up, Ramsey. Thank you.

21 BY MR. APTON:

22 Q Have you ever referred to those directors as "Sleepy,
23 Dopey or Sneezy"?

24 MR. HESS: Objection.

25 THE WITNESS: Not that I can recall.

1 MR. APTON: Okay. I have no more questions for Mr.
2 Stark. Just reserving for redirect.

3 THE COURT: Wow, that was quick. That was
4 four minutes or five minutes.

5 Can you wipe down.

6 So when you told me ten last night, you managed to
7 trim it down even further.

8 MR. APTON: Well, I may have some redirect, Your
9 Honor.

10 THE COURT: That's okay.

11 Mr. Hess, you're up.

12 MR. APTON: Mr. Stark, do you still have the binders?
13 Do you have a binder for us?

14 MR. HESS: Here it is.

15 MR. APTON: Okay. Can he approach?

16 THE COURT: You may.

17 THE WITNESS: I definitely need more binders up here.

18 THE COURT: The sarcasm is not lost on me, sir.

19 CROSS-EXAMINATION

20 BY MR. HESS:

21 Q Good morning, Mr. Stark.

22 A Good morning.

23 Q If you would, could you just provide the Court maybe
24 a little bit of background about yourself, your education, for
25 example.

1 A Sure. So I have an aerospace undergrad from the
2 University of Michigan. I went straight through to business
3 school at Harvard. I went from there right to McKenzie. It's
4 a global strategy consulting firm. I was at McKenzie for
5 ten years, including a partner. I made partner when I was 30.

6 And then -- so I did that for ten years and then did
7 a start-up in Chicago. Ran the start-up for about three and a
8 half years, venture capital, you know, from the ground up.

9 Then in 2003 moved to Motorola, to the commercial
10 side of the Motorola business, the police radios and all that.
11 Ran four software companies that Motorola bought and were in
12 bad shape. So I kind of turned those around. Bought two more
13 companies during that time and ended up running all five or six
14 at that point.

15 And then moved to the mobile devices side of the
16 business and was part of the team that helped turn Motorola
17 Mobile around. Eventually became COO of that at the time
18 \$9 billion organization. That got bought by Google in 2012.

19 And I then was being recruited by multiple P.E firms
20 to come run portfolio companies, including Stripes. And even
21 though Turtle Beach was much smaller than my prior role in
22 terms of scope, I really liked the company. I liked the
23 franchise they had, and I really liked Ken and Ron and their
24 philosophy about what they were looking for from me, and
25 accepted a job with Turtle Beach and started with Turtle Beach

1 in September of 2012.

2 Q And the --

3 COURT RECORDER: Mr. Hess, excuse me.

4 Mr. Stark, I really need you to speak up.

5 THE WITNESS: Okay. Sorry about that.

6 COURT RECORDER: Because of the mask --

7 THE WITNESS: Yeah, it's not super easy with the mask
8 here, but I will.

9 COURT RECORDER: -- it's difficult to hear. I know.

10 BY MR. HESS:

11 Q And, Mr. Stark, the Ken you referred to there, is
12 that Ken Fox?

13 A Ken Fox. Yes.

14 Q Okay. And can you tell me -- so who is Ken Fox?

15 A Ken Fox is one of the two principals of Stripes
16 Group, a P.E. firm. And they had a majority, they bought a
17 majority stake in Turtle Beach in 2010, so a couple years
18 before I got there.

19 Q And the Ron you mentioned, that's Ron Doornink; is
20 that right?

21 A Yes. Ron was the former CEO of Activision and was an
22 operating partner with Stripes, so he was working with Stripes
23 on Turtle Beach and they were just -- both guys, high
24 integrity, and as I said, I really liked their approach in
25 terms of what they were looking for from me on Turtle Beach.

1 And I liked Turtle Beach, too, frankly.

2 Q And so what is Activision?

3 A Activision is one of the largest gaming software
4 publishers, so they make Call of Duty and a number of other
5 very popular games.

6 Q Okay. So when you were recruited to join Turtle
7 Beach in 2012, you kind of mentioned that you kind of liked Ken
8 and Ron and what they had to say, but what was their pitch to
9 you?

10 A You know, as I mentioned, I had multiple P.E. firms
11 recruiting me and all of them seemed to have, you know, a game
12 plan, come in, run this billion dollar business we bought. We
13 want to exit in three years or four years. Many of them also
14 had a concept of, you know, essentially an operating partner
15 that would babysit.

16 And at that point in time I had been a very
17 successful executive for many years, I didn't feel like I
18 needed a babysitter, in terms of somebody from the P.E. firm
19 that has an office, you know, next to mine and is, quote,
20 "helping me out" every day. And Stripes didn't have any of
21 that. They basically said we hire people; we let them run the
22 business. Ron is going to be, you know, the chairman. He
23 moved from executive chairman to chairman, which just means a
24 less operational role now they were bringing in a CEO. And
25 we've got people who can help you on recruiting; we've got

1 people who have expertise in financing. We're going to assign
2 Karen to you, who is just a phenomenally capable person, to
3 help you on business development and things like that. And
4 otherwise it's your show to run. Your goal is to build value
5 over time. And I liked it.

6 Q Okay. And tell me, when you joined Turtle Beach in
7 August of 2012, tell us, what was the business like then?

8 A Yeah, so September of 2012, right after Labor Day.

9 Q September. I'm sorry. Okay.

10 A And, well, the company had a phenomenal brand in a
11 business in console gaming headsets, so at that time mainly
12 Xbox and PlayStation over 50 percent market share, very high
13 quality products. A lot of innovation in the products. That
14 was important to me. There's a lot of consumer electronics
15 that are highly commoditized, and it's difficult to compete
16 other than on marketing.

17 And one of the things that appealed to me was Turtle
18 Beach was innovating every year and coming out with kind of the
19 first and only of something on headsets. And so for me I
20 viewed that as a really -- a good way to build the business. I
21 very much viewed the -- roughly call it 200 million in console
22 gaming headset business as a platform that could grow over time
23 and that I could add to in terms of new audio businesses or
24 potential new gaming businesses over time. So I looked at that
25 as like a really strong, stable core business that we could

1 grow. So that's on the business front.

2 Everything there was tracking very well. The company
3 had been run by the two founders for -- I don't know, at that
4 time probably 35 or 40 years running. So the rest of the --
5 and it was very much kind of a command and control setup
6 between the two founders. One of them ran sales and supply
7 chain, the other ran product and design and engineering. And
8 there was not much of a capable team underneath the two
9 founders. And Stripes and Ron knew that.

10 So part of bringing in -- the founders were tired. I
11 came in. Part of the goal was also just to -- the company very
12 much was being run like a \$30 million company because the
13 company had grown from something like 68 million to 200 in
14 two years. So it was very much being run like a small
15 business, and so there was a lot of work to do on upgrading the
16 executive team -- and the team throughout, actually, not just
17 the executive level -- and improving and putting in processes
18 that would be, you know, sufficient for a \$200 million complex
19 business rather than kind of what was being run like a really
20 small company.

21 Q Okay. Let's take a look at a document that we saw
22 earlier, which is 314.

23 A 314?

24 Q Yeah. This is a PowerPoint deck sent to PNC in June
25 of 2013. If you go to the PowerPoint deck it's called Company

1 Overview, June 2013.

2 A I don't think I have it here, but we can look at it
3 on the screen.

4 Q Oh, you don't have it in there?

5 A Yeah. Go ahead. I can look at it --

6 Q Okay. You can look at it on the screen. So if we
7 can go to tab -- so the slide number 7, which is 314-013.
8 There we go.

9 A Yeah.

10 Q So I think, Mr. Stark, you testified to this. So at
11 this time this chart represents that Turtle Beach has 53.2
12 percent dollar market share of the U.S. gaming headset market;
13 correct?

14 A Correct.

15 Q Is it fair to say that Turtle Beach invented that
16 market?

17 A Yeah. I believe Turtle Beach came out with, in 2006,
18 the first real purpose-designed headset for gaming, and then
19 after that came out with probably -- I don't want to say every,
20 but it could be every, actually, innovation in the category
21 year after year, for wireless headsets, for surround sound
22 headsets. So they held this position not because of marketing
23 but because of good products and the innovation behind the
24 products, which I liked.

25 Q And why is market share an important thing for a

1 consumer electronics company like Turtle Beach?

2 A Well, market share translates into revenues. It
3 creates a bit of a flywheel effect where you have high market
4 share so you have a lot of shelf space in retail, which means
5 you're very important to the retailers who are selling gaming
6 gear, which means consumers who come in, you have more shelf
7 space, they'll see your products, that helps maintain your
8 market share.

9 You can, of course, lose it over time. You also have
10 more scale than the competitors, so your costs are typically
11 lower. And you just -- you have a franchise that you have to
12 earn and you have to keep, but it is very beneficial and
13 profitable, frankly.

14 Q And just --

15 A Just one other comment.

16 Q Oh, sure.

17 A This is an extremely unusually high market share.
18 There are very few categories in consumer electronics where
19 anybody would have this type of share.

20 Q And, Mr. Stark, so you are currently and still the
21 CEO of Turtle Beach; correct?

22 A Yes.

23 Q Yes. Whether you like it or not, I guess. And just
24 out of curiosity, from 2013 to today, what has Turtle Beach's
25 market share of the gaming headset market been?

1 A Above 40 percent for ten years. So after 2012 more
2 competition came in, but that's a natural thing to happen in
3 that category. It's very difficult to maintain this high of a
4 market share.

5 Retailers, by the way, don't like it, either. They
6 don't like a company having this much market share, so they
7 tend to be very open to having somebody else as a close second.
8 That hasn't really worked.

9 You know, our market share has been in the 42-plus
10 range for the last three years despite a large increase in
11 competitors, and the market share is still more than the next
12 three competitors combined. In fact, I think 2020 was more
13 than the next four competitors.

14 Q And defending that level of market share over a
15 decade, I mean, how difficult is that in the consumer
16 electronics industry?

17 A It's very -- it's very unusual for a company to have
18 that kind of market share for that long. But you have to earn
19 it every year and you earn it by coming up with good products,
20 by running your business well, by treating your retailers well,
21 all of that, and we certainly have a reputation for doing that,
22 including with the retailers.

23 Q Okay. If we can go to Slide 9, which is 314-017. So
24 this slide represents, I take it, the then current lineup of
25 products that Turtle Beach had; correct?

1 A Yes.

2 Q Now, just out of curiosity, we heard a lot about the
3 console transition yesterday. How many of these products would
4 relate to what we'll call old gen consoles?

5 A Yeah, this is really important. So let's ignore the
6 red column, a couple of P.C. headsets, that was not a large
7 business.

8 Q Yeah.

9 A But the green and the blue shaded headsets were the
10 Xbox and PlayStation headsets. And then the Call of Duty
11 headsets on the right are also for consoles, so they're also.
12 And a big issue with the console so all of this is old console
13 headset portfolio, other than the P.C. headsets.

14 Q Right.

15 A So this was -- this is -- one of the big factors here
16 is the blue and the green here and the Call of Duty generated,
17 you know, 200 million in 2012 revenues. And none of the green
18 worked on Xbox One, none of them. So here you have, like,
19 portfolio goes from like low to high, from the bottom corner it
20 might be a \$25 headset, up to \$200 to \$250. So you also have
21 my analogy yesterday, you know, suite apartments, one bedrooms,
22 two bedrooms, three bedrooms, but when the console transition
23 hits, none of the green worked, so you've got to launch new
24 products for Xbox One. And many of the blue don't work,
25 either.

1 Q And just to continue on with that, if we can go to
2 slide 22, which is 314-040. So this slide represents what the
3 -- the current offering of Xbox One, new gen headsets that
4 Turtle Beach was prepared to launch in 2013?

5 A Launching, yeah. Two models. Two models, yeah.

6 Q Right. And compared to -- I didn't count how many
7 were in the old gen, but a lot; right?

8 A Yeah. We had about probably 15 per console.

9 Q And, again, kind of describe -- describe a little bit
10 how that kind of impacts the business, you know, transitioning
11 from having 15 products for old gen to having only two products
12 from the beginning for new gen.

13 A So these are the two we launched with. Obviously,
14 the business then is -- you know, we were highly focused on
15 building out the portfolio, that same kind of page you showed
16 on 7 for the new consoles because ultimately what we need is
17 roughly the same number of products that we had for old gen
18 working on new gen.

19 But you can't do that all at once because you can't
20 just develop 15 or 20 products at one time. It took us about
21 three, maybe even more than three years to essentially catch up
22 the portfolio. So in the apartment analogy it's like we
23 couldn't build the new apartment complex fast enough, and
24 you've got people moving out of the old apartment complex.

25 So to the extent that -- well, the new consoles were

1 way more successful than anybody predicted. So essentially the
2 exodus of people from that page 7 set of products into a
3 limited but growing number of products that could work on the
4 new consoles is what drove the revenue dynamic, not just for
5 2013 but really through 2016.

6 Q And how much does Turtle Beach know about the
7 specifications of new consoles before they're launched?

8 A So we -- not much, is the answer. On Xbox we had a
9 license. We got a license in the spring from Xbox. It was
10 only going to be us and Polk. Polk didn't do gaming headsets.
11 This was something we viewed as being extremely good news
12 because we could potentially have a much higher market share,
13 even in the 53 we had because there was -- remember, that pie
14 chart had a bunch of competitors. Well, none of those
15 competitors were licensed on Xbox One. They would be over
16 time, but we were out of the gate the only provider.

17 And since none of the old headsets worked on Xbox
18 One, you could -- you know, if it's us and Microsoft, we could
19 have had 60, 70 percent market share for every gamer on an Xbox
20 One that wanted a headset. That was something we viewed as
21 potentially very positive.

22 Sorry. I lost your question now.

23 Q I was just -- I was trying to understand --

24 A Oh, how much do you know? Yeah. Yeah, so --

25 Q I was just trying to understand kind of, you know,

1 when a console transition is happening, you know, how much
2 information is Turtle Beach told by Sony or Microsoft about
3 their new --

4 A Yeah.

5 Q -- consoles before they actually launch?

6 A So on Xbox we had good information. You don't get
7 the console. It's a big challenge because you can't
8 necessarily test before you launch the product and all that.
9 On PlayStation you know nothing. In fact, we had to guess at
10 what would work on PlayStation 4 based on how the PlayStation 3
11 worked.

12 And I still remember when PlayStation 4 launched in
13 November we had a couple products that were designated
14 PlayStation 4 products, and we were not sure that they were
15 going to work until we actually bought a PlayStation 4 and
16 plugged the headsets in. And we had something like -- we had
17 to guess at one specific thing, the polarity of the mic
18 connections, and we guessed right.

19 We had -- we were fairly certain we were going to be
20 right about it, but there was a risk that we could have been
21 wrong, and we wouldn't have been able to ship those headsets
22 into retail. We would have had to rework them. So you don't
23 know anything about the PlayStation given that we didn't have a
24 license, and people weren't licensing at that time from them.

25 Q And I take you're not given any advance notice as to

1 launch dates of those new consoles, for example?

2 A They announce the launch dates, but probably not
3 until the middle of the year. And even then, you know,
4 Microsoft had enormous struggles getting the Xbox One launched,
5 to the point where they had to cut features like headsets.

6 Q Right. And so since you touched on it, we heard a
7 little bit about that yesterday, what happened with respect to
8 Xbox One in the fall of 2013?

9 A Yeah. This is one of the moments in my career where
10 I remember where I was standing when I got a phone call. We
11 had done an enormous amount of work to get these two products
12 ready for the Xbox One in record time in terms of by the time
13 we got the license, and they told us what the specs were.

14 And in order for a headset to work on the Xbox One,
15 you needed something called a PMD plugged into the controller,
16 and it allowed the headset to plug into this little adapter.
17 Well, Microsoft didn't have the adapter ready, so no headsets
18 would work without this piece of hardware. And they told us in
19 October that they're going to launch Xbox One. They're in a
20 mad scramble to get it launched.

21 They've got to cut features, including headsets,
22 which is completely nutso because the people who are the first
23 out of the gate into the store to get the new consoles are like
24 the high-end hardcore gamers that are playing Call of Duty, all
25 of that. Those people have probably an 80 percent chance of

1 needing to play with a headset. So they were launching the new
2 console and not going to have the key accessory that people
3 need to be able to play the game. So they told us that.

4 That was a heart attack moment. And they told us
5 they were working to try to get that resolved, try to get their
6 hardware and their software done in time, but didn't give us
7 clarity on the dates. I don't know that we knew the exact date
8 of launch until probably February. And I think it was then
9 late March or early April where the headsets launched. I might
10 be wrong on that date, but somewhere in that time frame.

11 Q So in October you learn that the new console from
12 Microsoft Xbox One is going to launch without compatibility
13 with respect to legacy headphones or the new headphones you
14 designed for it?

15 A No headsets would work on Xbox One when they
16 launched. It was absolutely crazy.

17 Q And this kind of may be an obvious question, but
18 these headsets were made; correct?

19 A They were here. They were on containers coming over.
20 Tens of thousands of units. I couldn't believe it.

21 Q And again, this was not known to you until October of
22 2013?

23 A Right.

24 Q Okay.

25 A And that was -- well, there was another PMD related

1 item in 2014, but I can get to that if you like.

2 Q Well, you can get to it now if you'd like, sir. So
3 what happened with the PMD ultimately?

4 A Well, so we launched the products. We actually beat
5 Microsoft's own headset by a couple of days. I was quite proud
6 of that. We had to spend -- it cost us millions of dollars to
7 take their late PMD adapters, which we had to put in our box,
8 repack everything. I think that was a two and a half million
9 dollar charge that we took in 2014.

10 But then there was another dynamic that impacted
11 2014, which was another kind of heart attack moment, but only
12 appeared over time, unlike that phone call. So no headsets
13 work on Xbox One without that adapter, right, including those
14 headsets you showed on page 7. This is a really good thing
15 because it means that everybody buying an Xbox One probably
16 with an 80 percent probability would need a headphone --
17 headset, which means they've got to go buy a headset.

18 And it was us and Polk and Microsoft. Polk, I think
19 got to a 2 percent market share or something like that. So
20 take them out of the equation. We were going to sell a lot of
21 Xbox One headsets because gamers are going to want a headset,
22 right. So, but a key factor is Microsoft also sold those
23 adapters separately, the PMD adapter, okay. So now for every
24 one of those that they sell is a gamer that doesn't need to buy
25 a new headset, they can use the headset they have.

1 Does that make sense?

2 Buy an adapter, I think the adapter was \$25, \$30.

3 They plug it into their controller, now the headset they
4 have -- not all of them but at least the wired headsets would
5 work. Okay.

6 So now -- I still remember this. We're planning
7 2014. We need to give guidance in March for the year. We're
8 having discussions with Microsoft, saying, Well, are you going
9 to sell these adapters separately? And they told us only in
10 very limited quantities. We need to appease the retailers.
11 They want some forward compatibility. So we're going to put a
12 couple on the shelf in a few retailers, but it's going to be
13 highly constrained. I think there was some number, some
14 forecast like 30,000 units, just to give you a sense.

15 That's a really important number for us because if
16 they sell more than that it's one less headset we sell. So
17 what ended up happening is the industry was mad at Microsoft
18 for this lack of forward comparability. The PlayStation 4
19 didn't have that issue. You could use some old headsets at
20 least.

21 And so Microsoft started getting -- and they had not
22 done a good job on the launch in many other aspects of the
23 consumer communication. Xbox One did very well, but they
24 botched a lot of the other things with the launch. So the
25 leadership of the Xbox One division changed over. A number of

1 senior people left because of this not good execution.

2 And Microsoft ended up selling something like 400,000
3 of these PMDs. They changed their strategy. And that was over
4 time as we realized, hey, you guys are not limiting supply.
5 You told us you're going to sell, again an example number,
6 30,000, and by the time we got to the holiday it was like you
7 guys sold 400,000. That's like 15-plus million dollars of
8 revenue. You changed your plans. Well, this is one of the
9 things. It happens and you can't control it.

10 Q So just to -- the Xbox One story is, starting in the
11 summer of 2013, the Xbox One looked like a big opportunity for
12 Turtle Beach; right?

13 A Huge opportunity.

14 Q And your presumed exclusivity on the headsets to the
15 console would be a big -- big launch, so viewed as a big
16 opportunity; correct?

17 A Yes.

18 Q October, you have -- it's not going to launch with
19 headsets, so the -- that's at least going to shift out of 2013
20 and 2014; correct?

21 A Yes.

22 Q And then, in 2014, the -- the bang for your buck, if
23 you will, gets reduced because Microsoft reduces the value of
24 the exclusivity you had by putting out a whole bunch of PMDs;
25 is that right?

1 A Yes, and that was a big factor in 2014. The bigger
2 factor was that people were leaving the old consoles much
3 faster than expected, and that ripples into a number of issues.

4 You have too many of the old gen products, right, if
5 you have a weaker market than expected, which means you're
6 putting more things on sale because you got to sell the
7 inventory that you have. It's almost like your -- people are
8 moving out of your one apartment building, so you got to start
9 putting discounts on the rent to keep people in there. You
10 often have to write off inventory if you can't sell enough of
11 it.

12 And the other big factor is every consumer
13 electronics company refurbishes product, so if a product gets
14 returned, it gets tested, cleaned up, put in a separate
15 packaging that says refurbished, and that's a, you know, small
16 but important part of the business. Well, nobody wants
17 refurbished product if the -- if the main products are already
18 discounted and overstocked.

19 And so it basically ripples into a lot of things that
20 don't affect the fact that you have a leading market share,
21 you're selling a lot of headsets, your products are good,
22 you're launching new products, but it certainly affects the
23 bottom line of the business, and it did for a number of years
24 in ways that we did not expect.

25 Q And each one of those things is -- that we talked

1 about is out of Turtle Beach's control; correct?

2 A Yeah. You're predicting the future behavior of --

3 Q Right.

4 A -- not only the consumers but of your partners, like
5 Microsoft.

6 Q Let's shift gears a little bit and kind of look at
7 another slide in this presentation, Slide 12, which is 314-021.

8 A Okay.

9 Q So moving back to 2013, so this slide depicts, does
10 it not, Turtle Beach's retail distribution relationships at
11 this time?

12 A Yes.

13 Q So it looks like you -- Turtle -- how many countries
14 does Turtle Beach -- is Turtle Beach selling headsets in 2013?

15 A Oh, man, I don't remember exactly. I would guess at
16 least 20.

17 MR. HESS: We can go to the next slide, which is
18 Slide 13, which is 314-023.

19 THE WITNESS: I'm always --

20 THE COURT: Does that help?

21 THE WITNESS: I'm always --

22 BY MR. HESS:

23 Q Does it refresh your recollection?

24 A I'm always conservative. So, 39. There you go.

25 Q So tell me a little -- these -- the kiosks that are

1 noted down in the corner, what are those?

2 A Yeah, that was -- so we were one of the first
3 companies to put listening stations, essentially, is a more
4 descriptive term, into retailers. So we started with Best Buy,
5 where you could go in, and there was a Turtle Beach display
6 with multiple headsets, and you could try on the headsets and
7 listen and see if you liked them, if you liked the audio, if
8 you liked the comfort of the headsets.

9 That ended up being an enormous competitive advantage
10 for us because, in many retailers, given our market share, the
11 competitors didn't have listening stations. We had listening
12 stations.

13 And it -- we measured it a couple points in time. It
14 would increase our sales significantly when we put these
15 kiosks, these listening stations, into retail. And by this
16 time, we had 10,000.

17 And I think, today, everybody has this, by the way,
18 if you go into Best Buy, all that. I think we -- I think
19 Turtle Beach was one of the first, if not the first company to
20 actually do this.

21 Q And -- and --

22 A It was really cool.

23 Q And these kiosks are not cheap, are they?

24 A No. It was a big part of the CapEx each year, 4- or
25 \$5 million in spend to get these deployed, but it was highly

1 productive from a revenue standpoint.

2 Q Okay.

3 MR. HESS: If we can go to Slide 15, which is
4 314-027.

5 BY MR. HESS:

6 Q So this represents historical financials of Turtle
7 Beach through 2012; correct?

8 A Yes.

9 Q And I think you testified that when you joined the
10 company, it was currently in a period of, you know, dynamic
11 growth; correct?

12 A Yes.

13 Q And so it looks like it had \$9.7 million in sales in
14 2008, and 208.4 million in sales four years later; is that
15 right?

16 A Yes.

17 Q Also, do you recall when Stripes made their initial
18 investment in --

19 A Yeah, in 2010.

20 Q 2010.

21 A I think in the fall of 2010, although I'm not
22 positive about the time frame.

23 Q So between when they entered in and when you joined,
24 the revenues more than --

25 A More than doubled.

1 Q -- doubled?

2 A Yes.

3 Q And then, focusing on EBITDA, so the prior two years,
4 for 2011, you had 52.9 million and then 48.2 million; correct?

5 A Yes.

6 Q You would agree, that's a pretty healthy EBITDA
7 margin; correct?

8 A That's an EBITDA percentage that would probably be
9 the best in the world for consumer electronics. Like, nobody
10 does that type of EBITDA percentage. And it was -- frankly, it
11 was too high.

12 Like, one of the reasons it went down in 2012 was the
13 business grew so fast, you can't put people into it, you can't
14 build out the resources. And even 2012, as I mentioned, there
15 was a lack of structure on the executive team, there was a lack
16 of processes, all of that. That all had to get built up.

17 Q And yesterday, we talked a little bit about what the
18 original 2013 forecast for Turtle Beach was, and I think we saw
19 that, originally, it was -- I think EBITDA was at 54 million
20 and eventually got revised to \$40 million in the base case;
21 right?

22 A Yeah. Revenue was I think 227, something like that,
23 and an EBITDA of like 54.

24 Q And given this historical financial situation, did
25 you think that those numbers when you came into the company in

1 September of 2012 were reasonable?

2 A Well, I mean, the best predictor of next year's
3 revenues are last year's revenues. It's almost like the best
4 predictor of tomorrow's weather is the weather today. So
5 barring any other facts, that's a reasonable place to start.
6 So, yeah, I would say that was a reasonable place to start.

7 I was new to the business, so I also -- I didn't have
8 any knowledge of a console transition, and that was never
9 discussed when I came on board. And so I was learning as I was
10 going here in terms of how does this market work. I didn't
11 have experience in gaming.

12 Q Right.

13 A And, yeah, so there's no -- that's a -- that was a
14 reasonable place to start with the forecast, I think.

15 MR. HESS: If we can go to Slide 23, which is
16 314-042.

17 THE WITNESS: Yeah.

18 BY MR. HESS:

19 Q So this -- this slide depicts a headset called
20 iSeries, which -- so this is a little bit different than Xbox
21 and PlayStation; right?

22 A Yeah. This was our -- this was our move into
23 Bluetooth music headphones, so not gaming headphones. Music
24 headphones was a multibillion-dollar market, and this was our
25 entree into that.

1 Q And so what's kind of the competitors' market that
2 you're trying to get into with this product?

3 A So this is -- this would be Bose and Beats at the
4 time would be the two big competitors. We got a huge boost and
5 had high hopes for this business because we got into Apple
6 Stores with the product. It ultimately didn't pan out because
7 we couldn't train the Apple Store people. It drove me nuts.
8 You'd go in, and they would have no idea that this product was
9 there, but this was at the time something that we had high
10 hopes would grow in the future.

11 MR. HESS: Actually, let's take a look at 314-066,
12 which is Slide 35 in this.

13 BY MR. HESS:

14 Q So, Mr. Stark, what is this slide depicting?

15 A Yeah. So this is EBITDA margin as a percentage
16 relative to other companies in the -- in consumer electronics.
17 I still remember this conversation with the board. This was
18 basically, you know, my view that we needed to make more
19 investment in the business, that an EBITDA margin of nearly
20 25 percent is not -- in some ways, not healthy. Apple's a bad
21 comp, I think, on this. But you can see, Plantronics, half
22 their business is enterprise. It has much higher margins. If
23 you look at us compared to Logitech or Sony, for example, we
24 needed to reinvest more in the business in terms of R&D, and
25 management, and infrastructure.

1 Q And --

2 A This was one of the drivers of reducing the EBITDA
3 and the plan to 40, as well. It was like, we need to spend
4 more than we're spending here.

5 Q So if we look -- if we go to Slide 42, which is --
6 well, and before we get there, so it's noted here that there's
7 the 2012 actual EBITDA, then there's a 2013 Base, and a 2013
8 Down; right?

9 A Right.

10 Q Okay. So I think, yesterday, we looked at it. If
11 you want to look at Slide 42, which is 314-080.

12 A Okay.

13 Q There's the --

14 A Oh, yeah, so this is the --

15 Q That shows base -- shows the base EBITDA for 2013 is
16 39.8, and the downside EBITDA is 33.3; is that right?

17 A Right.

18 Q So those are the numbers that are in there?

19 A So, yeah. So I guess the prior slide already had
20 these numbers in them. So even at this EBITDA level, lower
21 than the 54, the 40 and the 33, we were, you know, essentially
22 top of the class almost in terms of profitability.

23 Q Okay. So, yesterday, we heard a fair amount about
24 Turtle Beach's credit facility of PNC and the tripping of
25 covenants; correct?

1 A Yes.

2 Q And this presentation is one that was given to PNC as
3 part of Turtle Beach's efforts in June to renegotiate those
4 covenants; correct?

5 A I believe so.

6 Q If you need to, you can look at the cover e-mail of
7 it, which is the --

8 MR. HESS: Can we show the cover -- just the cover
9 e-mail for this for him? First page.

10 THE WITNESS: Okay. So this is the CFO sending it to
11 PNC.

12 BY MR. HESS:

13 Q Yeah. So I think you discussed this, but I just
14 wanted to make sure it was clear. So the covenants in the
15 credit facility, these are not solvency tests; correct?

16 A No.

17 Q Right. And even in the downside case here for
18 EBIDA -- EBITDA, pardon me, that Turtle Beach is providing,
19 what this -- what Slide 35, 314-066, is representing is that
20 the EBITDA margin for Turtle Beach exceeds like nearly every
21 consumer electronics company other than Apple?

22 A Even in the downside case.

23 MR. APTON: Objection, Your Honor.

24 THE WITNESS: Right.

25 THE COURT: Overruled.

1 THE WITNESS: Yeah. As I mentioned, a typical
2 loan-to-EBITDA ratio from a -- from a solvency standpoint is a
3 factor of 3 to 4. So, even at 33, that would support, at 3, a
4 \$100 million loan. The loan was only, at this time, around
5 40 million. And at 4, which you can -- you can borrow up to 4,
6 even in some cases more, you know, \$130 million loan,
7 \$135 million loan.

8 So none of these -- this was the equivalent of
9 putting a speed limit sign on the highway of 15 miles per hour.
10 It was like there was no relation to the health of the
11 business. It was all driven by our CFO submitting numbers and
12 the lenders being motivated to just set the covenant at a level
13 where we could trip them.

14 Q Yesterday, sir, you referred a little bit to the
15 seasonality of Turtle Beach's business. So just to put the
16 numbers on that, I mean, you talked about, you know, the
17 holidays are very important. But for 2013, what was -- how
18 much of the revenues and EBITDA of Turtle Beach came in in the
19 last quarter of 2013?

20 A So at that point in time, and I think 2013, including
21 the actual final results, was I believe more than 50 percent of
22 the revenue of the business would come in Q4 revenue, and more
23 than 70 percent of the EBITDA.

24 Q And is that typical?

25 A That's typical.

1 Q Yeah. And so what does that level of seasonality do
2 to the predictability of your business?

3 A You don't have -- you don't have knowledge of half of
4 your business for the year until you are well into October.
5 And even then, the sales hit in October, but the sell-through,
6 the consumer buying, doesn't really happen until November. So
7 you start to be able to hone in on revenue really after Black
8 Friday, hone in meaning maybe a 10, \$15 million range.

9 And then EBITDA is way more complicated because you
10 also have to know, did the products get sold on sale, what were
11 your shipping costs. It's very complex to calculate EBITDA.

12 So, EBITDA, you don't actually have a good idea of
13 until mid to late January. Even to this day, with a large
14 finance team, very good processes, very rigorous on every
15 front, it still works similarly. This is also one of the
16 reasons why we collect that information before we provide
17 guidance for the current year. So we want to get through all
18 of the holiday, and including a view of EBITDA, before we set
19 any numbers for the existing year that we're in post-holiday.

20 Q So just so I have it, so we go back to the 2013, 2014
21 time period, Turtle Beach would not provide guidance for 2014
22 until it understood what happened in that holiday season in
23 2013?

24 A Yes.

25 Q And is that still true today?

1 A Still true today.

2 Q And for the same reasons?

3 A For the same reasons.

4 Q Let's actually talk a little bit about Parametric.

5 So, eventually, you come upon Parametric Sound Corporation.

6 Can you tell us a little bit about how you got introduced the
7 products more part of the company and about when that was?

8 A In February 2013, we got introduced to Ken, I think,
9 in late February, early March. I got a demo. I still remember
10 the demo, curtained room. It was of their commercial product.
11 I was quite impressed. It was a very unique audio experience.
12 That got me very interested in the technology. They had an
13 idea for a gaming sound bar. There were a bunch of reasons why
14 that didn't end up working out, but that was an appealing
15 concept to be able to basically target these speakers at a
16 gamer and give them, you know, audio that would almost be like
17 wearing headphones. So that got me very interested.

18 Shortly after that and a key turning point for me was
19 I borrowed the system and asked Ron Doornink, who has two -- he
20 was hearing aids, he's hard of hearing, to come down and get a
21 demo, because they had also -- Parametric had also said they'd
22 been doing some testing, and the product seems to actually help
23 people with hearing loss understand more clearly.

24 I still remember this very well, too. We did a demo,
25 iPad movie, playing a little snippet. He took his hearing aids

1 out. Regular speakers, he couldn't understand anything.
2 Hooked up the Parametric speakers, and he looks at me, and he
3 says, I can understand this really clearly. Like, what is
4 this? This is incredible.

5 And that was for me the point where we decided, hey,
6 this is really interesting, like, this is something we got to
7 pursue, and we were off to the races then with Parametric in
8 terms of the rest of the deal.

9 Q And what was your thinking about what type of deal
10 you would want to engage in with Parametric?

11 A Well, it evolved over time, but at the beginning, we
12 were looking at a gaming license, a license to the healthcare
13 product. I think the full acquisition was not an initial
14 thought because it was a public company. They have a very high
15 valuation. The valuation wasn't well connected to any
16 fundamentals of the business. There was no profits; there was
17 no revenues. But pretty quickly, that became one of the
18 options. And the -- you know, the challenge with licensing is
19 you don't have control over actually commercializing the
20 technology. You're licensing it from someone else. And we
21 decided that ultimately, that we would pursue an acquisition.

22 Q If you could turn to Exhibit 538. This is an e-mail
23 that you sent to Ron Doornink and Karen Kenworthy on
24 March 22nd, 2013, the subject, "Parametric Sound," correct?

25 A Yes.

1 Q And at this point, the e-mail is kind of discussing
2 potential like escalating scenarios that were available at this
3 time; correct?

4 A Yes.

5 Q First of all, why are you sending this e-mail to Mr.
6 Doornink and Ms. Kenworthy?

7 A So Ron was the chairman. He was a key kind of
8 partner in thinking through something like this. He also had
9 gaming experience. And Karen was just a very talented kind of
10 business development person for us, so she was helping us
11 evaluate these types of things, you know, essentially -- not on
12 loan. On loan is not the right word because she was kind of
13 assigned to us by Stripes, but she was very much a day-to-day
14 person that I worked with on evaluating a deal like this. And
15 Ron would need to be on board, and ultimately, Stripes would
16 need to be on board as well.

17 Q Right. If you look at this e-mail, one of the things
18 it says, it says, "BTW, Ken P sent a follow-up note letting me
19 know he's not looking to run the show should we combine.
20 Relevant point being that he's open to full combination."

21 Do you see that?

22 A Yes.

23 Q Is that true? So it's something Mr. Potashner could
24 have told you as early as March 2013 that he was not interested
25 in running any combined entity?

1 A I don't recall that, but sure.

2 Q Okay. And then the first bullet point, and you kind
3 of hit on this, is that Parametric had \$110 million market cap
4 but had no material revenues at that time; right?

5 A And I think the market cap had more than doubled in
6 just year to date through March.

7 Q Correct.

8 A So it was kind of moving all over the place.

9 Q And four bullets down, there's a bullet. It says,
10 "Audio fidelity is not perfect, needs more assessing."

11 What did you mean when you wrote that?

12 A Well, that the -- the audio did not have low
13 frequencies, so it couldn't do base, essentially. It was kind
14 of mid and upper frequencies, so it sounded kind of tinny.

15 Q And if you go nine -- nine bullets down -- well,
16 actually, sir, it will be eight bullets down, which says --

17 PAMT is Parametric; correct?

18 A Yes.

19 Q Is -- and it says, "Is most interested in the latter
20 hearing loss market." So explain -- explain that bullet point.

21 A Well, they had -- they had discovered that, and were
22 doing testing that showed that people with hearing loss could
23 get a benefit from HyperSound. So that, I believe, was -- was
24 their view of being the number one potential kind of value
25 creator over time. And it became our view as well, frankly,

1 that that was the most valuable part of Parametric.

2 Q And then -- then the next bullet point says, "They
3 are holding back license discussions with CE players for fear
4 of losing control of the above."

5 Can you explain that -- what you're saying in that
6 bullet point?

7 A Yeah. I don't recall this, but if you license
8 something to a CE, so that's consumer electronics, so it'd be
9 like a Sony or whatever, if the -- if your view is that the
10 hearing loss market has the most potential, you would need to
11 be very careful what you license to someone else so that they
12 can't go compete with it.

13 Q Right. And in some of your escalating scenarios, the
14 first three are about licenses; right?

15 A Right.

16 Q And within that -- those discussions, in each one of
17 them, there's -- there's a bullet that talks about how to fence
18 off certain subjects or -- ore fields of use.

19 Do you see those?

20 A Yeah.

21 Q What do you -- what did you mean by that?

22 A Well, so here's the difficulty. If -- let's say you
23 keep the healthcare product, and you develop an FDA-certified
24 living room product for people that are hard of hearing, but
25 you've also licensed Sony to do consumer electronics sound bars

1 with it. Well, the problem is that that -- they can launch a
2 living room sound bar that might not be FDA-certified but would
3 actually provide the same kind of benefits of the product
4 you've got over here, so now you've created a competitor with
5 your own product.

6 That's -- and when you're -- when you have like one
7 core technology that has lots of different uses, how to fence
8 people off so you're not competing with each other or licensees
9 aren't competing with each other, is complicated.

10 Q So at this time, Parametric would have to be thinking
11 about -- or I presume they're telling you, by -- when they're
12 holding back licensing discussions with CE players, they're
13 trying to think about what happens -- you know, if they license
14 some part of their business off, what that means for the
15 entirety of their business?

16 MR. APTON: Objection, Your Honor.

17 THE COURT: Overruled.

18 THE WITNESS: Yeah, the entirety of the business, but
19 also other licensees, how do you keep people from competing
20 with each other.

21 BY MR. HESS:

22 Q Right. And, Mr. Stark, I think -- I think you
23 testified yesterday, an analogy of if you're trying to buy
24 someone's house, and they tell you they're going to lease the
25 kitchen. Do you remember that?

1 A Yeah, if you're buying --

2 THE COURT: Life estate of a bedroom, is what he
3 used.

4 THE WITNESS: Yeah.

5 THE COURT: Not the kitchen.

6 MR. HESS: Right. So --

7 THE WITNESS: You can't sell a house and tell the
8 buyer you're going to sign a long-term lease for the bedroom.
9 The buyer might be okay with that, by the way, but they might
10 not be, and therefore, you're going to lose the sale of the
11 house.

12 BY MR. HESS:

13 Q Let's focus on the quality of the Parametric
14 technology. What was the early assessment of the quality of
15 the HyperSound technology at this time?

16 A Yeah. So this is, I think, a really important point,
17 especially to how things panned out with HyperSound. So they
18 had a commercial product. Just to give you a sense, the
19 emitters, if the Court can see this, were slightly thinner than
20 the binder. Maybe a little taller, a little thinner. These
21 are not -- these are not small speakers. They're flat, but
22 they're pretty big. And it was a commercial solution. So no
23 nice living room equipment or anything, just a -- just a metal
24 box with power and providing to these two emitters.

25 And it operated at a -- they had been selling some of

1 them for -- or putting demos in. It worked for things like a
2 McDonald's demo, all that.

3 The sound was tinny unless you put a subwoofer on it,
4 which works in a living room environment. It doesn't work very
5 well in a -- in a McDonald's type of environment, right,
6 because everyone can hear the subwoofer. So you have like your
7 high frequencies that only the people at the table can hear,
8 but everyone can hear the base. That's not really a good
9 solution.

10 The biggest issue was that -- I don't want to get too
11 technical here, but it operated at a frequency range that
12 microphones would pick up a -- a noise when HyperSound was
13 running in a room.

14 So this became a major problem for the hearing
15 solution because people that are hard of hearing have hearing
16 aids, and hearing aids have microphones, and those microphones
17 would pick up interference essentially if HyperSound was
18 operating in the room.

19 Like, you could not sell the existing commercial
20 solution that they had, even if you made it into a nice living
21 room product, for the hearing market because it would --
22 that's -- it would -- literally, people could walk into the
23 room, and they would get ringing in their hearing aids.

24 So they had been working on a -- on a new emitter, a
25 new speaker that was at a higher frequency that would not have

1 that issue. And -- that -- that's what they were betting on
2 the hearing product for, that that would launch at the
3 beginning of 2014.

4 Q And did you do any focus group testing on -- on
5 HyperSound?

6 A We did, yeah, and there were -- again, this was with
7 the commercial solution. Some people could hear a high-pitched
8 squeal, and it was uncomfortable. There are some reasons why
9 this happens. And so the internal testing was -- was not super
10 positive, and so, you know, the technology still needed work.
11 And I can provide a lot more kind of technical details, but it
12 is -- it is a technology that demos extremely well, but has a
13 number of very difficult things that have to be solved, before
14 you can turn it into an actual business where people are paying
15 you money and you're making -- making profits.

16 Q Right. Now, if we can take a look at DX-610. And I
17 don't plan on getting in it, in detail, but the first e-mail on
18 this chain is from a Bob Picunko at Turtle Beach to you.

19 Who's Mr. Picunko?

20 A He was the head of marketing at the time.

21 Q Okay. And so is his e-mail providing feedback that
22 he received?

23 MR. APTON: Your Honor, sorry. We objected to this
24 exhibit.

25 MR. HESS: It's already in evidence.

1 MR. APTON: It's already in evidence?

2 THE COURT: Okay. Keep going.

3 BY MR. HESS:

4 Q Do you need that question again, Mr. Stark?

5 A Yes, please.

6 Q Yeah. So Mr. Picunko is --

7 THE COURT: Did you show it was in evidence?

8 THE CLERK: Let me check.

9 THE COURT: Hold on.

10 MR. HESS: Oh, she's checking? Okay.

11 THE CLERK: It is.

12 MR. HESS: Okay.

13 THE COURT: Yes.

14 MR. HESS: Okay.

15 THE COURT: You were right, Mr. Hess.

16 MR. APTON: Apologies.

17 THE COURT: It's okay, Mr. Apton. There's too many

18 to --

19 MR. HESS: There's someone behind me that was

20 sweating more than I was.

21 THE COURT: You can only have so many people helping

22 you, so.

23 MR. HESS: They know how much help I need, Your

24 Honor.

25 / / /

1 BY MR. HESS:

2 Q So this is Mr. Picunko sending to you notes on some
3 testing done with the HyperSound technology; correct?

4 A Yeah. The tests didn't go very well.

5 Q Right. And it seems like everybody has kind of --
6 what did we see, things like a little dizzy, out of head, you
7 know, ears clogged, that type of feedback; right?

8 A Yeah.

9 Q Okay.

10 A And some -- much of it would happen, not in a -- you
11 know, a quick demo, but after an extended period of time
12 listening to it.

13 Q If you'd go to DX-613.

14 A Okay.

15 UNIDENTIFIED SPEAKER: Is this one in evidence, Josh?
16 Is this in evidence?

17 THE COURT: 613?

18 MR. HESS: Was it stipulated to?

19 THE CLERK: It's in.

20 MR. HESS: Yeah.

21 UNIDENTIFIED SPEAKER: Thank you.

22 THE COURT: It's in. They're going to keep you on
23 your toes, Mr. Hess.

24 MR. HESS: They are, yes.

25 / / /

1 BY MR. HESS:

2 Q So, Mr. Stark, so this is an e-mail chain from April
3 2020 -- oh, 2013, pardon me. And the first e-mail, is an e-
4 mail -- a lengthy e-mail from a Carmine Bonanno.

5 First of all, who's Mr. Bonanno?

6 A So Carmine was one of the founders of Turtle Beach,
7 so he had retired when I came on board. And he was then at
8 that time on the board of Turtle Beach. So him and the other
9 founder, Ron Doornink, and Ken were on the board. So he was
10 important. He's also a musician, and he was the inventor of a
11 lot of the Turtle Beach products, and -- and, you know, an
12 audio expert.

13 Q Right. And -- and it's fair to say that Mr. Bonanno
14 lists kind of a number of complaints about the HyperSound
15 technology; correct?

16 A Yeah. He didn't want to do it.

17 Q Right.

18 A He never wanted to do it, by the way. Unlike Ken,
19 who we eventually got to agree to go forward, Carmine was --
20 was stoutly against it.

21 Q So you mentioned -- so you mentioned that Ken Fox was
22 also you said at this point opposed to the Parametric merger?

23 A Yes. He stayed opposed. He just agreed to move
24 forward based on -- on -- you know, the -- kind of the
25 philosophy he told me, which is it's your show to run and

1 something I really appreciated, frankly.

2 Q And so tell me a little bit -- what were his
3 objections to the -- the transaction?

4 A The -- there are probably three. One was the -- too
5 risky, so too much investment, unproven technology. I'll
6 summarize into two. That was -- that's one.

7 And the second one was he had experience being a
8 public company and -- and was strongly against us being public
9 at that time. I still remember him telling me, you know, stock
10 price, employee morale, you have no idea of what it's like to
11 be a public company, and, you know, he was right. So those are
12 the two main reasons.

13 Q And I think if --

14 MR. HESS: Can you pull up Exhibit 147, David.

15 THE WITNESS: 147?

16 MR. HESS: It's not going to be in that binder.

17 THE WITNESS: Okay.

18 MR. HESS: It's going to be on the screen now.

19 BY MR. HESS:

20 Q So this is -- this is a document you were shown
21 yesterday, Mr. Stark, and this is -- so Mr. Fox, in -- on
22 May 9th, 2013, was sending you notes from a Ron -- I don't know
23 how to say his name -- Trichon, who's the global head of equity
24 sales at Barclays; correct?

25 A Yes.

1 Q And this lists a number -- a number of points about
2 what a market reaction would be to Turtle Beach being public.
3 Do you know why Mr. Fox was sending this to you at this time?

4 A I don't remember this e-mail or this exchange, but --
5 but as I mentioned yesterday, it seems like this is Ken
6 providing more facts from an outside expert on -- on the -- you
7 know, the pros and cons of being public, with mostly cons.

8 Q And one of them says, "Reverse merger is a negative."
9 Can you see that?

10 A Right.

11 Q Do you recall him sharing those same sentiments with
12 you?

13 A Yes.

14 Q So you mentioned that Mr. Fox was -- ultimately came
15 around to at least, I guess, relenting to the merger. Do
16 you -- can you tell us why he did that?

17 A Yeah. I remember this, because it was a very
18 positive experience for me. It was, I think, in May of 2013,
19 and Ron, Ken, and I had a vigorous, probably hour-long phone
20 call where we discussed and debated whether we should do
21 Parametric or not. And Ken was against it, and he laid out his
22 logic and his reasons. I was for it, I laid out my logic and
23 my reasons. And Ron was for it, but for somewhat different
24 reasons than me, with some overlaps. And we had an incredibly
25 constructive essentially debate, an argument, a debate, where

1 everybody understood everybody else's point of view.

2 And we came away from that phone call, and I told
3 them at the end, if you -- if you guys don't want to do this,
4 or Ken, if you really are against it, we won't do it. And I
5 will not have hard feelings. I will be okay with that. But he
6 said, no, if you and Ron feel like we should do it, then --
7 then let's do it. And he -- I liked that. He was very much
8 coming through on the philosophy he told me when he hired me,
9 that I'm going to let you run the show.

10 Q And did Mr. Fox put any conditions on his
11 acquiescence?

12 A Well, he didn't like the dilution either, and he felt
13 like -- like we were giving away a large part of a very
14 profitable, successful business for something that didn't have
15 any revenues, didn't -- was losing money for years and years.
16 So we did have -- part of the argument was, I'm not going over
17 percent dilution, so he did draw a hard line in the sand that
18 we would have to keep 80 percent.

19 Q And to be clear, Mr. Fox, as the head of Stripes,
20 represented the majority shareholder of Turtle Beach at this
21 time; correct?

22 A Yeah. He was essentially the owner of Turtle Beach.

23 Q So the dilution was -- no one was more diluted at
24 Turtle Beach than Mr. Fox?

25 A Correct.

1 Q And so Mr. Fox viewed that he was giving up
2 20 percent of his business in order to get a technology he
3 didn't particularly care for?

4 A Well, that he thought was risky.

5 Q Right. Okay. So how long did this internal
6 discussion that you, and Mr. Doornink, and Mr. Fox were having
7 about Parametric going up?

8 A I think it went on for a lot of May. Ultimately, we
9 decided to move forward. I don't remember the exact timing,
10 but we gave them a new term sheet that reflected the decision
11 that we would move forward. And then -- and then at that point
12 on, you know, Ken and Karen were supportive in helping us move
13 the deal forward.

14 Q And let's -- if we can just put some documents on
15 this (indiscernible). If we can look at Exhibit 628.

16 A Okay.

17 Q And, again, this is a -- so this is May 22nd, 2013,
18 and it's you writing to Mr. Fox, and the subject is "Parametric
19 discussion tomorrow. I want to get to a decision tomorrow."

20 And I think this e-mail reflects the discussion you
21 just talked about, how if any one of the three of you objected,
22 it would -- it'd be okay, you'd walk away, no hard feelings; is
23 that right?

24 A Yes.

25 Q Okay. And then if we look at -- and so, during all

1 this time, how was Parametric reacting to all this?

2 A I think -- I think there -- I think we took quite a
3 pause in May because of this internal debate, and, you know,
4 Parametric and Ken and his dogged relentlessness was just
5 continuing to try to push me to move forward with the deal.

6 Q If we look at tab -- sorry, Exhibit 277.

7 A 277? Okay.

8 Q Yeah. So is this -- this is dated May 25th, 2013, a
9 series of e-mails between you and Mr. Potashner. And does this
10 kind of reflect the general tenor of the e-mails around this
11 time concerning Mr. Fox's withholding of his assent to move
12 forward the merger?

13 A Yes, this is --

14 MR. APTON: Objection, Your Honor.

15 THE COURT: Overruled.

16 THE WITNESS: This is Ken, you know, continuing to
17 try to press me to say yes and move forward.

18 BY MR. HESS:

19 Q And you tell him you're doing the best you can?

20 A Yep.

21 Q Okay. So you did note that -- let me -- why don't
22 you just pull up 1070.

23 So, eventually, you got Mr. Fox over the line, and
24 this e-mail is a June 11th, 2013 e-mail that has a number of
25 attachments. It looks like there's a draft exclusivity

1 agreement and the non-binding term sheet.

2 If I can direct your attention to the document that's
3 at -- it's page 5 of 11. It's VTBH000171.

4 A Okay. I'm there.

5 Q So what is this document, Mr. Stark?

6 A This is the term sheet.

7 Q Okay.

8 A So the proposed terms of the deal.

9 Q And so this revised a prior non-binding term sheet
10 that you had provided to Parametric in April; correct?

11 A Correct.

12 Q How did it change?

13 A I would have to go back and look at the other one,
14 but I think the -- we adjusted the percentage to 80/20, which I
15 think was a little bit different than we had prior to this,
16 and -- and kind of complied with Ken's request to get
17 20 percent instead of 19, but bring 5 million. I think that
18 was the -- the major change. There may have been others, but I
19 don't recall exactly.

20 Q Okay. And on Paragraph 4, if I can direct your
21 attention there, it says that, "One board member from
22 Parametric to be initially designated by the Parametric board."

23 What -- what became the ultimate term on how many
24 board members Parametric would designate?

25 A So Parametric got two board members. I don't --

1 didn't even remember that we had a term sheet for one, so
2 somewhere along in the way of the negotiations, must have added
3 a second board member.

4 Q And what, if any, role did Turtle Beach have in
5 selecting who Parametric designated for the board?

6 A None. It was Parametric's choice.

7 THE COURT: Is this a good time to take our morning
8 break?

9 MR. HESS: It is, Your Honor.

10 THE COURT: Okay. Ten minutes.

11 (Proceedings recessed at 10:29 a.m., until 10:34 a.m.)

12 (Pause in the proceedings.)

13 THE COURT: You ready?

14 MR. HESS: Ready.

15 THE COURT: Great. You don't have to sit there. You
16 know you can stand up and everything; right?

17 THE WITNESS: I'm good. Thank you.

18 THE COURT: Okay.

19 BY MR. HESS:

20 Q If we can go to DX548.

21 A Okay.

22 Q The e-mail is dated March 28th, 2013. So in late
23 March -- this time, the numbers scenarios with respect to
24 Parametric were still on the table; correct?

25 A Correct.

1 Q Okay. And if you look at the middle e-mail, which is
2 your e-mail to Ms. Kenworthy, Mr. Fox, and Mr. Murphy -- do you
3 see that dated -- time stamped 3:09 p.m.?

4 A Yes.

5 Q You asked Karen, If you have a few minutes, it would
6 be great to have a simple model where we can plug in some of
7 these scenarios and calculate NPV value to Parametric, as well
8 as dilution and net value resulting entity on our side, we want
9 to be able to roughly model.

10 What do you -- what are you asking her to do?

11 A It looks like just build a quick, simple model that
12 would give us some idea of how the math would work on these
13 various options.

14 Q And on the first scenario is gaming license -- gaming
15 only license.

16 Do you see that?

17 A Right.

18 Q And you say initial payment to them of X million and
19 ongoing royalty of X percent. We would guess at size of
20 resulting business, 10 million to 30 million to 50 million,
21 something like that over three years, just pulling numbers out
22 of the air.

23 Do you see that?

24 A Yes.

25 Q At this time, had Turtle Beach engaged in any due

1 diligence of Parametric?

2 A I don't believe so.

3 Q Were those numbers that you were throwing out there
4 based on any research that you've done into Parametric's
5 business?

6 A No. It's just -- you literally plug in 10, 30, 50,
7 and then you might try 20, 60, 80, and you plug in some
8 different variables, just, again, to get a sense of, How does
9 the overall math work? What could we pay up front? What
10 royalty -- how is the royalty rate affected?

11 Q And so you're trying to --

12 A You're not forecasting. You're basically just --
13 you're just doing some math modeling.

14 Q Okay. And the modeling you're trying to figure out
15 is when would this license become profitable to me; correct?

16 A Exactly. A breakeven.

17 Q Okay. And Ms. Kenworthy responds to you -- well,
18 first of all, at this time in March, where were you physically
19 located?

20 A Well, mostly in New York.

21 Q Okay.

22 A So I would guess I was in New York. Well, on a
23 Thursday, at this time, I would be in New York.

24 Q Okay. So Eastern time. Ms. Kenworthy responds -- so
25 you e-mail her 3:09 p.m.

1 She response to you at 6:40 p.m., the same day, so an
2 hour and a half later; correct?

3 A Three --

4 Q Three and a half hours later.

5 A Yeah.

6 Q I apologize.

7 A Three and a half hours later. Right.

8 Q Thank you. And she has built out an initial model
9 you asked for; correct?

10 A I would have to see it. But, yeah, she's sending it
11 to me. Right.

12 Q If you look back, there are a number of spreadsheets
13 that you can look at there.

14 A Okay.

15 Q And she says -- well, she said that she's built out
16 the four different scenarios. And then with respect to the
17 input, she says, I have just put in various assumptions now as
18 a straw man.

19 Do you see that?

20 A Right.

21 Q So again, Ms. Kenworthy, at this time, had not done
22 any due diligence on Parametric, had she?

23 A No.

24 Q And if we look at just -- if you look at just the
25 Gaming License Only Scenario One spreadsheet that she attaches.

1 A Okay.

2 Q If you look at the revenue projections under the
3 first long line there.

4 Do you see it?

5 A Yes.

6 Q And she plugs in 10 million, 25 million, 50 million,
7 and 75 million; correct?

8 A Correct.

9 Q So roughly the numbers that you pulled out of the
10 air; right?

11 A Yeah. Again, she's just building a math model to see
12 how the numbers would flow.

13 Q Right. And she does the same with respect to a
14 commercial -- consumer electronics license for scenario two;
15 Parametric acquisition and licensing back health, as scenario
16 three; and then scenario four is Parametric acquisition, which
17 I presume is a full acquisition; correct?

18 A Correct.

19 Q Okay. Now, by -- take a look at 1046.

20 A 1046?

21 Q Uh-huh.

22 A Okay.

23 Q Okay. So Ms. Kenworthy, again, is sending you and
24 Mr. Fox and Mr. Murphy -- it looks like another version of this
25 specific, quote/unquote, model.

1 Do you see that?

2 A Yes.

3 Q She says, It's ready for us to play around with for
4 the gaming license discussion.

5 Do you see that?

6 A Yes.

7 Q Now, do you -- and she then goes on to say that I
8 think the way we have to think about the deal we propose, in
9 terms of the minimum level incremental revenue we have to hit
10 it in order to reach breakeven.

11 Do you see that?

12 A Right.

13 Q So again, she's, as you said, this model is a
14 breakeven analysis.

15 A Yeah. You're plugging in the numbers, basically, to
16 see when certain thresholds are crossed.

17 Q Right. It's not a guess as to what amount of revenue
18 Parametric could make in its licensing agreements; correct?

19 A No, not at all. You can see it's 10, 20, 40, 60.
20 It's, like, just you pick some numbers to see, again, how the
21 math flows through, who makes how much on that, you know, set
22 of plugged-in numbers.

23 Q Now, this is dated April 5th, 2013. At that -- by
24 this point, where had the discussions with Parametric evolved
25 with respect to the various scenarios?

1 A I don't recall exactly. But this e-mail exchange
2 implies that we are still very much considering whether we were
3 doing a license or whether we're doing an acquisition.

4 Q If we could look at 369.

5 A Okay.

6 Q So before I dig into this, do you recall whether or
7 not any -- whether that breakeven model was ever used for any
8 purpose by Turtle Beach?

9 A Only for the purpose of getting a rough idea of how
10 the different scenarios, how the math would work. It was never
11 converted into a forecast or anything like that.

12 Q Okay. And so what is marked as Exhibit 369, this is
13 a Turtle Beach presentation. And it's titled Parametric Sound
14 Board Discussion April 29, 2013.

15 Do you see that?

16 A Yes.

17 Q Now, at this point, had the discussions and thinking
18 about Parametric evolved to focus on a full acquisition?

19 A I believe so, yes. But I'm not positive.

20 Q Okay. Now, if you look at --

21 A Well, no -- I mean, we were still debating in May
22 whether we were going to do the deal, but I think we were
23 starting to head towards an acquisition --

24 Q All right. Now look at --

25 A -- at this point.

1 Q I'm sorry. If you look at Slide 19, so that would be
2 369-020.

3 A Okay.

4 Q So this is talking about acquisition pros and cons;
5 right?

6 A Yes. Correct.

7 Q So the issue being debated in this is whether or not
8 to actually go forward with a full acquisition of Parametric;
9 correct?

10 A Correct.

11 Q Okay. And if you look, again, at Slide 17. In
12 Slide 17, see there's a Deal Breakeven Economics, and there's a
13 chart there.

14 A Yes, I see it.

15 Q Yeah. So this may be a little complicated. So that
16 chart, that represents a breakeven on a full acquisition of
17 Parametric; correct?

18 A Correct.

19 Q And this is not talking about a license -- licensing
20 issues at all, is it?

21 A No.

22 MALE SPEAKER: Objection.

23 BY MR. HESS:

24 Q And if you would, if we can look back at 548.

25 A Okay.

1 Q And if you -- and it's up on the screen, so --

2 A Okay.

3 Q -- if you want to look at it there. So in 548, going
4 back to the breakeven modeling that Ms. Kenworthy did back in
5 March, so this is the scenario for a full acquisition.

6 Does this sheet roughly match what is included in
7 Slide 17 of 369?

8 A No. No. It looks like the numbers are quite
9 different.

10 Q The numbers are different?

11 A Yeah. Very different.

12 Q Yeah. But does the -- is the structure of the
13 analysis the same?

14 A It looks like the same worksheet, yes.

15 Q So between March and April, there had been some work
16 done with respect to the full acquisition analysis; correct?

17 A Correct.

18 Q Okay.

19 A This is still a breakeven analysis, though.

20 Q Right. But all of them are -- all of these are
21 breakeven, though?

22 A Right. It doesn't -- I wouldn't look at this as a
23 forecast, for example.

24 Q And just to compare -- just to close the loop on
25 this. Same thing, with respect -- this just maps out also to

1 the same scenario model at 1046, that's not scenario four?

2 Again, just different numbers, but same --

3 A Yes.

4 Q Okay. And 369 does not include any analysis for
5 licensing; correct?

6 A Correct.

7 Q Whether it's breakeven or forecasts or whatever;
8 correct?

9 A No. It looks like she built the worksheet that has
10 those four scenarios, but she updated the full acquisition, you
11 know, worksheet in that spreadsheet.

12 Q Right. If you would go to Tab 331.

13 A Okay.

14 Q So Tab 331 is an e-mail that is forwarding a
15 PowerPoint presentation internal to Turtle Beach that's
16 entitled, Board of Directors' Meeting Midyear Review 2013, and
17 it's dated July 10th, 2013.

18 Do you see that?

19 A Yes.

20 Q Now, yesterday we spent a lot of time -- or Mr. Apton
21 spent a lot of time with you going over what Parametric's
22 various forecasts were and when they changed over time.

23 Do you remember that?

24 A Yes.

25 Q And Mr. Apton spent a lot of time on the document

1 that was a first draft of a long-range forecast.

2 Do you remember that?

3 A I do.

4 Q Okay. Now, this document is a document that's
5 presented to Turtle Beach's Board of Directors; correct?

6 A Correct.

7 Q And the purpose of this was to do what?

8 A So this looks like it was a midyear review of the
9 business with the board.

10 Q And I think we've said that -- yesterday that when
11 you did a plan, there would be, like, a big P&L buildup and
12 that was a document that was, you know, would represent the
13 true forecast for the company; correct?

14 A Correct.

15 Q Okay. Now, would this document represent that type
16 of work?

17 A I'm assuming there are financials in here. Yeah. So
18 there are -- looks like there are detailed financials in year.
19 So yeah, this would have been year-to-date financials are in
20 here and then a forecast that would have been a full, you know,
21 forecast P&L, all the work behind it.

22 Q Right. So if we look at this Slide 21, which is
23 331-023, you know, and we have a full balance sheet --

24 A Right.

25 Q -- analysis is done. And then on the next slide, we

1 have the revised 2013 forecast; right?

2 A Correct.

3 Q Okay. So this, at least by July of 2013, the company
4 had officially revised its 2013 forecast on revenue from
5 231.5 million to 218 million; correct?

6 A Correct.

7 Q And it's EBITDA forecast was revised from base case
8 54.4 million to 40.6 million; correct?

9 A Correct.

10 Q Okay. Now if we look at 363.

11 A Okay.

12 Q Before we get into 363, that revised forecast that
13 you gave to the board in July of 2013 represented your best
14 guess as to what 2013 revenues and EBITDA would be; correct?

15 A That would have been our forecast for the rest of the
16 year with, you know, 70 plus percent of the year to go.

17 Q Right.

18 A With the best information we had at the time.

19 Q But you would not seek to mislead your board about
20 that, would you?

21 A No. That would have been our baseline forecast.

22 Q And when we talk about the baseline forecast, does
23 that mean -- this is a forecast that you're managing the
24 business to; correct?

25 A Yes.

1 Q So this is not the forecast that is used solely for
2 acquisition purposes?

3 A No. In fact, we have to plan product supply based on
4 that. One of the reasons we do a forecast is because we have
5 to order product and have to make sure it's here on time.

6 Q Right.

7 A So we would often also do a high-side case, a
8 low-side case, so we can -- each of them had a different
9 purpose in terms of the business.

10 Q So if we look at 363 -- so this is an e-mail back and
11 forth between you and Mr. Potashner again, on June 27th, 2013.
12 I'm going to focus on your e-mail to him at 6:44 a.m.

13 And you tell him, There's nothing new here. As I
14 told you, we are giving the lenders a very conservative base
15 case which has EBITDA at about \$40 million and also has a worst
16 case which has EBITDA at about 33 million. Note that even
17 worst case is 17 percent EBITDA margin.

18 Do you see that?

19 A Yes.

20 Q Okay. So you're communicating with Mr. Potashner the
21 same base case that you were communicating to your own board in
22 July; correct?

23 A Correct.

24 Q Now, you talked about how the company has different
25 forecasts for different purposes; correct?

1 A Well, it's one baseline forecast. But then we
2 have -- we do a downside scenario, and sometimes we do an
3 upside scenario for supply planning, in case the market is
4 better than we expect, so that we have product available.

5 Q Right. And with respect to what you send lenders for
6 setting covenants, you send them your downside forecasts;
7 correct?

8 A It would be -- yeah, downside forecast -- something
9 that we believed there was very little possibility that we
10 could possibly be below that number.

11 Q And in fact you say to Mr. Potashner here, I won't
12 enter into a loan agreement with any chance -- any
13 underscored -- of tripping covenants, particularly with
14 Parametric on deck. So any facility has to have no risk and,
15 therefore, needs to accommodate the worst-case scenario.

16 Do you see that?

17 A Correct.

18 Q Why is it that you're telling him that? Why is it
19 important that there can be no -- that there's no risk in those
20 numbers?

21 A Because we already had experience with PNC and their
22 eight consortium partners, where if we tripped the covenant,
23 they would make it very hard on us. They would charge us fees,
24 slap us around. It was not a pleasant set of interactions with
25 them.

1 So I didn't want to be in the middle of needing their
2 approval for the Parametric deal, which they would have to give
3 as our lender, and have any chance that I'm going to be, like,
4 in the doghouse with them along the way. So they might not
5 like the low forecast if it was different from what they knew
6 before, but my motivation was to give them a number and be able
7 to stick to it and have no risk of essentially running into a
8 problem with PNC.

9 Q Right. So you're -- is it fair to say that there
10 isn't a lot of benefit to giving the lender a pumped-up number
11 that you're going to miss?

12 A No. You want to make the number as low as you can
13 without causing them to freak out, essentially.

14 Q Okay. And then let's go back to a document we were
15 looking at the beginning of today, which is 314. And if we can
16 go to Slide 42, again, 314-80 -- 080. Sorry.

17 A Okay.

18 Q Okay. And we saw this before. So, again -- so these
19 are -- the revised EBITDA numbers for the base case and the
20 down case work for 2013 are functionally the same numbers you
21 told Mr. Potashner in an e-mail that same day; correct?

22 A Correct.

23 Q So at this time, Turtle Beach is communicating a base
24 case of about \$40 million of EBITDA, both internally to a board
25 of directors, to its lenders at PNC, and to Mr. Potashner; is

1 that right?

2 A Correct.

3 Q And those -- that represents the very best estimate
4 that Turtle Beach management had through its EBITDA earning in
5 2013?

6 A Correct.

7 Q Okay. If we go to -- and yesterday, we spent a fair
8 amount of time on the Fairness Opinion.

9 Do you remember that?

10 A I do.

11 Q And if you go to DX754. And if we could go to
12 page 25 of 60 in that document, which is PAMCMB0006322.

13 A Okay. I'm there.

14 Q So this page represents the VTB historical and
15 projected financials that Craig-Hallum used for the Fairness
16 Opinion; correct?

17 A Correct.

18 Q And it looks like the revenues for 2013 were
19 \$218 million and the estimated adjusted EBITDA for 2013 was
20 \$40.6 million; correct?

21 A The revenue forecast.

22 Q Right. Forecast, right. And then those numbers are
23 roughly equivalent to the numbers you communicated in July to
24 PNC; correct?

25 A Correct.

1 Q And the numbers you communicated to your board;
2 correct?

3 A Correct.

4 Q And the numbers you communicated to Mr. Potashner;
5 correct?

6 A Correct.

7 Q Now, again, these represented the very best estimates
8 of Turtle Beach's forecasted 2013 revenue and EBITDA at the
9 time; correct?

10 A Correct.

11 Q Okay. Let's -- so eventually the Fairness Opinion is
12 issued and the Definitive Agreement is signed on or about
13 August the 5th of 2013; correct?

14 A Correct.

15 Q Okay. And Mr. -- and a press release was issued
16 surrounding that event, was it not?

17 A Yes.

18 Q Mr. Apton made a few references to the press release
19 in the last couple days.

20 Do you recall that?

21 A I do.

22 Q Okay. So first of all, he has shown you in the past,
23 Exhibit Number 86. This just refers to a draft press release;
24 right?

25 A Yes.

1 Q And if you look down, there's a list of names. And
2 then there's two paragraphs down -- and this e-mail is from you
3 of a whole host of people. And you write, I've attached and
4 attached draft from Paris; correct?

5 A Yes.

6 Q What is Paris?

7 A Paris was, I think, the code name for Parametric.

8 Q Right. So the press release that you were forwarding
9 here was drafted by somebody at Parametric?

10 A Yes. Correct.

11 Q Okay. And this was the one that Mr. Apton keeps
12 talking about that has Mr. Potashner as having some leadership
13 role in HHI; correct?

14 A Yeah. Which was not what was issued as a press
15 release.

16 Q You did not endorse that, did you?

17 A No.

18 Q And in fact, did that language make it into the
19 final -- didn't it make it into the final?

20 A No, it did not.

21 Q Okay. Let's take a look. Take a look at 1057. So
22 this is the August 5th, 2013, press release announcing the
23 merger between Parametric Sound Corporation and Turtle Beach;
24 correct?

25 A Correct.

1 Q Okay. You can take a look at it. But you can tell
2 the Court whether or not there's any reference to Mr. Potashner
3 having any role whatsoever, with respect to HHI?

4 A Not in there, as I mentioned.

5 Q Right. So after the DA is signed and the
6 announcement goes out, do you recall, Mr. Stark, that there was
7 an investor call on or about August the 8th of 2013?

8 A Yes.

9 Q Okay. We spent a little bit of time on this
10 yesterday too. But there's some disagreement, was there not,
11 with -- that you had with Mr. Potashner about what to disclose
12 and how to disclose the prospects of Turtle Beach in that
13 investor call; correct?

14 A Right.

15 Q If you go to Exhibit 773. And so this is an e-mail
16 chain that starts on August the 6th, 2013, and carries over to
17 August the 7th of 2013. It includes you, Mr. Hoverman,
18 Mr. Dufilho, and a bunch of other folks.

19 At first of all, do you know who -- who were
20 Mr. Hoverman and Mr. Dufilho?

21 A Those are the bankers for Parametric.

22 Q They work at Houlihan Lokey; is that correct?

23 A Right.

24 Q Okay. So if you look at the e-mail from
25 Mr. Potashner, August 6th, at 9:38 p.m., he says to you, I know

1 there are concerns about future financial expectations, console
2 shift effect, et cetera, et cetera. We'll have ample time to
3 set the models correct and sell the strategic benefits deal.
4 As soon as the proxy gets completed, we will gain annual
5 support, as well as key shareholder support.

6 A Yes.

7 Q So functionally through this e-mail and others,
8 Mr. Potashner is kind of urging you to put up a very bullish
9 outlook for the Turtle Beach business; correct?

10 A Yeah.

11 Q And you respond to him, in the top e-mail, where you
12 said, We've had this discussion multiple times. Will not -- we
13 will not disclose 2012 EBITDA without providing industry
14 console transition context on 2013. Otherwise, we produce
15 heightened expectations for 2013, which will kill us later; is
16 that right?

17 A Yes.

18 Q Does that represent your general view about
19 communicating Turtle Beach's outlook at this time?

20 A Yeah. Ken would like to tell a promotional story.
21 And for me, this was going to be my first interaction with
22 investors as a future public company CEO. And it's important
23 to me, personally, like it is today still, that when something
24 can be communicated as an expectation that I have a good chance
25 of hitting it so that I can do what I say I'm going to do.

1 So I was not going to put myself in a position or the
2 company, where we led investors to believe that 2013 would be
3 better than I thought it would be. Because if we only tell
4 them 2012 is 54 million, they're going to think that 2013 is
5 going to be higher than that. And when we announce 2013 and
6 it's not, I'm going to get killed. And I will lose credibility
7 with investors. And that's not just -- from a personal
8 standpoint, that's not the way I operate.

9 Q And this e-mail is a day before the investor call;
10 correct?

11 A I think it was on the 7th through the 8th.

12 Q Yeah.

13 A I don't remember exactly.

14 Q So if you go to the next page, that's the third page,
15 there's a document that says VTB financials.

16 Do you see that?

17 A Yes.

18 Q And there was some kind of discussion about what --
19 at this time, what the real numbers for Turtle Beach were, and
20 if you look at the 2013 range, do you see that there?

21 A Yes.

22 Q And so that reflects the base case of 218 million net
23 revenue, 40 EBITDA, 18 percent EBITDA margin; correct?

24 A Correct.

25 Q I presume that 40 is meant to be 40 million; correct?

1 A Yes.

2 Q And I think as we've seen a number of times now, that
3 that base case is the base case that you've been communicating
4 to Mr. Potashner in June, PNC in June, your board in June, and
5 to Craig-Hallum in July; correct?

6 A Yeah. And, again, base case would be the outcome we
7 expected. So 50 percent chance of being higher; 50 percent
8 chance of being lower. The downside is not what we expected.
9 It would be an intentionally pessimistic case, mainly for use
10 with the lenders.

11 Q Yeah. And then -- and here it listed what the
12 downside is, which is 198 million net revenue, 34 million in
13 EBITDA, with a 17 percent EBITDA margin; correct?

14 A Correct.

15 Q Okay. And that's about in the range of what we've
16 been seeing with the PNC documents and with Mr. Potashner?

17 A Yes.

18 Q Yeah. And then you write under that, There's
19 volatility and uncertainty around these numbers, which would
20 cause even the downside to be missed if things out of our
21 control happened. For example, Xbox launches a month late.

22 Do you see that?

23 A Right.

24 Q And Xbox launching a month late ended up being -- the
25 problem with Xbox ended up being much bigger than it launching

1 a month late; correct?

2 A Yes.

3 Q All right. Fair to say. Okay. So even forward
4 guidance should even be a bit conservative on the downside
5 case; is that right?

6 A Right.

7 Q And that's -- at this time, is that -- does that
8 accurately reflect your view on what the 2013 forecast was?

9 A Yes.

10 Q Okay. Let's go to 785. The -- Mr. Stark, can you
11 take a look at this? This is a transcript of the August 8th,
12 2013, investor call that you participated in; correct?

13 A Yes.

14 Q If you would go to page 6 of 17 there.

15 A Okay.

16 Q So is that fair to say that you ultimately
17 communicated to Parametric investors at this time the sum and
18 substance of what was in that last e-mail we were looking at?

19 A Yeah. But it looks like I even took 2 million off of
20 the downside case, to give a little bit more room.

21 Q Right.

22 A And this approach would be typical, and still typical
23 today, where the high end of the range would actually be the
24 expected outcome. So you actually have a chance of going over
25 it, which is okay. But you have very little chance of being

1 below the downside number.

2 Q Right.

3 A I wanted the investor communications -- I want
4 90 percent confidence I'm going to meet expectations or beat
5 expectations.

6 Q And to that end, in the bottom paragraph of there,
7 you do say, We expect our 2013 revenues to be in the range of
8 190 to 215 million; and our EBITDA to be in the range of 32 to
9 40 million; correct?

10 A Correct.

11 Q And that roughly is -- so the 32 is your downside;
12 correct?

13 A I think the downside was 34.

14 Q So you even guided it a little bit down to that?

15 A Yeah. Even a little bit more conservatism.

16 Q And you guided up to -- your high end was your base
17 case; correct?

18 A Correct.

19 Q Okay. And the reason you told this -- the context
20 you provide is -- it says, Our business results in particular
21 will be very much dependent on: One, how consumer purchasing
22 behavior for more expensive accessories like headsets plays out
23 heading into the transition; two, when the new console
24 launches, what will happen; and three, what quantity of new
25 consoles will be available and sold weeks -- during the weeks

1 between launch and year end; right?

2 A Correct.

3 Q You also note -- if you could go to the next page, in
4 the top paragraph, you note that even these EBITDA numbers that
5 you talked about don't include one-time costs related to merger
6 or any extraordinary costs that could come from the transaction
7 processes and other adjustments.

8 What type of things were you thinking about there?

9 A Well, we were -- had a new auditor as required by
10 public company rules. And so numbers were -- you know, could
11 move around, still just from an accounting standpoint. And
12 then the transaction, itself, would cost money.

13 Q And you mentioned you had new accountants. Why did
14 you have new accountants?

15 A Because a public company accounting rules require you
16 to have an auditor that has -- I don't remember the exact
17 rules -- but something like no prior business with you on some
18 other topic in, I want to say, two or three years, something
19 like that.

20 That's not a rule for private companies. But we had
21 done, I think, some tax work in the UK, or some a minor piece
22 of work, with the auditor at the time, so that made it not
23 possible for us to use the auditor that we had been using. So
24 you have to find a new auditor to come into -- to be in
25 compliance, essentially, with the public company rules about

JD Reporting, Inc.

1 who is allowed to audit your books.

2 Q Also, we haven't really talked a lot about the fact
3 that, between August and January, Turtle Beach was converting
4 from a private company into a public company?

5 A Correct.

6 Q Could you explain a little bit about everything that
7 goes into that process?

8 A Yeah. Yeah. The CFO would be better on this. But
9 it's a very complex process.

10 So in addition to, you know, re-auditing, including
11 2012, you have to put all of these processes in place to comply
12 with stocks regulations, and you have to be able to close your
13 books much faster than you normally would. You have to be able
14 to -- you know, there's a whole variety of internal processes,
15 approval processes, you know, systems and methods, that you
16 don't need as a private company, but you've got to have as a
17 public company -- without going into too much more detail.

18 Q And that -- during that time period, did that process
19 put a lot of movement in the accounting treatment of Turtle
20 Beach's finance?

21 A It does. It does. And it's not -- not a single
22 thing changes about the business. Nobody buys less headsets.
23 It doesn't affect the real business. It's just the accounting
24 treatment of the financials.

25 Q Okay. And is -- and returning, just for one last

1 second, to 785, you note in the outlooks in the second
2 paragraph on page 7 of 17, that these uncertainties are driving
3 the wide range around the expectations for revenues and EBITDA
4 I just walked through. But it's important to note that our
5 actual results could fall materially outside of these ranges if
6 the aforementioned assumptions turn out to be inaccurate; is
7 that correct?

8 A Correct.

9 Q And we've kind of been talking a lot about that is
10 that there's a whole lot of your business still left to go at
11 this point; correct?

12 A August, it would be probably 70 percent.

13 Q Okay. We'll look at 881. I believe this is an
14 e-mail we looked at yesterday where you were communicating,
15 again, with folks at Houlihan Lokey and at Parametric.

16 And again, they -- this is dated October 31st, 2013;
17 correct?

18 A Correct.

19 Q So right before this, you had the Xbox One deferral
20 surprise happen; correct?

21 A Yes. Correct.

22 Q Okay. And so in the second paragraph of this e-mail,
23 you're telling them that the impact of that move is worth 20 to
24 25 million in revenue and 9 to 10 million in EBITDA; correct?

25 A Correct.

1 Q So is it fair to say what you're communicating to
2 them is that you take the range that you were -- they
3 communicated in August 8th, you would subtract this number from
4 that to get what your best guess of what Turtle Beach's 2013
5 would look like at this time?

6 MR. APTON: Objection, Your Honor.

7 THE COURT: Overruled.

8 THE WITNESS: Correct.

9 BY MR. HESS:

10 Q And do you remember -- do you remember actually
11 communicating that information to Craig-Hallum?

12 A I don't remember, but the email shows that the
13 information has been communicated.

14 Q If we could look at another -- if we look at -- so if
15 we look at 861 -- this is another one we looked at -- at this
16 time -- yesterday. So I'm going to focus on your email at the
17 top. You talked about this, where, again, the issue was about
18 the projections from the -- for the Fairness Opinion that were
19 included in the proxy; correct?

20 A Correct.

21 Q And at that time, you're noting that they're a good
22 grounding for them at the time, but that things have softened;
23 correct?

24 A Right.

25 Q Okay. And that explains the adjustment that you did

1 down in August; correct?

2 A Yep.

3 Q And then also the Xbox One deferral had happened by
4 that time; correct?

5 A Yes.

6 Q You also had another observation about Parametric's
7 numbers; correct?

8 A Yes.

9 Q And that was that there's -- there's not a hope in
10 hell that they'll actually do that -- those numbers next year;
11 correct?

12 A Yeah. They had 23 million of revenue based on
13 launching a product in the first half of the year and
14 generating a lot of commercial product revenues.

15 Q Right. And so let's look at -- so on the Parametric
16 side -- by the way, do you recall whether or not Parametric
17 revised the forecasts that were used in the Craig-Hallum
18 Fairness Opinion in the proxy?

19 A I don't believe so. They were the forecast for both
20 companies back in June and July.

21 Q Yeah, okay. Let's go to 821.

22 A Okay.

23 Q And, Mr. Stark, just a moment ago you were talking
24 about how some of the assumptions about doing the deal with
25 Parametric involved them being able to have a product ready to

1 launch; correct?

2 A Yes. That was one of the -- kind of two key things
3 we were relying on for 2014.

4 Q And what product was that?

5 A They were working on a new type of emitter that would
6 work for the hearing product, and then they had the existing
7 technology, existing emitter, that had a commercial pipeline.
8 Those were, like, the deals we talked about.

9 Q And what was the assumption of when those products
10 would launch?

11 A I believe, like, the first half of 2014. I don't
12 remember exactly.

13 Q So did that happen?

14 A Not even close.

15 Q Okay. And this email from September 23rd, 2013, is
16 from you to Mr. Potashner. You're providing your very blunt
17 view that Parametric has zero capability in place to
18 commercialize the product; right?

19 A Correct.

20 Q So what was happening? What was your critique about
21 what was going on at Parametric at this time?

22 A Well, by this time, I -- you know, I was having
23 meetings to review where they were tracking to in terms of
24 the -- particularly the hearing product. And, you know, they
25 had some good engineers, but it was nowhere close to being on

1 track.

2 Q And were they having -- were there other parts of the
3 pipeline that were also not materializing?

4 A Yeah. In our diligence process, there was a
5 commercial sales pipeline. So that's different from the
6 hearing part of the business, which was in 2014, that had -- I
7 believe it was \$29 million of weighted probability pipeline for
8 2014. So that means you've got a whole list of companies who
9 you're going to -- you're doing demos with and things like
10 that. Some of them had been announced in press releases. And
11 you're doing calculations to say I give this a 50 percent
12 chance of closing. I give this one a 10 percent chance of
13 closing.

14 And when you multiplied those probabilities, that had
15 something like \$29 million of revenue in the commercial segment
16 for 2014. Now, we knew that that was -- that probably wouldn't
17 be the case, but, you know, ultimately that being, as I
18 mentioned yesterday, a hundred times overstated. So by the
19 time we were getting into the fall, I mean, none of those
20 probabilities were going up. None of the pilots were resulting
21 in -- people don't go to McDonald's to listen to the TV. Some
22 of them were just kind of -- they were silly. And I was
23 getting increasingly worried that, while we weren't counting on
24 29 million of revenue, I was counting on some revenue, millions
25 of dollars, in 2014 from that sales pipeline. And it was --

1 none of it was coming to fruition.

2 Q And as a result of that, what was your evolving
3 opinion about the value of Parametric at that time?

4 A It was going down, but we had signed the DA. And my
5 understanding is the only way to get out of the deal is to have
6 whatever -- material adverse effect clause, which I was told is
7 nearly impossible to pull off. So here we're stuck with
8 Parametric, where the diligence we did, the two main items we
9 were counting on, were -- both had no chance of actually coming
10 to fruition.

11 Q And if -- in that time frame, notwithstanding all the
12 issues that we were talking about with Turtle Beach, if the
13 deal had to be renegotiated in the fall, would you have agreed
14 to the 80/20 split again?

15 A No. No way. It was way too high.

16 Q Meaning way too high in Parametric's favor; is that
17 right?

18 A Yeah. We would not have given away 20 percent of our
19 business for something that looked like it was heading to large
20 losses and almost immaterial revenue for 2014.

21 Q Okay. Well, then -- so do you recall that there was
22 a preliminary proxy that was issued by Parametric on or about
23 November the 4th, 2013?

24 A Yes.

25 Q Okay. And we saw that there was discussion of what

1 Craig-Hallum was going to say with respect to that proxy in
2 October 31st of 2013 as well; right?

3 A Okay.

4 Q And if you go to DX-890 --

5 A All right.

6 Q -- and go to page 132 of that document. And it says,
7 "2013 Outlook"; correct?

8 A So 132 of the actual proxy, not the exhibit --

9 Q Yeah. Sorry. Yeah, so the actual proxy.

10 A Okay.

11 Q And if you look in there, it notes that, with respect
12 to your outlook, that there would be a downward revision to the
13 2013 outlook of revenue and EBITDA provided by Turtle Beach's
14 management on August 8th, 2013; correct?

15 A Correct.

16 Q And the reminder on the EBITDA, that was the 32- to
17 40-million-dollar EBITDA range?

18 A Correct.

19 Q So as of November the 4th, you were communicating, or
20 Parametric was communicating on your behalf, that you are going
21 to be below that --

22 A Yes.

23 Q -- correct?

24 And that is because of the Xbox One deferral and some
25 other things; correct?

1 A Yes.

2 Q Okay. And on that same page, it notes that this was
3 the result of the delay of the Xbox One hardware and software?

4 A Right.

5 Q Okay. If we go to -- well, actually, let's just skip
6 to a month later. About a month later, the final proxy came
7 out; correct, the definitive proxy on or about December --

8 This is 244.

9 A Yeah, early December.

10 THE COURT: This is the really thin book you got
11 yesterday.

12 BY MR. HESS:

13 Q Yeah.

14 A Okay. Yes.

15 Q Okay. So let us -- first of all, if you go to
16 page 63 of this document.

17 A Okay.

18 Q Okay.

19 MR. PEEK: 63B.

20 MR. HESS: Sorry. So I mean 244-072.

21 THE WITNESS: I'm there.

22 BY MR. HESS:

23 Q And so this is talking about the Craig-Hallum
24 Fairness Opinion; correct?

25 A Yes.

1 Q And it notes that the Craig-Hallum report -- or
2 Fairness Opinion was as of the date it was given; correct?

3 A Right.

4 Q And if we go to page 73, which is .4082.

5 A Okay.

6 Q And this is -- again, this talks about these are the
7 projections that were provided to Craig-Hallum; right, it says
8 in the first -- on the bottom of that first paragraph, "Such
9 projections were furnished to Parametric, Houlihan Lokey, and
10 Craig-Hallum for consideration of the merger in Craig-Hallum's
11 Fairness Opinion analysis"; correct?

12 A Yeah, as of a -- whatever date.

13 Q And it notes that Parametric and Turtle Beach does
14 not -- did not prepare these for public disclosures; correct?

15 A Right.

16 Q And it goes on to disclaim that the actual results
17 may vary, basically; right?

18 A (No audible response.)

19 Q And it talked about --

20 A If you look at this, Parametric had already missed
21 their 2013, because I think they closed their books in
22 September, and were track -- I think their forecast was
23 12 million instead of 23 --

24 Q Right. Right.

25 A -- for 2014.

1 Q And then if you look at the third paragraph at the
2 end, the last sentence on the 244-082. It notes that, "Except
3 as required by law, neither Parametric nor Turtle Beach intends
4 to update these financial projections or to make other
5 projections public in the future"; is that right?

6 A Right.

7 Q So is it fair to say that it is true; these are the
8 financial projections that were given to Craig-Hallum on August
9 the 2nd, 2013? Correct?

10 A Right.

11 Q And if you look at -- if you go to 244-083. And it
12 has Turtle Beach's internal financial projection; right? And
13 it says "included the following"; correct?

14 A Yes.

15 Q "Included" there is the past tense, is it not?

16 A Yes.

17 Q Is it fair to say that this was meant to communicate
18 that this was the projection at that time?

19 A I think that's super clear in the filing error.

20 Q And, indeed, it then says, in the -- an alternate
21 paragraph on 244-083, in bold letters, "You should not regard
22 the inclusion of these projections in this proxy statement as
23 an indication that Parametric, Turtle Beach, or any of their
24 respective affiliates, advisers, or other representatives
25 considered or consider the projections being necessarily

1 predictive of actual future events. None of Parametric, Turtle
2 Beach, or any of their prospective affiliates, advisers, or
3 other representatives has made or makes any representations
4 regarding the ultimate performance of Parametric or Turtle
5 Beach compared to the information contained in the
6 projections"; correct?

7 A Right.

8 Q And the point of that language was to communicate to
9 shareholders that these are not, in fact, current projections
10 that they should be relying on?

11 A Right.

12 Q Okay. If you go to 24-139. Okay. This has the --
13 again, the 2013 outlook. And if you look again in the middle
14 of the paragraph, it talks about the Xbox One deferral. And it
15 says, "This delay will result in a downward revision to the
16 2013 outlook revenue and EBITDA provided by Turtle Beach's
17 management on August 8th, 2013"; correct?

18 A Right.

19 Q That's the same language we saw in the preliminary
20 proxy in November of -- November 4th, 2013; correct?

21 A Yes.

22 Q So the guidance remains -- remained the same --

23 A Yes.

24 Q -- is that right?

25 Okay. Now, did the lack of guidance -- strike that.

1 Did you hear any complaints about Turtle Beach's
2 reluctance to provide more definitive guidance at this time?

3 A Yeah, both for 2013 and 2014.

4 Q All right. And, in fact, isn't it true that
5 Mr. Potashner, among others, suggested that because you're not
6 providing those numbers that investors are assuming the worst?

7 A Yes. Exactly.

8 Q And why is that? Why did he say -- why did he think
9 that?

10 A Well, because he wanted us to put out numbers for
11 2014 so that people wouldn't just make assumptions. Given that
12 2013 numbers were lower than 2012, maybe people would assume
13 that 2014 would be lower than 2013. I don't know exactly. But
14 I didn't want to do it because we didn't have enough visibility
15 for me to want to essentially stick my neck out by putting
16 numbers out for 2014 if we didn't have enough knowledge at that
17 point to do a good job at it.

18 Q If you go to 919.

19 THE COURT: 992?

20 MR. HESS: 919.

21 THE COURT: 919. Thank you.

22 BY MR. HESS:

23 Q So this is a series of emails dated December 3rd and
24 December 4th, 2013, between you and Mr. Potashner and Joshua
25 Weisbord; correct?

1 A Yes.

2 Q And who is Mr. Weisbord?

3 A He was an investor in Parametric at the time that was
4 working with Ken and Ken had ultimately introduced me to.

5 Q And did you understand that he served as a kind of
6 representative for other shareholders?

7 A Yeah, that's what he told us.

8 Q Okay. Including some of the assigners here today?

9 A Correct.

10 Q Okay. And if you look at the email he sends you on
11 December 3rd, 2013, at 4:33 p.m. He says, "This billion in 19
12 year number sounds great but obviously nobody cares. Give
13 smart guys a 14 EBIT number to use. Sandbag if you must. At
14 worst, tell them you'll break even. That's a joke."

15 A Yeah -- yes.

16 Q So in this context, do you know what "sandbag" means?

17 A Yeah. He's just saying be, like, super conservative.

18 Q Right. So when you sandbag, is that a good-faith
19 estimate of what your projections are?

20 A No.

21 Q I'm sorry. I didn't hear you.

22 A No. Sorry.

23 Q That's okay. And at 10:25 you respond to him;
24 correct?

25 A Yes.

1 Q And you basically say to him, "Josh, what have we
2 not explained? Listen to the November investor call. Go
3 through the investigator presentation. Listen to the lengthy
4 and clear presentation at the IDEAS conference. Other than the
5 every other day request to put up numbers, what is missing?"

6 What was -- what was his response to that?

7 A Well, I mean, I think what's going on here is he was
8 focused on the stock price and so was Ken, and I was focused
9 on -- not on the stock price but on making sure whatever
10 expectations we were setting were realistic, well founded, and
11 I had a good chance to hit those expectations.

12 So it was kind of a philosophical debate about how to
13 communicate that I was on the other side of -- from both, I
14 think, Ken and Josh.

15 Q If you can go to 170.

16 A 170?

17 Q One seven oh. This is, again, the email chain
18 between you and Mr. Potashner dated November the 30th, 2013.
19 So this is just a few days before the definitive proxy is put
20 out; correct?

21 A Yes.

22 Q And in the middle of the page, it -- in an email
23 dated 5:53 p.m., he writes to you, "I think we" -- meaning
24 Parametric -- "are under tremendous pressure in that the
25 numbers keep getting softer, the apparent lack of controls, and

1 covenant exposures. The does-this-deal-make-sense question is
2 being asked."

3 And you respond, "Huh? Numbers haven't changed other
4 than Xbox delay. And add that \$10 million back and we're right
5 in the guided range. Shall we do a relevant comparison to
6 Parametric? I could argue same on our side."

7 Do you see that?

8 A Yes.

9 Q Again, so it is the case that by November the 30th,
10 2013, you're communicating to Parametric that your expected
11 EBITDA range is the August 2013 range less 10 million?

12 A Correct.

13 Q Okay.

14 A Yeah, this November 30th would be right when, really,
15 the rubber starts hitting the road. We start getting real
16 holiday (indiscernible), Black Friday, and a lot happens in
17 kind of those last five weeks of the year.

18 Q If we go Tab 324. Now, this is an email from
19 Mr. Hanson to you, Ms. Kenworthy, Mr. Dufilho, Mr. Hoverman
20 dated December 16th, 2013; correct?

21 A Yes.

22 Q By this time, it's fair that you have at least a
23 slightly better understanding of what your forecast for 2013 is
24 going to be; correct?

25 A We have a better view on revenue, but EBITDA can

1 still move around.

2 Q Right. And then so if you look at the chart on the
3 next page, this is an updated forecast, again dated -- it's
4 December 16th, and it's low range; right?

5 A Right.

6 Q And we've talked about this: There's two different
7 types of forecast -- a low range and base case; correct?

8 A Yeah.

9 Q And this would be the low range?

10 A Yes.

11 Q And if you look at and go down to the EBITDA for the
12 full year 2013 forecast, do you see that?

13 A Yes.

14 Q Carry it all the way over to FY2 2013 forecast?

15 A Yes.

16 Q And that number is \$21,284,704; correct?

17 A Yes. Also note on this slide that more than a
18 hundred percent of the EBITDA for the year is happening in Q4.

19 Q Right. And as has been established a couple times
20 during this trial already, I'm a lawyer without any math
21 background whatsoever, but -- happily we have those and the
22 Court. If you added \$10 million to that 21-million EBITDA
23 number, that gives you 31.3 million; correct?

24 A And pretty close to the low end of the range.

25 Q On the low end of the range that was guided through

1 in August of 2013; correct?

2 A Right.

3 Q So December 13th -- by December 16th, 2013, you are
4 still -- your best-faith estimate of you and Mr. Hanson is that
5 you are \$10 million off the EBITDA range that you guided to in
6 August of 2013; correct?

7 A In a low scenario.

8 Q In the low scenario, right.

9 Now there came a point in December that -- there
10 was one thing -- had some issues with respect to PNC; correct?

11 A I believe so, yes.

12 Q And what is that?

13 A I don't -- I don't remember exactly. I think we
14 were -- I don't remember if it was covenant issues or what it
15 was, but there was -- it seemed like there were always some
16 complications with PNC.

17 Q At the time did it seem to you to be a -- well, let
18 me just ask you point-blank: Was Turtle Beach on the brink of
19 bankruptcy at this time?

20 A No, of course not.

21 Q So, again, this is kind of what we were talking
22 about. We had the speed limits that were set, and they just
23 needed to be adjusted?

24 A Yeah. Twenty-one million of EBITDA and 180 million
25 is very, very profitable.

1 Q And did PNC understand that -- put it this way. You
2 communicated with PNC by December that you had intended to
3 replace them as Turtle Beach's primary lender?

4 A Yes, as soon as possible.

5 Q And PNC at this time, you needed their approval to
6 close the merger with Parametric; correct?

7 A Correct.

8 Q Because Parametric was being brought in under the
9 facility; correct?

10 A Yeah. They would be the lender to the combined
11 company.

12 Q And this provided them a fair amount of leverage over
13 you; correct?

14 A Yeah, and it was already -- they were already
15 generally hostile so that was not -- not good.

16 Q And was this something that you communicated to
17 Parametric at the time?

18 A Yes, of course.

19 Q If you go to Exhibit 931. So there's an email from
20 you to Mr. Potashner dated Friday, December the 20th, 2013;
21 correct?

22 A Yes.

23 Q And this is a couple weeks after the definitive proxy
24 had been issued?

25 A Yes.

1 Q And it says -- well, you tell him, "We are working to
2 ensure we do not have a risk of running into loan covenant
3 issues and downside financial scenarios for Q4/13 and Q1/14.
4 We have draft terms for an amendment to the loan agreement
5 circulating with PNC which we expect would give us enough
6 flexibility on covenants in case -- in a case where our
7 financials were at the lower end of our projected range. While
8 no commitment has been made by PNC, we are reasonably confident
9 we'll be able to work this out with them. But it will take
10 some time in January. We believe this could all be completed
11 by January 15, so we should target a closing around that time.
12 Please confirm that this path is acceptable to you."

13 You wrote that to Mr. Potashner on this date;
14 correct?

15 A Yes.

16 Q And the closing date of this merger was, indeed,
17 January the 15th, 2014; correct?

18 A Yes.

19 Q So presumptively the -- whatever issue was going on
20 with PNC was corrected, and the deal was able to close on
21 January the 15th, 2014?

22 A Correct.

23 Q Mr. Stark, what -- there's been testimony here by one
24 of the assigners, Mr. Kahn, that he had a conversation with you
25 around this time period. Do you recall that conversation?

1 A I recall meeting with Mr. Kahn but not that
2 conversation specifically.

3 Q And if Mr. Kahn has testified that you provided him
4 with details about -- or guidance for plans for Turtle Beach in
5 2014, do you think that would be true?

6 A There's no possibility that I would have done that.

7 Q And why is that?

8 A Well, you can see from the discussions we've had
9 today and yesterday that I'm not providing guidance for 2014,
10 despite getting a lot of pressure to do so. And I would never
11 give one investor material nonpublic information that I wasn't
12 giving to all investors. It's a reg FD violation, first of
13 all, and I just wouldn't do it.

14 That would also put the investor in a position where,
15 if they got that information and traded on it, they would be,
16 you know, out of compliance with SEC regulation. So I would
17 never do that. No possibility that could have happened.

18 Q So if somebody was in receipt of 2014 guidance on
19 Turtle Beach that you were doggedly not providing to the
20 market, you would not expect that person to be engaging in
21 trades in Parametric stock at that time, would you?

22 A Correct.

23 Q Otherwise, they could be in some serious trouble;
24 correct?

25 A Yes.

1 Q Okay. Mr. Stark, we've been talking a lot about
2 HyperSound, but what happened to it?

3 A We closed the deal. Off to the races. I'll try to
4 make this not overly long, but -- and we put a lot of effort
5 commercializing the technology. So very rapidly built a good
6 team. It was kind of run as a division of Turtle Beach. I --
7 to this day, I'm surprised that I was able to recruit away the
8 CEO or the president of Widex, so a large hearing aid company.
9 Remember that the core business we were going after was the
10 hearing business.

11 I didn't have any knowledge of how the hearing
12 business worked, hearing aid doctors and all the channels and
13 all that, so the first goal was to hire in someone who did have
14 that experience. And surprising even to me, I recruited away
15 the president of Widex, which is a large hearing aid company.
16 He then brought in a number of the top salespeople who knew the
17 hearing aid doctors with the channels, and he had strong
18 general management experience. He was, I believe, a GE before
19 that as well, and also had run smaller companies. So he wasn't
20 like a big company guy. He could deal with kind of a start-up
21 environment.

22 He built a team around him. We also added
23 engineering talent. We really spared no expense to both
24 further the commercial business but, really, most of the effort
25 going into commercializing the healthcare product into a living

1 room product, FDA approved, that people could use that are hard
2 of hearing.

3 Q And how much -- how much --

4 THE COURT: And that's where we have to break for
5 lunch because I have 11:45 docket as well.

6 MR. HESS: You got it. Okay.

7 THE COURT: Thank you. See you at 1:00.

8 (Proceedings recessed at 11:47 a.m., until 12:48 p.m.)

9 / / /

10 / / /

11 / / /

12

13

14

15

16

17

18

19

20

21

22

23

24

25

CERTIFICATION

I DO HEREBY CERTIFY THAT I HAVE TRULY AND CORRECTLY TRANSCRIBED
THE AUDIO/VIDEO PROCEEDINGS IN THE ABOVE-ENTITLED CASE TO THE
BEST OF MY ABILITY.

AFFIRMATION

I AFFIRM THAT THIS TRANSCRIPT DOES NOT CONTAIN THE SOCIAL
SECURITY OR TAX IDENTIFICATION NUMBER OF ANY PERSON OR ENTITY.

DANA L. WILLIAMS
LAS VEGAS, NEVADA 89183

A handwritten signature in dark ink, reading "Dana L. Williams", is written over a horizontal line.

DANA L. WILLIAMS, TRANSCRIBER

08/24/2021

DATE

BY MR. APTON: [3] 12/9 15/2 15/21 BY MR. HESS: [20] 16/20 18/10 35/22 37/5 39/18 40/13 42/12 50/21 51/12 54/3 55/1 56/1 57/19 61/18 63/19 70/23 90/9 96/12 96/22 100/22 COURT RECORDER: [3] 18/3 18/6 18/9 MALE SPEAKER: [1] 70/22 MR. APTON: [29] 6/13 6/17 6/19 6/21 7/7 7/24 8/22 8/24 9/3 9/5 9/7 9/19 9/23 10/7 10/14 10/18 10/21 10/23 16/1 16/8 16/12 16/15 42/23 50/16 53/23 54/1 54/16 61/14 90/6 MR. HESS: [51] 6/7 6/23 7/4 7/12 7/14 7/16 7/18 8/4 8/6 8/9 8/14 8/16 8/18 9/1 9/6 9/14 9/18 9/22 9/24 10/15 10/17 10/20 10/22 11/4 11/14 14/23 15/24 16/14 35/17 37/3 39/15 40/11 42/8 51/6 53/25 54/10 54/12 54/14 54/19 54/23 55/18 55/20 55/24 57/14 57/16 57/18 63/9 63/14 96/20 100/20 110/6 MR. PEEK: [1] 96/19 MR. STARK: [1] 11/21 THE CLERK: [9] 9/8 9/11 9/13 11/25 12/3 12/6 54/8 54/11 55/19 THE COURT: [66] 6/3 6/15 6/18 6/20 6/22 7/1 7/6 7/10 7/13 7/15 7/17 7/22 7/25 8/5 8/8 8/12 8/15 8/17 8/23 9/4 9/10 9/12 9/16 9/21 10/5 10/8 10/16 11/3 11/6 11/11 11/13 11/15 11/18 12/7 14/24 15/16 16/3 16/10 16/16 16/18 35/20 42/25 50/17 51/2 51/5 54/2 54/7 54/9 54/13 54/15 54/17 54/21 55/17 55/22 61/15 63/7 63/10 63/13 63/15 63/18 90/7 96/10 100/19 100/21 110/4 110/7 THE WITNESS: [22] 12/2 12/4 14/25 15/25 16/17 18/5 18/7 35/19 35/21 39/17 42/10 42/24 43/1 50/18 51/4 51/7 57/15 57/17 61/16 63/17 90/8 96/21 UNIDENTIFIED SPEAKER: [2] 55/15	55/21 \$ \$10 [3] 103/4 104/22 105/5 \$10 million [3] 103/4 104/22 105/5 \$100 [1] 43/4 \$110 [1] 48/3 \$130 [1] 43/6 \$135 [1] 43/7 \$135 million [1] 43/7 \$15 [1] 44/8 \$200 [2] 21/18 25/20 \$21,284,704 [1] 104/16 \$218 [1] 78/19 \$218 million [1] 78/19 \$25 [2] 25/20 32/2 \$250 [1] 25/20 \$29 [2] 93/7 93/15 \$29 million [2] 93/7 93/15 \$30 [2] 21/12 32/2 \$40 [3] 38/20 75/15 77/24 \$40.6 [1] 78/20 \$5 [1] 36/25 \$9 [1] 17/18 \$9 billion [1] 17/18 \$9.7 [1] 37/13 . .4082 [1] 97/4 0 013 [1] 22/7 017 [1] 24/23 020 [1] 70/2 021 [1] 35/7 023 [2] 35/18 73/23 027 [1] 37/4 040 [1] 26/2 042 [1] 39/16 066 [2] 40/11 42/19 072 [1] 96/20 08/24/2021 [1] 111/18 080 [2] 41/11 77/16 082 [1] 98/2 083 [2] 98/11 98/21 1 10 [6] 44/8 64/20 65/6 67/6 68/19 89/24 10 million [1] 103/11 10 percent [1] 93/12 10,000 [1] 36/16 1046 [5] 10/4 10/13 67/19 67/20 72/1 1057 [3] 10/4 10/13 80/21 1070 [3] 10/4 10/13 61/22 10:25 you [1] 101/23 10:29 [1] 63/11 10:34 [1] 63/11 10th [1] 72/17 11 [1] 62/3 11:45 docket [1] 110/5 11:47 a.m [1] 110/8	11th [1] 61/24 12 [1] 35/7 12 million [1] 97/23 12:48 [1] 110/8 13 [2] 35/18 107/3 130 [3] 10/23 11/7 13/20 132 [2] 95/6 95/8 139 [1] 99/12 13th [1] 105/3 14 [5] 13/17 14/10 15/4 101/13 107/3 143 [5] 8/20 9/24 10/9 10/23 11/7 145 [1] 10/24 145-148 [1] 11/7 146 [1] 10/24 147 [3] 10/24 57/14 57/15 148 [2] 10/24 11/7 15 [6] 26/8 26/11 26/20 37/3 43/9 107/11 15-plus [1] 33/7 157 [2] 10/24 11/7 15th [2] 107/17 107/21 160 [4] 12/18 12/22 12/25 13/2 163 [1] 10/24 163-164 [1] 11/7 164 [2] 10/24 11/7 167 [3] 8/20 9/24 10/9 16th [3] 103/20 104/4 105/3 17 [7] 70/11 70/12 71/7 75/17 84/13 85/14 89/2 170 [5] 8/20 9/24 10/9 102/15 102/16 18 [1] 83/23 180 million [1] 105/24 183 [1] 14/8 189 [1] 10/24 189-191 [1] 11/8 19 [3] 62/17 70/1 101/11 190 [2] 10/24 86/8 191 [2] 10/24 11/8 198 [1] 84/12 1:00 [1] 110/7 2 20 [7] 26/20 35/16 62/14 65/7 68/19 89/23 94/14 20 percent [3] 60/2 62/17 94/18 200 [2] 21/13 25/17 200 million [1] 20/21 2003 [1] 17/9 2006 [1] 22/17 2008 [1] 37/14 2010 [4] 18/17 37/19 37/20 37/21 2011 [1] 38/4 2012 [16] 17/18 18/1 19/7 20/7 20/8 24/1 25/17 37/7 38/12 38/14 39/1 41/7 82/13 83/4 88/11 100/12 2013 [89] 21/25 22/1	23/24 26/4 27/5 29/8 30/22 33/11 33/19 35/9 35/14 38/18 41/7 41/7 41/15 43/17 43/19 43/20 44/20 44/23 45/8 46/24 47/24 56/3 57/22 58/18 60/17 61/8 61/24 63/22 68/23 69/14 72/16 72/17 74/1 74/3 74/4 74/13 74/14 75/11 77/20 78/5 78/18 78/19 79/8 79/13 80/22 81/7 81/16 81/17 82/14 82/15 83/2 83/4 83/5 83/20 85/8 85/12 86/7 89/16 90/4 92/15 94/23 95/2 95/7 95/13 95/14 97/21 98/9 99/13 99/16 99/17 99/20 100/3 100/12 100/13 100/24 101/11 102/18 103/10 103/11 103/20 103/23 104/12 104/14 105/1 105/3 105/6 106/20 2014 [27] 31/1 31/9 31/11 32/7 33/20 33/22 34/1 44/20 44/21 53/3 92/3 92/11 93/6 93/8 93/16 93/25 94/20 97/25 100/3 100/11 100/13 100/16 107/17 107/21 108/5 108/9 108/18 2016 [1] 27/5 2020 [2] 24/12 56/3 2021 [4] 1/12 6/1 9/2 111/18 208.4 [1] 37/14 20th [1] 106/20 21 [1] 73/22 21-million [1] 104/22 215 [1] 86/8 218 [2] 74/5 83/22 22 [1] 26/2 227 [1] 38/22 22nd [2] 46/24 60/17 23 [2] 39/15 97/23 23 million [1] 91/12 231.5 million [1] 74/5 23rd [2] 9/2 92/15 24 [2] 1/12 6/1 24-139 [1] 99/12 244 [4] 8/20 9/24 10/9 96/8 244-072 [1] 96/20 244-082 [1] 98/2 244-083 [2] 98/11 98/21 25 [3] 67/6 78/12 89/24 25 percent [1] 40/20 25th [1] 61/8 267 [1] 10/24 267-268 [1] 11/8 268 [2] 10/24 11/8 277 [5] 8/20 9/24 10/9 61/6 61/7 27th [1] 75/11 28th [1] 63/22 29 [1] 69/14	29 million [1] 93/24 2nd [1] 98/9 3 30 [3] 17/5 64/20 65/6 30,000 [2] 32/14 33/6 30th [2] 102/18 103/9 31 [2] 10/23 11/7 31.3 million [1] 104/23 312 [1] 10/25 312-313 [1] 11/8 313 [2] 10/25 11/8 314 [6] 8/20 9/25 10/9 21/22 21/23 77/15 314-013 [1] 22/7 314-017 [1] 24/23 314-021 [1] 35/7 314-023 [1] 35/18 314-027 [1] 37/4 314-040 [1] 26/2 314-042 [1] 39/16 314-066 [2] 40/11 42/19 314-080 [1] 41/11 314-80 [1] 77/16 315 [2] 10/25 11/8 317 [4] 8/20 9/25 10/9 10/25 317-319 [1] 11/8 318 [1] 10/25 319 [2] 10/25 11/8 31st [2] 89/16 95/2 32 [3] 86/8 86/11 95/16 321 [2] 10/25 11/8 324 [4] 8/20 9/25 10/9 103/18 326 [2] 10/25 11/8 328 [2] 10/25 11/8 33 [3] 41/21 43/3 75/16 33.3 [1] 41/16 331 [5] 8/20 9/25 10/9 72/12 72/14 331-023 [1] 73/23 337 [1] 10/25 337-338 [1] 11/9 338 [2] 10/25 11/9 34 [2] 84/12 86/13 35 [3] 21/4 40/12 42/19 363 [6] 8/21 9/25 10/10 74/10 74/12 75/10 369 [7] 8/21 9/25 10/10 69/4 69/12 71/7 72/4 369-020 [1] 70/2 38 [2] 10/23 11/7 39 [1] 35/24 39.8 [1] 41/16 3:09 [2] 64/3 65/25 3rd [2] 100/23 101/11 4 40 [9] 21/4 24/1 41/3 41/21 68/19 83/23 83/25 83/25 86/9 40 million [1] 43/5 40-million-dollar [1] 95/17 40.6 [1] 74/8 400,000 [2] 33/2 33/7 419 [2] 10/25 11/9
---	--	--	---	--

4 42 [3] 41/5 41/11 77/16 42-plus [1] 24/9 421 [1] 11/1 421-422 [1] 11/9 422 [2] 11/1 11/9 424 [1] 11/1 424-428 [1] 11/9 425 [1] 11/1 426 [1] 11/1 427 [1] 11/1 428 [2] 11/1 11/9 430 [1] 11/1 430-431 [1] 11/9 431 [2] 11/1 11/9 433 [2] 11/1 11/9 442 [1] 11/1 442-443 [1] 11/9 443 [2] 11/1 11/9 448 [2] 11/2 11/9 460 [3] 8/21 9/25 10/10 462 [1] 11/2 462-465 [1] 11/10 463 [1] 11/2 464 [1] 11/2 465 [2] 11/2 11/10 48.2 [1] 38/4 4:33 p.m [1] 101/11 4th [4] 94/23 95/19 99/20 100/24	63 [1] 96/16 63B [1] 96/19 645 [2] 10/1 10/11 655 [2] 10/1 10/11 672 [1] 10/1 672-673 [1] 10/11 673 [2] 10/1 10/11 68 [1] 21/13 698 [2] 10/2 10/11 6:40 [1] 66/1 6:44 [1] 75/12 6th [2] 81/16 81/25 7 70 [4] 27/19 43/23 74/16 89/12 721 [2] 10/2 10/11 73 [1] 97/4 75 [1] 67/7 754 [2] 10/2 10/11 773 [2] 10/2 81/15 773-776 [1] 10/11 774 [1] 10/2 775 [1] 10/2 776 [2] 10/2 10/11 784 [1] 10/2 784-785 [1] 10/12 785 [4] 10/2 10/12 85/10 89/1 789 [2] 10/2 10/12 7th [2] 81/17 83/11 8 80 [5] 29/25 31/16 59/18 65/7 77/16 80/20 [2] 62/14 94/14 800 [2] 10/2 10/12 810 [2] 10/2 10/12 821 [3] 10/3 10/12 91/21 834 [2] 10/3 10/12 86 [2] 12/15 79/23 861 [3] 10/3 10/12 90/15 875 [2] 10/3 10/12 881 [3] 10/3 10/12 89/13 890 [3] 10/3 10/12 95/4 89183 [1] 111/12 8th [6] 81/7 83/11 85/11 90/3 95/14 99/17 9 90 percent [1] 86/4 908 [1] 10/3 908-909 [1] 10/12 909 [2] 10/3 10/12 916 [2] 10/3 10/13 919 [5] 10/3 10/13 100/18 100/20 100/21 921 [2] 10/3 10/13 926 [2] 10/3 10/13 931 [1] 106/19 934 [2] 10/4 10/13 992 [1] 100/19 9:06 A.M [1] 6/1 9:38 [1] 81/25 9th [1] 57/22	A a.m [5] 6/1 63/11 63/11 75/12 110/8 ABILITY [1] 111/5 able [14] 12/14 13/14 28/21 30/3 44/7 45/15 64/9 77/6 88/12 88/13 91/25 107/9 107/20 109/7 about [82] 7/22 7/24 12/13 12/22 12/24 15/18 16/24 17/7 17/24 18/5 25/2 26/8 26/20 27/6 28/2 28/20 28/23 29/7 35/1 37/22 38/17 41/23 43/16 45/4 45/6 45/7 46/9 49/14 49/17 50/11 50/13 56/14 58/1 60/7 60/21 68/8 69/18 70/4 70/19 74/19 74/22 75/15 75/16 75/24 77/24 79/12 80/12 81/7 81/11 82/1 82/18 83/18 84/15 87/5 87/8 87/25 88/2 88/6 88/22 89/9 90/17 90/17 91/6 91/24 91/24 92/8 92/20 94/3 94/12 94/22 96/6 96/7 96/23 97/6 97/19 99/14 100/1 102/12 104/6 105/22 108/4 109/1 above [3] 24/1 49/4 111/4 ABOVE-ENTITLED [1] 111/4 absolutely [1] 30/16 acceptable [1] 107/12 accepted [1] 17/25 accessories [1] 86/22 accessory [1] 30/2 accommodate [1] 76/15 accountants [2] 87/13 87/14 accounting [4] 87/11 87/15 88/19 88/23 accurate [2] 11/3 11/4 accurately [2] 10/5 85/8 acquiescence [1] 59/11 acquisition [15] 46/13 46/21 67/15 67/16 67/17 69/3 69/18 69/23 70/4 70/8 70/16 71/5 71/16 72/10 75/2 acquisitions [1] 13/11 ACTIONS [1] 1/8 Activision [3] 18/21 19/2 19/3 actual [8] 41/7 43/21 53/14 89/5 95/8 95/9 97/16 99/1 actually [22] 13/12 13/24 21/16 22/20 28/5 28/15 31/4 36/20 40/11 44/12 45/4 45/22 46/19 48/16 50/3 70/8 85/23	85/24 90/10 91/10 94/9 96/5 ADAM [1] 1/16 adapter [6] 29/16 29/17 31/13 31/23 32/2 32/2 adapters [3] 31/7 31/23 32/9 add [3] 13/15 20/23 103/4 added [3] 63/2 104/22 109/22 addition [1] 88/10 adjusted [3] 62/14 78/19 105/23 adjustment [1] 90/25 adjustments [1] 87/7 administrative [1] 6/7 admitted [6] 2/9 9/8 10/8 10/13 11/6 11/10 advance [1] 28/25 advantage [1] 36/9 adverse [1] 94/6 advisers [2] 98/24 99/2 advisor [1] 12/21 aerospace [1] 17/1 affect [2] 34/20 88/23 affected [1] 65/10 affects [1] 34/22 affiliates [2] 98/24 99/2 AFFIRM [1] 111/9 AFFIRMATION [1] 111/7 aforementioned [1] 89/6 after [12] 7/2 11/13 20/8 22/19 22/21 24/1 44/7 45/18 55/11 81/5 106/23 109/9 afternoon [1] 12/10 again [30] 26/9 30/21 33/5 53/6 54/4 60/17 65/8 66/21 67/11 67/23 68/13 68/20 70/11 72/2 75/11 77/16 77/18 79/7 84/6 89/15 89/16 90/17 94/14 97/6 99/13 99/13 102/17 103/9 104/3 105/21 against [5] 14/22 56/20 57/8 58/21 59/4 ago [1] 91/23 agree [2] 38/6 56/19 agreed [2] 56/23 94/13 agreement [9] 6/10 14/5 14/9 14/14 15/3 62/1 76/12 79/12 107/4 agreements [1] 68/18 ahead [1] 22/5 aid [4] 109/8 109/12 109/15 109/17 aids [5] 45/20 45/25 52/16 52/16 52/23 air [2] 64/22 67/10 all [48] 1/8 7/17 8/18 9/13 9/16 9/21 10/23 17/10 17/13 19/11 24/21 25/12 26/19 28/8 29/24 32/4 36/18 38/16	38/16 43/11 44/17 47/5 48/8 52/2 56/5 60/25 61/1 65/18 68/19 69/24 70/20 71/20 71/20 73/21 79/22 81/19 85/3 88/11 94/11 95/5 96/15 100/4 104/14 107/10 108/12 108/13 109/12 109/13 allowed [2] 29/16 88/1 almost [5] 34/7 39/3 41/22 45/16 94/20 along [3] 13/13 63/2 77/4 already [10] 9/8 34/17 41/19 53/25 54/1 76/21 97/20 104/20 106/14 106/14 also [32] 6/23 14/4 19/13 21/11 23/9 25/11 25/11 25/20 31/22 37/17 39/7 44/10 44/15 45/21 45/21 47/8 49/25 50/19 56/10 56/22 71/25 75/7 75/15 87/3 88/2 91/3 91/6 93/3 104/17 108/14 109/19 109/22 alternate [1] 98/20 although [2] 15/17 37/21 always [4] 35/19 35/21 35/24 105/15 amended [1] 6/9 amendment [1] 107/4 among [1] 100/5 amount [5] 29/11 41/23 68/17 78/8 106/12 ample [1] 82/2 analogy [3] 25/21 26/22 50/23 analysis [7] 68/14 71/13 71/16 71/19 72/4 73/25 97/11 announce [2] 29/2 83/5 announced [1] 93/10 announcement [1] 81/6 announcing [1] 80/22 annual [1] 82/4 another [8] 30/25 31/10 31/11 35/7 67/24 90/14 90/15 91/6 answer [2] 7/10 27/8 any [34] 12/11 14/22 19/20 28/25 39/5 39/8 44/19 46/15 47/25 53/4 59/10 59/15 60/21 63/4 64/25 65/4 66/22 69/7 69/7 72/4 76/12 76/12 76/14 77/3 81/2 81/3 87/6 98/23 99/2 99/3 100/1 104/20 109/11 111/10 anybody [2] 23/19 27/1 anyone [2] 15/6 15/14 anything [5] 11/15
--	--	---	---	--

<p>A</p> <p>anything... [4] 28/23 46/1 51/23 69/11</p> <p>anytime [1] 11/20</p> <p>apartment [4] 26/22 26/23 26/24 34/8</p> <p>apartments [1] 25/21</p> <p>Apologies [2] 9/3 54/16</p> <p>apologize [3] 8/14 9/15 66/6</p> <p>apparent [1] 102/25</p> <p>appealed [1] 20/17</p> <p>appealing [1] 45/14</p> <p>APPEARANCES [1] 1/14</p> <p>appeared [1] 31/12</p> <p>appease [1] 32/10</p> <p>Apple [3] 40/5 40/7 42/21</p> <p>Apple's [1] 40/20</p> <p>appreciate [1] 8/7</p> <p>appreciated [1] 57/1</p> <p>approach [3] 16/15 18/24 85/22</p> <p>approval [3] 77/2 88/15 106/5</p> <p>approved [1] 110/1</p> <p>April [6] 30/9 56/2 62/10 68/23 69/14 71/15</p> <p>APTON [11] 1/16 2/5 7/21 7/22 10/5 12/7 54/17 72/20 72/25 79/18 80/11</p> <p>are [81] 6/5 6/25 7/2 7/4 7/19 7/25 8/1 8/12 9/4 9/8 15/17 20/15 23/5 23/10 23/18 23/20 25/11 26/13 29/22 29/23 29/24 31/21 32/8 33/4 34/7 34/17 34/21 35/25 36/1 36/23 36/23 39/3 41/18 41/18 42/15 43/17 44/4 47/5 49/3 49/14 49/24 51/21 51/21 52/15 53/8 53/14 55/24 57/4 57/11 59/4 64/10 66/12 68/16 69/2 71/8 71/10 71/20 71/20 73/17 73/18 73/18 73/19 75/14 77/19 77/20 78/22 81/21 82/1 89/2 95/20 97/6 98/7 99/9 100/6 101/19 102/24 105/3 105/5 107/1 107/8 110/1</p> <p>aren't [1] 50/9</p> <p>argue [1] 103/6</p> <p>argument [2] 58/25 59/16</p> <p>around [14] 17/12 17/17 43/4 58/15 61/10 68/3 76/24 84/19 87/11 89/3 104/1 107/11 107/25 109/22</p> <p>as [76] 8/10 11/23 11/24 12/14 13/7 13/10</p>	<p>13/14 13/18 13/18 15/14 15/22 18/24 19/10 20/20 20/22 20/25 24/7 27/11 27/20 28/25 33/4 33/15 38/14 39/9 40/15 41/3 42/2 43/1 47/16 47/24 47/24 48/25 58/5 59/19 64/7 64/8 66/17 67/15 68/13 68/17 69/12 71/22 74/14 75/13 77/3 77/12 77/12 80/12 80/14 81/4 82/4 82/4 82/5 82/5 82/22 82/24 84/2 87/9 88/16 88/16 93/17 94/2 95/2 95/19 97/2 97/12 98/3 98/22 101/5 104/19 106/3 106/4 106/4 109/6 109/19 110/5</p> <p>ask [2] 8/23 105/18</p> <p>asked [5] 7/1 45/19 64/5 66/9 103/2</p> <p>asking [2] 12/11 64/10</p> <p>aspects [1] 32/22</p> <p>assent [1] 61/11</p> <p>assessing [1] 48/10</p> <p>assessment [1] 51/14</p> <p>assign [1] 20/1</p> <p>assigned [1] 47/13</p> <p>assigners [2] 101/8 107/24</p> <p>assume [2] 14/11 100/12</p> <p>assuming [4] 14/12 14/16 73/17 100/6</p> <p>assumption [1] 92/9</p> <p>assumptions [4] 66/17 89/6 91/24 100/11</p> <p>at [177]</p> <p>at and [1] 104/11</p> <p>attached [2] 80/3 80/4</p> <p>attaches [1] 66/25</p> <p>attachments [1] 61/25</p> <p>attack [2] 30/4 31/11</p> <p>attention [3] 12/18 62/2 62/21</p> <p>audible [2] 11/17 97/18</p> <p>audio [8] 20/23 36/7 45/11 45/16 48/10 48/12 56/12 111/4</p> <p>AUDIO/VIDEO [1] 111/4</p> <p>audit [1] 88/1</p> <p>auditing [1] 88/10</p> <p>auditor [5] 87/9 87/16 87/22 87/23 87/24</p> <p>AUGUST [21] 1/12 6/1 9/2 20/7 79/13 80/22 81/7 81/16 81/17 81/25 85/11 88/3 89/12 90/3 91/1 95/14 98/8 99/17 103/11 105/1 105/6</p> <p>August 2013 [1] 103/11</p> <p>AUGUST 24 [1] 6/1</p> <p>August 8th [2] 95/14 99/17</p> <p>available [3] 47/2 76/4</p>	<p>86/25</p> <p>aware [1] 14/18</p> <p>away [6] 59/2 59/13 60/22 94/18 109/7 109/14</p> <p>B</p> <p>babysit [1] 19/15</p> <p>babysitter [1] 19/18</p> <p>back [14] 35/9 44/20 49/3 50/12 62/13 66/12 67/15 70/24 71/4 71/4 75/10 77/14 91/20 103/4</p> <p>background [2] 16/24 104/21</p> <p>bad [2] 17/12 40/20</p> <p>balance [1] 73/23</p> <p>bang [1] 33/22</p> <p>bankers [1] 81/21</p> <p>bankruptcy [1] 105/19</p> <p>bar [2] 45/13 50/2</p> <p>Barclays [1] 57/24</p> <p>barring [1] 39/5</p> <p>bars [1] 49/25</p> <p>base [17] 38/20 41/7 41/15 41/15 48/13 52/8 74/7 75/14 75/21 77/19 77/23 83/22 84/3 84/3 84/6 86/16 104/7</p> <p>based [5] 28/10 56/24 65/4 75/3 91/12</p> <p>baseline [3] 74/21 74/22 76/1</p> <p>basically [8] 19/21 34/19 40/18 45/15 65/12 68/15 97/17 102/1</p> <p>be [97] 7/20 8/12 10/8 11/6 11/25 13/14 19/22 21/18 22/20 24/7 25/20 27/10 27/15 28/19 30/3 30/10 30/17 32/12 33/15 38/8 40/3 40/4 44/7 45/15 45/16 47/15 47/16 48/16 49/8 49/11 50/2 50/10 51/9 51/10 53/13 57/11 57/16 57/18 58/2 59/5 59/19 60/22 62/22 64/6 64/9 65/23 70/1 70/15 73/11 74/14 76/8 76/10 76/19 77/1 77/3 77/6 82/21 82/24 83/2 83/3 83/5 83/25 84/6 84/9 84/20 85/4 85/22 85/23 86/7 86/8 86/21 86/25 87/24 88/8 88/12 88/13 89/6 89/12 93/17 94/13 95/12 95/21 99/10 100/13 101/17 103/14 103/24 104/9 105/17 105/23 106/10 107/9 107/10 108/5 108/15 108/20 108/23</p> <p>Beach [62] 14/18 14/21 17/21 17/25 17/25 18/17 18/23 18/25 19/1 19/7 20/6 20/18 22/11</p>	<p>22/15 22/17 23/1 23/21 24/25 26/4 27/6 28/2 33/12 35/14 35/14 36/5 36/19 37/7 38/18 42/18 42/20 43/18 44/21 53/18 56/6 56/8 56/11 58/2 59/20 59/22 59/24 63/4 64/25 69/8 69/13 72/15 77/23 78/4 80/23 81/12 82/9 83/19 88/3 94/12 97/13 98/3 98/23 99/2 99/5 105/18 108/4 108/19 109/6</p> <p>Beach's [16] 23/24 35/1 35/10 41/24 42/3 43/15 73/5 79/8 82/19 88/20 90/4 95/13 98/12 99/16 100/1 106/3</p> <p>beat [2] 31/4 86/4</p> <p>Beats [1] 40/3</p> <p>became [5] 17/17 46/17 48/25 52/14 62/23</p> <p>because [42] 8/2 8/2 15/16 18/6 21/12 22/22 22/23 26/16 26/19 27/12 27/13 28/7 29/22 31/15 31/21 32/15 33/1 33/23 34/6 36/10 40/5 40/6 44/9 45/21 46/14 47/12 52/6 52/15 52/21 58/17 61/3 75/4 76/21 83/3 87/15 95/24 97/21 100/5 100/10 100/14 106/8 110/5</p> <p>become [1] 65/15</p> <p>bedroom [2] 51/2 51/8</p> <p>bedrooms [3] 25/21 25/22 25/22</p> <p>been [29] 11/23 14/18 15/3 19/16 21/3 23/25 24/9 28/20 28/21 45/22 51/25 52/24 62/18 71/15 73/19 73/20 74/15 74/21 84/3 84/16 87/23 89/9 90/13 93/10 104/19 106/24 107/8 107/23 109/1</p> <p>before [18] 1/11 11/15 18/18 27/7 28/5 28/8 41/6 44/16 44/18 53/13 69/6 74/12 77/6 77/18 83/9 89/19 102/19 109/18</p> <p>beginning [4] 26/12 46/11 53/3 77/15</p> <p>behalf [1] 95/20</p> <p>behavior [2] 35/2 86/22</p> <p>behind [3] 22/23 54/19 73/21</p> <p>being [28] 6/13 11/23 12/14 17/19 21/12 21/14 21/19 27/11 36/9 43/12 47/20 48/24 57/7 57/8 58/2 58/7 70/7 84/7 84/8 84/24 84/25 85/25 91/25 92/25 93/17 98/25 103/2</p>	<p>106/8</p> <p>believe [17] 8/19 12/13 22/17 30/20 42/5 43/21 48/23 65/2 69/19 83/2 89/13 91/19 92/11 93/7 105/11 107/10 109/18</p> <p>believed [1] 76/9</p> <p>below [3] 76/10 86/1 95/21</p> <p>BENCH [1] 1/13</p> <p>beneficial [1] 23/12</p> <p>benefit [2] 48/23 77/10</p> <p>benefits [3] 12/12 50/3 82/3</p> <p>best [13] 36/4 36/18 38/9 39/2 39/3 61/19 74/13 74/18 78/3 79/7 90/4 105/4 111/5</p> <p>best-faith [1] 105/4</p> <p>better [5] 76/4 83/3 88/8 103/23 103/25</p> <p>betting [1] 53/1</p> <p>between [11] 14/9 21/6 37/23 61/9 71/15 75/11 80/23 87/1 88/3 100/24 102/18</p> <p>big [14] 25/12 25/15 28/7 33/11 33/15 33/15 33/15 34/1 34/12 36/24 40/4 51/22 73/11 109/20</p> <p>bigger [2] 34/1 84/25</p> <p>biggest [1] 52/10</p> <p>billion [3] 17/18 19/12 101/11</p> <p>bills [1] 14/19</p> <p>binder [3] 16/13 51/20 57/16</p> <p>binders [2] 16/12 16/17</p> <p>binding [2] 62/1 62/9</p> <p>bit [18] 16/24 23/3 26/9 29/7 35/6 38/17 39/20 43/14 45/4 45/6 57/2 62/15 81/9 85/4 85/20 86/14 86/15 88/6</p> <p>Black [2] 44/7 103/16</p> <p>blank [1] 105/18</p> <p>blue [3] 25/9 25/16 25/24</p> <p>Bluetooth [1] 39/23</p> <p>blunt [1] 92/16</p> <p>board [27] 13/18 14/2 14/12 14/17 39/9 40/17 47/15 47/16 56/7 56/8 56/9 62/21 62/22 62/24 62/25 63/3 63/5 69/14 72/16 73/5 73/9 74/13 74/19 75/21 77/24 79/1 84/4</p> <p>Bob [1] 53/18</p> <p>bold [1] 98/21</p> <p>Bonanno [3] 56/4 56/5 56/13</p> <p>bone [2] 12/20 12/21</p> <p>book [1] 96/10</p> <p>books [3] 88/1 88/13 97/21</p> <p>boost [1] 40/4</p>
---	---	--	---	--

<p>B</p> <p>borrow [1] 43/5 borrowed [1] 45/19 Bose [1] 40/3 botched [1] 32/24 both [7] 18/23 77/24 91/19 94/9 100/3 102/13 109/23 bottom [4] 25/19 34/23 86/6 97/8 bought [6] 17/11 17/12 17/18 18/16 19/12 28/15 box [2] 31/7 51/24 brand [1] 20/10 break [4] 11/20 63/8 101/14 110/4 breakeven [10] 65/16 68/10 68/14 69/7 70/12 70/16 71/4 71/19 71/21 72/7 brief [1] 6/6 bring [1] 62/17 bringing [2] 19/24 21/10 brink [1] 105/18 brought [2] 106/8 109/16 BTW [1] 47/18 buck [1] 33/22 budget [1] 7/20 build [5] 20/4 20/20 26/23 38/14 64/11 building [3] 26/15 34/8 67/11 buildup [1] 73/11 built [6] 38/16 66/8 66/15 72/9 109/5 109/22 bullet [6] 48/2 48/9 48/20 49/2 49/6 49/17 bullets [3] 48/9 48/15 48/16 bullish [1] 82/8 bunch [4] 27/14 33/24 45/13 81/18 business [56] 17/2 17/10 17/16 19/12 19/22 20/3 20/7 20/11 20/20 20/22 20/25 21/1 21/15 21/19 24/20 25/7 26/10 26/14 34/16 34/23 38/13 39/7 40/5 40/19 40/22 40/24 43/11 43/15 43/22 44/2 44/4 46/16 47/10 50/14 50/15 50/18 53/14 59/14 60/2 64/20 65/5 73/9 74/24 75/9 82/9 86/20 87/17 88/22 88/23 89/10 93/6 94/19 109/9 109/10 109/12 109/24 businesses [2] 20/23 20/24 but [105] 7/12 12/23 13/14 13/17 13/22 14/3 14/16 18/8 19/8 22/2</p>	<p>22/20 22/23 23/12 24/2 24/18 25/9 25/22 26/7 26/19 27/3 27/5 27/16 28/20 29/2 30/6 30/10 30/17 31/1 31/10 31/11 31/22 32/4 32/12 32/23 34/16 34/22 35/4 36/25 40/9 40/21 42/13 43/17 44/5 45/14 46/11 46/17 47/13 48/1 48/4 49/7 49/24 50/2 50/18 51/9 51/21 52/8 52/11 53/11 53/12 53/17 55/11 58/4 58/5 58/23 59/5 60/10 62/14 62/17 62/18 66/10 69/1 69/19 69/22 71/12 71/20 72/2 72/10 74/19 76/1 77/6 81/1 81/10 85/19 85/25 87/17 87/20 88/8 88/16 89/4 90/12 90/22 92/25 93/17 94/4 100/13 101/12 102/9 103/25 104/21 105/15 107/9 108/1 109/2 109/4 109/24 buy [6] 31/17 31/24 32/2 36/4 36/18 50/23 buyer [2] 51/8 51/9 buying [3] 31/15 44/6 51/1 buys [1] 88/22</p> <p>C</p> <p>calculate [2] 44/11 64/7 calculations [1] 93/11 calendar [1] 15/17 call [16] 15/17 19/4 20/21 25/4 25/10 25/16 29/10 29/24 31/12 58/20 59/2 81/7 81/13 83/9 85/12 102/2 called [4] 11/23 21/25 29/15 39/19 came [13] 13/15 21/11 22/17 22/19 24/2 38/25 39/9 43/18 56/7 58/14 59/2 96/6 105/9 can [68] 6/19 8/10 8/22 9/15 9/19 12/3 15/16 15/25 16/5 16/15 18/14 19/25 22/2 22/5 22/6 22/7 23/9 24/23 26/1 31/1 31/2 31/25 35/17 37/3 39/15 40/21 42/6 42/8 43/5 43/5 45/6 46/3 49/5 50/1 51/19 52/6 52/7 52/8 53/11 53/14 53/16 54/21 57/14 58/9 58/16 60/14 60/15 61/19 62/2 62/20 63/16 63/20 64/6 66/13 68/19 70/24 75/8 76/19 77/12 77/15 81/1 81/1 82/24 82/25 85/10 102/15 103/25 108/8 can't [9] 26/19 26/19 28/7 33/9 34/10 38/13</p>	<p>38/13 49/12 51/7 cap [2] 48/3 48/5 capability [1] 92/17 capable [2] 20/2 21/8 CapEx [1] 36/24 capital [1] 17/8 care [1] 60/3 career [1] 29/9 careful [1] 49/11 cares [1] 101/12 Carmine [3] 56/4 56/6 56/19 carries [1] 81/16 Carry [1] 104/14 case [32] 1/5 7/15 15/18 38/20 42/17 42/22 74/7 75/7 75/8 75/15 75/16 75/17 75/21 76/3 76/15 77/19 77/20 77/24 83/22 84/3 84/3 84/6 84/9 85/5 85/20 86/17 93/17 103/9 104/7 107/6 107/6 111/4 cases [1] 43/6 CASSITY [1] 1/18 catch [1] 26/21 categories [1] 23/18 category [2] 22/20 24/3 cause [1] 84/20 causing [1] 77/13 CE [3] 49/3 49/8 50/12 CEO [6] 13/12 18/21 19/24 23/21 82/22 109/8 certain [3] 28/19 49/18 68/16 certainly [3] 14/1 24/21 34/22 CERTIFICATION [1] 110/12 certified [2] 49/23 50/2 CERTIFY [1] 111/3 cetera [2] 82/2 82/2 CFO [3] 42/10 43/11 88/8 chain [5] 21/7 53/18 56/2 81/16 102/17 chairman [4] 19/22 19/23 19/23 47/7 challenge [2] 28/7 46/18 chance [12] 29/25 76/12 77/3 82/24 84/7 84/8 85/24 85/25 93/12 93/12 94/9 102/11 change [3] 7/9 62/12 62/18 changed [5] 32/25 33/3 33/8 72/22 103/3 changes [1] 88/22 channels [2] 109/12 109/17 charge [2] 31/9 76/23 chart [5] 22/11 27/14 70/13 70/16 104/2 cheap [1] 36/23 check [1] 54/8</p>	<p>checking [1] 54/10 Chicago [1] 17/7 choice [1] 63/6 circulating [1] 107/5 clarity [1] 30/7 CLARK [2] 1/2 6/1 class [1] 41/22 clause [1] 94/6 cleaned [1] 34/14 clear [4] 42/14 59/19 98/19 102/4 clearly [2] 45/23 46/3 clerk [2] 6/15 9/17 clogged [1] 55/7 close [10] 13/15 14/2 24/7 71/24 88/12 92/14 92/25 104/24 106/6 107/20 closed [2] 97/21 109/3 closing [4] 93/12 93/13 107/11 107/16 code [1] 80/7 collect [1] 44/16 column [1] 25/6 combination [1] 47/20 combine [1] 47/19 combined [3] 24/12 47/25 106/10 come [9] 11/18 17/20 19/12 23/6 43/22 45/5 45/20 87/6 87/24 comfort [1] 36/8 coming [7] 7/19 20/18 24/19 30/19 59/8 94/1 94/9 command [1] 21/5 comment [1] 23/15 commercial [12] 17/9 45/10 51/18 51/22 52/19 53/7 67/14 91/14 92/7 93/5 93/15 109/24 commercialize [1] 92/18 commercializing [3] 46/19 109/5 109/25 commitment [1] 107/8 commoditized [1] 20/15 communicate [3] 98/17 99/8 102/13 communicated [9] 78/23 79/1 79/4 82/24 85/17 90/3 90/13 106/2 106/16 communicating [11] 75/20 75/21 77/23 82/19 84/3 89/14 90/1 90/11 95/19 95/20 103/10 communication [1] 32/23 communications [1] 86/3 comp [1] 40/21 companies [9] 17/11 17/13 17/20 36/3 40/16 87/20 91/20 93/8 109/19 company [37] 14/9</p>	<p>17/22 20/10 21/2 21/11 21/12 21/13 21/20 21/25 23/1 24/6 24/17 34/13 36/19 37/10 38/25 42/21 45/7 46/14 57/8 57/11 73/13 74/3 75/24 82/22 83/2 87/10 87/15 87/25 88/4 88/4 88/16 88/17 106/11 109/8 109/15 109/20 comparability [1] 32/18 compare [1] 71/24 compared [3] 26/6 40/23 99/5 comparison [1] 103/5 compatibility [2] 30/12 32/11 compete [2] 20/15 49/12 competing [3] 50/8 50/9 50/19 competition [1] 24/2 competitive [1] 36/9 competitor [1] 50/4 competitors [8] 23/10 24/11 24/12 24/13 27/14 27/15 36/11 40/4 competitors' [1] 40/1 complaints [2] 56/14 100/1 completed [2] 82/4 107/10 completely [1] 29/22 complex [5] 21/18 26/23 26/24 44/11 88/9 compliance [2] 87/25 108/16 complicated [3] 44/9 50/9 70/15 complications [1] 105/16 complied [1] 62/16 comply [1] 88/11 concept [2] 19/14 45/15 concerning [1] 61/11 concerns [1] 82/1 conditions [1] 59/10 conference [1] 102/4 confidence [1] 86/4 confident [1] 107/8 confirm [1] 107/12 connected [1] 46/15 connections [1] 28/18 cons [3] 58/7 58/7 70/4 conservatism [1] 86/15 conservative [4] 35/24 75/14 85/4 101/17 consider [1] 98/25 consideration [1] 97/10 considered [1] 98/25 considering [1] 69/2 console [16] 20/11 20/21 25/3 25/12 25/12 25/22 26/8 28/1 28/7 30/2 30/11 33/15 39/8</p>
---	---	---	---	--

<p>C</p> <p>console... [3] 82/1 82/14 86/23</p> <p>consoles [11] 25/4 25/11 26/16 26/25 27/4 27/7 28/5 29/1 29/23 34/2 86/25</p> <p>consortium [1] 76/22</p> <p>constrained [1] 32/13</p> <p>constructive [1] 58/25</p> <p>consulting [1] 17/4</p> <p>consumer [14] 20/14 23/1 23/18 24/15 32/23 34/12 38/9 40/16 42/21 44/6 49/8 49/25 67/14 86/21</p> <p>consumers [2] 23/6 35/4</p> <p>CONTAIN [1] 111/9</p> <p>contained [1] 99/5</p> <p>containers [1] 30/19</p> <p>context [3] 82/14 86/19 101/16</p> <p>continue [3] 12/14 13/16 26/1</p> <p>Continued [2] 2/5 12/8</p> <p>continuing [2] 61/5 61/16</p> <p>control [7] 8/5 21/5 33/9 35/1 46/19 49/4 84/21</p> <p>controller [2] 29/15 32/3</p> <p>controls [1] 102/25</p> <p>conversation [5] 12/17 40/17 107/24 107/25 108/2</p> <p>converted [1] 69/11</p> <p>converting [1] 88/3</p> <p>COO [1] 17/17</p> <p>cool [1] 36/22</p> <p>copy [1] 6/18</p> <p>core [3] 20/25 50/7 109/9</p> <p>corner [2] 25/19 36/1</p> <p>CORPORATION [3] 1/5 45/5 80/23</p> <p>correct [164]</p> <p>corrected [2] 1/8 107/20</p> <p>CORRECTLY [1] 111/3</p> <p>cost [2] 31/6 87/12</p> <p>costs [4] 23/10 44/11 87/5 87/6</p> <p>could [37] 16/23 20/22 20/23 20/25 22/20 27/3 27/12 27/18 27/18 28/20 32/19 36/5 36/6 43/13 46/22 47/23 48/22 52/19 52/22 53/7 65/9 68/18 69/4 76/10 78/11 87/3 87/6 87/10 88/6 89/5 90/14 103/6 107/10 108/17 108/23 109/20 110/1</p> <p>couldn't [5] 26/23 30/20 40/7 46/1 48/13</p> <p>counsel [3] 6/3 6/18</p>	<p>9/9</p> <p>count [1] 26/6</p> <p>counting [3] 93/23 93/24 94/9</p> <p>countries [1] 35/13</p> <p>COUNTY [2] 1/2 6/1</p> <p>couple [9] 18/17 25/6 28/13 31/5 32/12 36/13 79/19 104/19 106/23</p> <p>course [3] 23/9 105/20 106/18</p> <p>COURT [7] 1/2 1/11 1/24 16/23 51/19 81/2 104/22</p> <p>covenant [5] 43/12 76/22 103/1 105/14 107/2</p> <p>covenants [6] 41/25 42/4 42/14 76/6 76/13 107/6</p> <p>cover [4] 8/3 42/6 42/8 42/8</p> <p>Craig [11] 78/15 84/5 90/11 91/17 95/1 96/23 97/1 97/7 97/10 97/10 98/8</p> <p>Craig-Hallum [10] 78/15 84/5 90/11 91/17 95/1 96/23 97/1 97/7 97/10 98/8</p> <p>Craig-Hallum's [1] 97/10</p> <p>crazy [1] 30/16</p> <p>created [1] 50/4</p> <p>creates [1] 23/3</p> <p>creator [1] 48/25</p> <p>credibility [1] 83/6</p> <p>credit [2] 41/24 42/15</p> <p>critique [1] 92/20</p> <p>Cross [2] 2/6 16/19</p> <p>Cross-Examination [2] 2/6 16/19</p> <p>crossed [1] 68/16</p> <p>curiosity [2] 23/24 25/2</p> <p>curious [1] 6/25</p> <p>current [4] 24/24 26/3 44/17 99/9</p> <p>currently [2] 23/20 37/10</p> <p>curtained [1] 45/10</p> <p>cut [2] 29/5 29/21</p> <p>D</p> <p>DA [2] 81/5 94/4</p> <p>DANA [2] 111/12 111/16</p> <p>date [9] 30/7 30/10 48/6 73/19 97/2 97/12 107/13 107/16 111/19</p> <p>dated [13] 14/9 61/8 63/22 64/3 68/23 72/17 89/16 100/23 102/18 102/23 103/20 104/3 106/20</p> <p>dates [3] 29/1 29/2 30/7</p> <p>DAVID [2] 1/20 57/14</p> <p>day [12] 1/13 11/19</p>	<p>19/20 20/8 44/13 47/13 47/13 66/1 77/21 83/9 102/5 109/7</p> <p>day-to [1] 47/13</p> <p>days [3] 31/5 79/19 102/19</p> <p>deal [18] 46/8 46/9 47/14 60/13 61/5 62/8 68/8 69/22 70/12 77/2 82/3 91/24 94/5 94/13 103/1 107/20 109/3 109/20</p> <p>deals [1] 92/8</p> <p>debate [4] 58/25 58/25 61/3 102/12</p> <p>debated [2] 58/20 70/7</p> <p>debating [1] 69/21</p> <p>decade [1] 24/15</p> <p>December [12] 96/7 96/9 100/23 100/24 101/11 103/20 104/4 105/3 105/3 105/9 106/2 106/20</p> <p>December 13th [1] 105/3</p> <p>December 16th [3] 103/20 104/4 105/3</p> <p>December 3rd [2] 100/23 101/11</p> <p>December 4th [1] 100/24</p> <p>decided [5] 13/13 14/3 46/5 46/21 60/9</p> <p>decision [4] 13/16 13/25 60/10 60/19</p> <p>deck [3] 21/24 21/25 76/14</p> <p>defending [1] 24/14</p> <p>deferral [4] 89/19 91/3 95/24 99/14</p> <p>definitely [1] 16/17</p> <p>definitive [5] 79/12 96/7 100/2 102/19 106/23</p> <p>delay [4] 6/4 96/3 99/15 103/4</p> <p>demo [6] 45/9 45/10 45/21 45/24 52/2 55/11</p> <p>demos [3] 52/1 53/12 93/9</p> <p>dependent [1] 86/21</p> <p>depicting [1] 40/14</p> <p>depicts [2] 35/9 39/19</p> <p>deployed [1] 36/25</p> <p>DEPT [1] 1/6</p> <p>describe [2] 26/9 26/9</p> <p>descriptive [1] 36/4</p> <p>design [1] 21/7</p> <p>designate [1] 62/24</p> <p>designated [3] 28/13 62/22 63/5</p> <p>designed [2] 22/18 30/14</p> <p>despite [2] 24/10 108/10</p> <p>detail [2] 53/17 88/17</p> <p>detailed [1] 73/18</p> <p>details [2] 53/11 108/4</p> <p>develop [2] 26/20</p>	<p>49/23</p> <p>development [2] 20/3 47/10</p> <p>devices [1] 17/15</p> <p>did [46] 6/18 7/10 13/22 17/6 17/6 32/23 34/23 34/24 38/24 44/10 45/24 48/11 48/12 49/21 53/4 53/6 54/7 55/6 58/16 59/10 59/16 59/17 60/5 61/21 62/12 63/4 71/4 73/11 80/16 80/16 80/18 80/20 87/13 88/18 90/25 92/13 94/8 97/14 99/25 100/1 100/8 100/8 101/5 105/17 106/1 109/13</p> <p>didn't [31] 13/12 13/22 13/24 13/25 19/17 19/20 26/6 27/10 28/23 29/17 30/6 32/19 36/11 39/7 39/10 40/6 45/14 55/4 56/16 59/12 59/14 59/15 60/3 63/1 77/1 80/19 100/14 100/14 100/16 101/21 109/11</p> <p>different [17] 39/20 50/7 58/23 62/15 65/8 66/16 69/10 71/9 71/10 71/11 72/2 75/8 75/24 75/25 77/5 93/5 104/6</p> <p>difficult [5] 18/9 20/15 24/3 24/15 53/13</p> <p>difficulty [1] 49/22</p> <p>dig [1] 69/6</p> <p>diligence [4] 65/1 66/22 93/4 94/8</p> <p>diluted [1] 59/23</p> <p>dilution [4] 59/12 59/17 59/23 64/8</p> <p>direct [4] 2/5 12/8 62/2 62/20</p> <p>directed [1] 12/18</p> <p>directors [3] 15/22 73/5 77/25</p> <p>Directors' [1] 72/16</p> <p>disagreement [1] 81/10</p> <p>disclaim [1] 97/16</p> <p>disclose [4] 7/11 81/11 81/12 82/13</p> <p>disclosed [1] 7/4</p> <p>disclosure [3] 6/24 7/8 9/1</p> <p>disclosures [1] 97/14</p> <p>discounted [1] 34/18</p> <p>discounts [1] 34/9</p> <p>discovered [1] 48/21</p> <p>discussed [3] 39/9 42/13 58/20</p> <p>discussing [1] 47/1</p> <p>discussion [9] 12/22 60/6 60/19 60/20 68/4 69/14 82/12 83/18 94/25</p> <p>discussions [7] 32/8 49/3 49/16 50/12 68/24 69/17 108/8</p>	<p>display [1] 36/5</p> <p>distribution [1] 35/10</p> <p>DISTRICT [2] 1/2 1/11</p> <p>division [2] 32/25 109/6</p> <p>dizzy [1] 55/6</p> <p>do [98] 6/19 7/15 8/9 9/6 9/18 10/15 10/17 11/4 11/13 12/16 12/22 12/23 12/23 13/12 14/11 16/12 16/13 21/15 26/19 27/10 27/24 36/20 37/17 44/1 47/21 48/13 49/19 49/21 49/25 50/19 50/25 53/4 54/4 56/16 56/18 58/3 58/11 58/15 58/20 59/3 59/4 59/6 59/7 64/2 64/10 64/10 64/16 64/23 66/19 67/4 68/1 68/5 68/7 68/11 69/6 69/15 69/22 72/18 72/23 73/2 73/3 73/7 75/4 75/7 75/18 76/2 76/2 76/16 78/9 78/10 79/20 79/21 81/6 81/19 82/25 82/25 83/16 83/20 84/22 86/7 90/10 90/10 91/10 91/16 94/21 100/14 100/17 101/16 103/5 103/7 104/12 107/2 107/25 108/5 108/10 108/13 108/17 111/3</p> <p>docket [1] 110/5</p> <p>doctors [2] 109/12 109/17</p> <p>document [16] 1/7 6/10 21/21 57/20 62/2 62/5 72/25 73/4 73/4 73/12 73/15 77/14 78/12 83/15 95/6 96/16</p> <p>documents [4] 8/10 8/12 60/14 84/16</p> <p>does [25] 10/5 10/7 27/6 32/1 35/9 35/14 35/20 35/23 38/10 39/10 44/1 61/9 65/8 67/13 71/6 71/12 72/4 74/22 82/18 85/7 88/21 88/21 97/13 103/1 111/9</p> <p>does-this-deal-make-sense [1] 103/1</p> <p>doesn't [5] 31/24 44/6 52/4 71/22 88/23</p> <p>dogged [1] 61/4</p> <p>doggedly [1] 108/19</p> <p>doghouse [1] 77/4</p> <p>doing [11] 9/14 24/21 45/22 48/22 61/19 65/13 69/3 69/3 91/24 93/9 93/11</p> <p>dollar [5] 19/12 22/12 31/9 39/24 95/17</p> <p>dollars [3] 31/6 33/7 93/25</p> <p>don't [50] 7/9 8/24 13/9 13/13 13/25 14/16</p>
--	--	--	---	---

<p>D</p> <p>don't... [44] 15/18 15/19 21/3 22/2 22/4 22/19 24/5 24/6 25/24 28/6 28/22 30/7 34/20 35/15 44/3 44/3 44/12 46/19 48/1 49/7 52/10 53/17 57/22 58/4 59/3 60/9 61/21 62/19 62/25 63/15 65/2 69/1 83/13 87/5 87/16 88/16 90/12 91/19 92/11 93/21 100/13 105/13 105/13 105/14</p> <p>done [11] 13/11 29/11 30/6 32/22 55/3 65/4 66/21 71/16 73/25 87/21 108/6</p> <p>Doornink [8] 12/19 13/5 18/19 45/19 46/23 47/6 56/9 60/6</p> <p>Dopey [1] 15/23</p> <p>doubled [3] 37/25 38/1 48/5</p> <p>down [16] 16/5 16/7 36/1 38/12 41/8 45/20 48/9 48/15 48/16 77/20 80/1 80/2 86/14 91/1 94/4 104/11</p> <p>downside [15] 41/16 42/17 42/22 76/2 76/6 76/8 84/8 84/12 84/20 85/4 85/20 86/1 86/11 86/13 107/3</p> <p>downward [2] 95/12 99/15</p> <p>Dr [1] 15/9</p> <p>draft [6] 12/13 61/25 73/1 79/23 80/4 107/4</p> <p>drafted [2] 13/24 80/9</p> <p>draw [1] 59/17</p> <p>driven [1] 43/11</p> <p>drivers [1] 41/2</p> <p>driving [1] 89/2</p> <p>drove [2] 27/4 40/7</p> <p>due [2] 64/25 66/22</p> <p>Dufilho [3] 81/18 81/20 103/19</p> <p>duly [1] 11/23</p> <p>during [5] 17/13 60/25 86/25 88/18 104/20</p> <p>Duty [4] 19/4 25/10 25/16 29/24</p> <p>DX [3] 53/16 55/13 95/4</p> <p>DX-610 [1] 53/16</p> <p>DX-613 [1] 55/13</p> <p>DX-890 [1] 95/4</p> <p>DX548 [1] 63/20</p> <p>DX754 [1] 78/11</p> <p>dynamic [3] 27/4 31/10 37/10</p>	<p>61/24 63/22 64/1 64/2 65/25 69/1 72/14 75/10 75/12 77/21 80/2 81/15 81/24 82/7 82/11 83/9 85/18 89/14 89/22</p> <p>e-mails [2] 61/9 61/10</p> <p>each [7] 34/25 36/24 49/16 50/8 50/9 50/20 75/8</p> <p>earlier [1] 21/22</p> <p>early [5] 30/9 45/9 47/24 51/14 96/9</p> <p>earn [3] 23/12 24/18 24/19</p> <p>earning [1] 78/4</p> <p>ears [1] 55/7</p> <p>Eastern [1] 65/24</p> <p>easy [1] 18/7</p> <p>EBIDA [1] 42/18</p> <p>EBIT [1] 101/13</p> <p>EBITDA [52] 38/3 38/6 38/8 38/10 38/19 38/23 40/15 40/19 41/2 41/7 41/15 41/16 41/20 42/18 42/20 43/2 43/18 43/23 44/9 44/11 44/12 44/18 74/7 74/14 75/15 75/16 75/17 77/19 77/24 78/4 78/19 79/8 82/13 83/23 83/23 84/13 84/13 86/8 87/4 89/3 89/24 95/13 95/16 95/17 99/16 103/11 103/25 104/11 104/18 104/22 105/5 105/24</p> <p>Economics [1] 70/12</p> <p>education [1] 16/24</p> <p>effect [3] 23/3 82/2 94/6</p> <p>effectively [1] 13/21</p> <p>effort [2] 109/4 109/24</p> <p>efforts [1] 42/3</p> <p>eight [2] 48/16 76/22</p> <p>either [3] 24/5 25/25 59/12</p> <p>electronics [11] 20/14 23/1 23/18 24/16 34/13 38/9 40/16 42/21 49/8 49/25 67/14</p> <p>ELIZABETH [1] 1/11</p> <p>else [5] 11/15 15/6 24/7 46/20 49/11</p> <p>else's [1] 59/1</p> <p>Elwood [1] 15/12</p> <p>email [11] 12/19 12/20 13/8 90/12 90/16 92/15 101/10 102/17 102/22 103/18 106/19</p> <p>emails [2] 13/4 100/23</p> <p>emitter [3] 52/24 92/5 92/7</p> <p>emitters [2] 51/19 51/24</p> <p>employee [1] 57/10</p> <p>end [12] 8/23 29/24 45/14 59/3 85/23 86/6 86/16 87/1 98/2 104/24 104/25 107/7</p> <p>ended [6] 17/13 32/17</p>	<p>33/2 36/9 84/24 84/25</p> <p>endorse [1] 80/16</p> <p>engage [1] 46/10</p> <p>engaged [1] 64/25</p> <p>engaging [1] 108/20</p> <p>engineering [2] 21/7 109/23</p> <p>engineers [1] 92/25</p> <p>enormous [3] 29/4 29/11 36/9</p> <p>enough [5] 26/23 34/10 100/14 100/16 107/5</p> <p>ensure [1] 107/2</p> <p>enter [1] 76/12</p> <p>entered [1] 37/23</p> <p>enterprise [1] 40/22</p> <p>entirety [2] 50/15 50/18</p> <p>entitled [2] 72/16 111/4</p> <p>entity [3] 47/25 64/8 111/10</p> <p>entree [1] 39/25</p> <p>environment [3] 52/4 52/5 109/21</p> <p>equation [1] 31/20</p> <p>equipment [1] 51/23</p> <p>equity [1] 57/23</p> <p>equivalent [2] 43/8 78/23</p> <p>error [1] 98/19</p> <p>escalating [2] 47/2 49/13</p> <p>especially [1] 51/17</p> <p>ESQ [8] 1/15 1/16 1/17 1/18 1/18 1/20 1/21 1/21</p> <p>essentially [14] 19/14 26/21 27/1 36/3 41/21 47/11 48/13 52/17 58/25 59/22 77/7 77/13 87/25 100/15</p> <p>established [1] 104/19</p> <p>estate [1] 51/2</p> <p>estimate [3] 78/3 101/19 105/4</p> <p>estimated [1] 78/19</p> <p>estimates [1] 79/7</p> <p>et [2] 82/2 82/2</p> <p>evaluate [1] 47/11</p> <p>evaluating [1] 47/14</p> <p>even [26] 16/7 17/20 26/21 27/13 29/3 38/14 41/20 42/17 42/22 43/3 43/6 44/5 44/13 52/20 63/1 75/16 84/20 85/3 85/4 85/19 86/14 86/15 87/4 92/14 101/14 109/14</p> <p>event [1] 79/16</p> <p>events [1] 99/1</p> <p>eventually [6] 17/17 38/20 45/5 56/19 61/23 79/11</p> <p>ever [4] 15/6 15/14 15/22 69/7</p> <p>every [11] 19/20 20/18 22/19 22/20 24/19 27/19 31/23 34/12</p>	<p>42/20 44/14 102/5</p> <p>everybody [5] 31/15 36/17 55/5 59/1 59/1</p> <p>everyone [2] 52/6 52/8</p> <p>everything [4] 21/2 31/8 63/16 88/6</p> <p>evidence [5] 53/25 54/1 54/7 55/15 55/16</p> <p>evolved [3] 46/11 68/24 69/18</p> <p>evolving [1] 94/2</p> <p>exact [3] 30/7 60/9 87/16</p> <p>exactly [10] 13/13 35/15 62/19 65/16 69/1 83/13 92/12 100/7 100/13 105/13</p> <p>Examination [4] 2/5 2/6 12/8 16/19</p> <p>example [6] 16/25 29/1 33/5 40/23 71/23 84/21</p> <p>exceeds [1] 42/20</p> <p>Except [1] 98/2</p> <p>exchange [4] 12/12 13/23 58/4 69/1</p> <p>exchanging [2] 12/24 13/9</p> <p>excited [1] 15/18</p> <p>exclusivity [3] 33/14 33/24 61/25</p> <p>excuse [1] 18/3</p> <p>execution [1] 33/1</p> <p>executive [6] 13/18 19/17 19/23 21/16 21/17 38/15</p> <p>exhibit [12] 10/9 11/7 46/22 53/24 57/14 60/15 61/6 69/12 79/23 81/15 95/8 106/19</p> <p>Exhibit 931 [1] 106/19</p> <p>exhibits [2] 2/9 10/19</p> <p>existing [4] 44/19 52/19 92/6 92/7</p> <p>exit [1] 19/13</p> <p>exodus [1] 27/2</p> <p>expect [5] 34/24 76/4 86/7 107/5 108/20</p> <p>expectation [1] 82/24</p> <p>expectations [7] 82/1 82/15 86/4 86/5 89/3 102/10 102/11</p> <p>expected [6] 34/3 34/5 84/7 84/8 85/24 103/10</p> <p>expense [1] 109/23</p> <p>expensive [1] 86/22</p> <p>experience [8] 39/11 45/11 47/9 57/7 58/18 76/21 109/14 109/18</p> <p>expert [2] 56/12 58/6</p> <p>expertise [1] 20/1</p> <p>explain [4] 48/20 48/20 49/5 88/6</p> <p>explained [1] 102/2</p> <p>explains [1] 90/25</p> <p>exposures [1] 103/1</p> <p>extended [1] 55/11</p> <p>extent [1] 26/25</p> <p>extraordinary [1] 87/6</p> <p>extremely [3] 23/17</p>	<p>27/11 53/12</p> <p>F</p> <p>facility [4] 41/24 42/15 76/14 106/9</p> <p>fact [9] 24/12 28/9 34/20 75/3 76/11 80/18 88/2 99/9 100/4</p> <p>factor [5] 31/22 34/1 34/2 34/12 43/3</p> <p>factors [1] 25/15</p> <p>facts [2] 39/5 58/6</p> <p>fair [12] 22/15 41/23 56/13 77/9 78/7 85/3 85/16 90/1 98/7 98/17 103/22 106/12</p> <p>fairly [1] 28/19</p> <p>Fairness [8] 78/8 78/15 79/11 90/18 91/18 96/24 97/2 97/11</p> <p>faith [2] 101/18 105/4</p> <p>fall [5] 29/8 37/21 89/5 93/19 94/13</p> <p>familiar [1] 14/6</p> <p>fast [2] 26/23 38/13</p> <p>faster [2] 34/3 88/13</p> <p>favor [1] 94/16</p> <p>FD [1] 108/12</p> <p>FDA [3] 49/23 50/2 110/1</p> <p>FDA-certified [2] 49/23 50/2</p> <p>fear [1] 49/3</p> <p>features [2] 29/5 29/21</p> <p>February [3] 30/8 45/8 45/9</p> <p>feedback [2] 53/21 55/7</p> <p>feel [2] 19/17 59/6</p> <p>feelings [2] 59/5 60/22</p> <p>fees [1] 76/23</p> <p>felt [1] 59/12</p> <p>fence [2] 49/17 50/7</p> <p>few [7] 6/7 8/19 23/18 32/12 64/5 79/18 102/19</p> <p>fidelity [1] 48/10</p> <p>fields [1] 49/18</p> <p>figure [1] 65/14</p> <p>filing [1] 98/19</p> <p>final [4] 43/21 80/19 80/19 96/6</p> <p>finally [2] 8/9 14/4</p> <p>finance [2] 44/14 88/20</p> <p>financial [6] 38/24 82/1 98/4 98/8 98/12 107/3</p> <p>financials [8] 37/6 73/17 73/18 73/19 78/15 83/15 88/24 107/7</p> <p>financing [1] 20/1</p> <p>find [1] 87/24</p> <p>firm [3] 17/4 18/16 19/18</p> <p>firms [2] 17/19 19/10</p> <p>first [31] 6/8 11/23 12/1 14/13 20/19 22/18 29/22 36/2 36/19 36/19 42/9 47/5 48/2 49/14</p>
---	---	---	--	---

<p>F</p> <p>first... [17] 53/17 56/3 56/5 64/14 65/18 67/3 73/1 79/22 81/19 82/21 91/13 92/11 96/15 97/8 97/8 108/12 109/13</p> <p>five [4] 13/10 16/4 17/13 103/17</p> <p>flat [1] 51/21</p> <p>flexibility [1] 107/6</p> <p>flow [1] 67/12</p> <p>flows [1] 68/21</p> <p>flywheel [1] 23/3</p> <p>focus [5] 51/13 53/4 69/18 75/12 90/16</p> <p>focused [3] 26/14 102/8 102/8</p> <p>focusing [1] 38/3</p> <p>folks [2] 81/18 89/15</p> <p>follow [1] 47/18</p> <p>follow-up [1] 47/18</p> <p>following [2] 8/24 98/13</p> <p>follows [1] 11/24</p> <p>forecast [32] 32/14 38/18 39/14 69/11 71/23 73/1 73/13 73/20 73/21 74/1 74/4 74/7 74/12 74/15 74/21 74/22 74/23 75/1 75/4 76/1 76/8 77/5 78/21 78/22 85/8 91/19 97/22 103/23 104/3 104/7 104/12 104/14</p> <p>forecasted [1] 79/8</p> <p>forecasting [1] 65/12</p> <p>forecasts [5] 72/7 72/22 75/25 76/6 91/17</p> <p>former [1] 18/21</p> <p>forth [1] 75/11</p> <p>forward [13] 13/21 32/11 32/18 56/19 56/24 60/9 60/11 60/13 61/5 61/12 61/17 70/8 85/3</p> <p>forwarding [2] 72/14 80/8</p> <p>founded [1] 102/10</p> <p>founder [1] 56/9</p> <p>founders [5] 21/3 21/6 21/9 21/10 56/6</p> <p>four [11] 10/21 16/4 17/11 19/13 24/13 37/14 48/9 66/16 67/16 72/1 72/10</p> <p>four minutes [1] 16/4</p> <p>FOX [23] 1/21 7/8 10/18 11/5 13/19 13/20 18/12 18/13 18/14 18/15 56/21 57/21 58/3 58/14 59/10 59/19 59/24 60/1 60/6 60/18 61/23 64/2 67/24</p> <p>Fox's [1] 61/11</p> <p>frame [3] 30/10 37/22 94/11</p> <p>franchise [2] 17/23 23/11</p>	<p>frankly [5] 19/1 23/13 38/10 48/25 57/1</p> <p>freak [1] 77/13</p> <p>frequencies [3] 48/13 48/14 52/7</p> <p>frequency [2] 52/11 52/25</p> <p>Friday [3] 44/8 103/16 106/20</p> <p>front [3] 21/1 44/15 65/9</p> <p>fruition [2] 94/1 94/10</p> <p>full [13] 11/25 46/13 47/20 67/17 69/18 70/8 70/16 71/5 71/16 72/10 73/20 73/23 104/12</p> <p>functionally [2] 77/20 82/7</p> <p>fundamentals [1] 46/16</p> <p>furnished [1] 97/9</p> <p>further [2] 16/7 109/24</p> <p>future [6] 35/2 40/10 82/1 82/22 98/5 99/1</p> <p>future events [1] 99/1</p> <p>FY2 [1] 104/14</p> <p>G</p> <p>gain [1] 82/4</p> <p>game [2] 19/11 30/3</p> <p>gamer [3] 27/19 31/24 45/16</p> <p>gamers [2] 29/24 31/21</p> <p>games [1] 19/5</p> <p>gaming [18] 19/3 20/11 20/22 20/24 22/12 22/18 23/5 23/25 27/10 39/11 39/23 45/13 46/12 47/9 64/14 64/14 66/25 68/4</p> <p>gate [2] 27/16 29/23</p> <p>gave [3] 14/4 60/10 74/13</p> <p>GE [1] 109/18</p> <p>gear [1] 23/6</p> <p>gears [1] 35/6</p> <p>gen [8] 25/4 26/3 26/7 26/11 26/12 26/17 26/18 34/4</p> <p>general [3] 61/10 82/18 109/18</p> <p>generally [1] 106/15</p> <p>generated [1] 25/16</p> <p>generating [1] 91/14</p> <p>GEORGE [1] 1/15</p> <p>get [30] 7/7 7/20 8/10 9/6 28/6 29/11 29/20 29/23 30/5 30/5 31/1 31/2 36/25 38/16 40/2 41/6 44/10 44/17 45/20 48/23 52/10 52/23 60/2 60/19 62/16 65/8 74/12 83/6 90/4 94/5</p> <p>gets [4] 33/23 34/13 34/14 82/4</p> <p>getting [9] 29/4 32/21 53/17 69/9 93/19 93/23 102/25 103/15 108/10</p> <p>give [14] 30/6 32/7</p>	<p>32/14 45/16 51/18 64/12 77/2 77/6 85/20 93/11 93/12 101/12 107/5 108/11</p> <p>given [9] 28/23 28/25 36/10 38/24 42/2 94/18 97/2 98/8 100/11</p> <p>gives [1] 104/23</p> <p>giving [7] 12/21 13/6 59/13 60/1 75/14 77/10 108/12</p> <p>global [2] 17/4 57/23</p> <p>go [57] 8/1 8/15 8/18 9/21 14/8 21/25 22/5 22/7 22/8 24/23 26/1 31/17 35/17 35/24 36/5 36/18 37/3 39/15 40/8 41/5 44/20 48/15 49/12 55/4 55/13 56/19 62/13 63/20 70/8 72/12 74/16 77/14 77/16 78/7 78/11 78/11 81/15 83/14 85/10 85/14 87/3 89/10 91/21 93/21 95/4 95/6 96/5 96/15 97/4 98/11 99/12 100/18 102/2 102/15 103/18 104/11 106/19</p> <p>goal [3] 20/4 21/11 109/13</p> <p>goes [5] 25/19 68/7 81/6 88/7 97/16</p> <p>going [64] 6/16 7/25 8/1 8/2 8/6 10/18 11/18 12/23 13/20 13/21 19/22 20/1 27/10 28/15 28/19 29/19 30/2 30/12 31/20 31/21 32/8 32/11 32/12 33/5 33/18 33/19 39/10 50/24 51/8 51/10 54/2 55/22 57/16 57/18 59/9 59/16 60/7 69/22 71/3 72/21 75/12 77/3 77/11 82/21 82/25 83/1 83/4 83/5 83/6 85/24 86/4 88/17 90/16 92/21 93/9 93/20 94/4 95/1 95/20 102/7 103/24 107/19 109/9 109/25</p> <p>GONZALEZ [1] 1/11</p> <p>good [25] 6/3 16/21 16/22 20/20 22/23 24/19 27/11 28/6 31/14 32/22 33/1 34/21 44/12 44/14 52/8 63/7 63/17 82/24 90/21 92/25 100/17 101/18 102/11 106/15 109/5</p> <p>good-faith [1] 101/18</p> <p>Google [1] 17/18</p> <p>got [35] 8/3 9/19 17/18 18/18 19/25 19/25 25/23 26/24 27/9 29/10 29/13 29/21 31/17 31/19 33/6 34/6 34/8 38/20 40/4 40/5 45/6 45/8 45/9 45/12 45/17 46/6 50/4 56/19 61/23 62/25 88/16 93/8 96/10</p>	<p>108/15 110/6</p> <p>great [4] 10/16 63/15 64/6 101/12</p> <p>green [4] 25/9 25/16 25/17 25/23</p> <p>grew [1] 38/13</p> <p>ground [1] 17/8</p> <p>grounding [1] 90/22</p> <p>group [3] 1/21 18/16 53/4</p> <p>grow [3] 20/22 21/1 40/10</p> <p>growing [1] 27/3</p> <p>grown [1] 21/13</p> <p>growth [1] 37/11</p> <p>guess [11] 23/23 28/9 28/17 35/15 41/19 58/15 64/19 65/22 68/17 74/14 90/4</p> <p>guessed [1] 28/18</p> <p>guidance [10] 32/7 44/17 44/21 85/4 99/22 99/25 100/2 108/4 108/9 108/18</p> <p>guided [5] 86/14 86/16 103/5 104/25 105/5</p> <p>guy [1] 109/20</p> <p>guys [8] 7/25 8/1 10/21 18/23 33/4 33/7 59/3 101/13</p> <p>H</p> <p>had [103] 7/2 13/5 14/1 14/1 17/23 18/16 19/8 19/10 19/14 19/16 20/10 21/3 21/13 24/25 26/8 26/17 27/8 27/13 27/14 27/19 28/6 28/9 28/13 28/16 28/16 28/19 28/22 29/4 29/5 29/11 31/6 31/7 32/21 33/24 36/11 36/16 37/13 38/4 38/16 40/5 40/9 41/19 45/12 45/21 45/21 47/8 48/3 48/4 48/5 48/21 48/21 51/18 51/25 52/20 52/24 56/7 57/7 58/19 58/24 62/10 62/15 63/1 64/25 66/21 66/22 68/24 69/17 71/15 74/4 74/18 75/8 76/21 78/4 81/11 82/12 87/9 87/13 87/20 87/23 89/19 91/3 91/6 91/12 92/6 92/7 92/25 93/6 93/10 93/14 94/4 94/9 94/13 97/20 101/4 102/11 105/10 105/22 106/2 106/24 107/24 108/8 109/17 109/19</p> <p>half [10] 7/22 17/8 31/8 40/21 44/3 66/2 66/4 66/7 91/13 92/11</p> <p>Hallum [10] 78/15 84/5 90/11 91/17 95/1 96/23 97/1 97/7 97/10 98/8</p> <p>Hallum's [1] 97/10</p> <p>hang [2] 15/16 15/20</p> <p>Hanson [2] 103/19</p>	<p>105/4</p> <p>happen [6] 24/2 44/6 55/10 86/24 89/20 92/13</p> <p>happened [8] 13/8 29/7 31/3 44/22 84/21 91/3 108/17 109/2</p> <p>happening [4] 28/1 32/17 92/20 104/18</p> <p>happens [4] 33/9 50/13 53/9 103/16</p> <p>happily [1] 104/21</p> <p>hard [8] 45/20 49/24 52/15 59/5 59/17 60/22 76/23 110/1</p> <p>hardcore [1] 29/24</p> <p>hardware [3] 29/18 30/6 96/3</p> <p>Harvard [1] 17/3</p> <p>has [34] 6/23 7/22 14/18 15/3 19/19 22/11 23/24 24/9 36/17 40/22 45/19 49/10 50/7 53/12 55/5 61/24 66/8 72/9 75/15 75/15 75/16 75/24 76/14 79/22 80/12 87/16 90/13 92/17 98/12 99/3 99/12 104/19 107/8 108/3</p> <p>hasn't [1] 24/8</p> <p>have [145]</p> <p>haven't [2] 88/2 103/3</p> <p>having [12] 9/12 11/23 24/6 24/7 26/11 26/11 32/8 60/6 80/12 81/3 92/22 93/2</p> <p>HAWKINS [1] 1/24</p> <p>he [64] 7/25 12/13 13/14 13/16 13/17 14/1 16/15 18/22 19/22 45/19 45/25 46/1 46/2 46/2 47/7 47/8 47/24 51/2 53/20 53/22 56/7 56/7 56/9 56/10 56/16 56/18 56/23 56/23 56/25 57/7 57/11 58/16 58/21 59/5 59/7 59/7 59/8 59/8 59/12 59/12 59/17 59/22 60/1 60/2 60/4 79/22 81/25 100/8 100/8 100/10 101/3 101/5 101/7 101/10 101/11 102/7 102/23 107/24 109/16 109/17 109/18 109/19 109/20 109/22</p> <p>he's [5] 45/20 47/19 47/20 56/10 101/17</p> <p>head [5] 53/20 55/6 57/23 59/19 69/23</p> <p>heading [2] 86/23 94/19</p> <p>headphone [1] 31/16</p> <p>headphones [6] 30/13 30/13 39/23 39/23 39/24 45/17</p> <p>headset [19] 20/22 22/12 22/18 23/25 25/13 25/20 27/20</p>
---	---	--	---	--

<p>H</p> <p>headset... [12] 29/14 29/16 30/1 31/5 31/17 31/17 31/21 31/25 31/25 32/3 32/16 39/19</p> <p>headsets [34] 20/11 20/19 22/21 22/22 25/6 25/9 25/10 25/11 25/13 26/3 27/10 27/17 28/16 28/21 29/5 29/17 29/21 30/9 30/15 30/18 31/12 31/14 31/21 32/4 32/19 33/14 33/19 34/21 35/14 36/6 36/6 36/8 86/22 88/22</p> <p>health [3] 12/15 43/10 67/15</p> <p>healthcare [3] 46/12 49/23 109/25</p> <p>healthy [2] 38/6 40/20</p> <p>hear [7] 18/9 52/6 52/7 52/8 53/7 100/1 101/21</p> <p>heard [3] 25/2 29/6 41/23</p> <p>hearing [25] 45/20 45/20 45/23 45/25 48/20 48/22 49/10 49/24 52/14 52/15 52/15 52/16 52/21 52/23 53/2 92/6 92/24 93/6 109/8 109/10 109/11 109/12 109/15 109/17 110/2</p> <p>heart [2] 30/4 31/11</p> <p>heightened [1] 82/15</p> <p>held [1] 22/22</p> <p>hell [1] 91/10</p> <p>help [7] 12/12 12/25 19/25 20/3 35/20 45/22 54/23</p> <p>helped [1] 17/16</p> <p>helping [4] 19/20 47/10 54/21 60/12</p> <p>helps [1] 23/7</p> <p>her [2] 64/10 65/25</p> <p>here [26] 8/19 16/14 16/17 18/8 22/2 25/15 25/16 25/18 30/19 39/10 41/4 41/6 42/17 50/4 52/11 73/17 73/20 75/5 75/13 76/11 80/9 84/11 94/7 101/8 102/7 107/23</p> <p>here's [1] 49/22</p> <p>HEREBY [1] 111/3</p> <p>HESS [7] 1/21 2/6 11/3 16/11 18/3 54/15 55/23</p> <p>hey [2] 33/4 46/5</p> <p>HHI [4] 12/21 12/24 80/13 81/3</p> <p>high [18] 18/23 20/12 23/3 23/17 24/3 25/19 29/24 38/11 40/5 40/9 46/14 52/7 53/7 75/7 85/23 86/16 94/15 94/16</p> <p>high-end [1] 29/24</p> <p>high-pitched [1] 53/7</p>	<p>high-side [1] 75/7</p> <p>higher [5] 27/12 40/22 52/25 83/5 84/7</p> <p>highly [4] 20/15 26/14 32/13 36/25</p> <p>highway [1] 43/9</p> <p>him [18] 12/21 13/6 14/21 14/22 42/9 56/8 57/9 58/11 61/19 75/12 75/13 76/18 82/11 101/23 102/1 107/1 108/3 109/22</p> <p>hire [2] 19/21 109/13</p> <p>hired [1] 59/8</p> <p>his [12] 12/12 45/25 53/21 57/2 57/23 58/21 58/22 59/10 60/2 61/4 61/11 102/6</p> <p>historical [3] 37/6 38/24 78/14</p> <p>hit [4] 44/5 48/3 68/9 102/11</p> <p>hits [1] 25/23</p> <p>hitting [2] 82/25 103/15</p> <p>Hold [2] 11/6 54/9</p> <p>holding [2] 49/3 50/12</p> <p>HOLDINGS [2] 1/20 1/21</p> <p>holiday [5] 33/6 44/18 44/19 44/22 103/16</p> <p>holidays [1] 43/17</p> <p>hone [2] 44/7 44/8</p> <p>Honor [14] 6/8 6/13 7/5 7/12 7/16 8/7 16/9 42/23 50/16 53/23 54/24 61/14 63/9 90/6</p> <p>HONORABLE [1] 1/11</p> <p>Hooked [1] 46/2</p> <p>hope [1] 91/9</p> <p>hopefully [1] 8/10</p> <p>hopes [2] 40/5 40/10</p> <p>host [1] 80/3</p> <p>hostile [1] 106/15</p> <p>Houlihan [3] 81/22 89/15 97/9</p> <p>hour [4] 7/22 43/9 58/19 66/2</p> <p>hour-long [1] 58/19</p> <p>hours [2] 66/4 66/7</p> <p>house [3] 50/24 51/7 51/11</p> <p>Hoverman [3] 81/17 81/20 103/19</p> <p>how [42] 8/1 12/24 12/25 24/15 25/3 26/6 26/10 27/6 27/24 28/1 28/10 35/13 39/10 43/17 45/6 49/17 50/7 50/19 51/17 54/23 57/23 60/5 60/21 61/1 62/12 62/23 64/12 65/8 65/10 67/12 68/20 68/21 69/9 69/10 75/24 81/12 86/21 91/24 102/12 109/11 110/3 110/3</p> <p>huge [2] 33/13 40/4</p> <p>huh [2] 67/21 103/3</p>	<p>hundred [2] 93/18 104/18</p> <p>HyperSound [10] 12/15 48/23 51/15 51/17 52/12 52/17 53/5 55/3 56/14 109/2</p> <p>I</p> <p>I'll [3] 8/23 57/5 109/3</p> <p>I'm [33] 8/24 9/1 9/14 9/20 10/18 14/3 14/6 14/12 14/16 20/9 35/19 35/21 35/24 37/21 59/9 59/16 62/4 63/17 69/19 70/1 73/17 75/12 77/3 78/13 82/25 83/6 86/4 90/16 96/21 101/21 104/20 108/9 109/7</p> <p>I've [3] 9/19 13/11 80/3</p> <p>I.T [2] 6/14 6/16</p> <p>idea [8] 8/1 15/5 40/8 44/12 45/13 57/10 64/12 69/9</p> <p>ideas [3] 12/24 13/9 102/4</p> <p>IDENTIFICATION [1] 111/10</p> <p>if [125]</p> <p>ignore [1] 25/5</p> <p>Ill [2] 1/15 1/18</p> <p>immaterial [1] 94/20</p> <p>impact [1] 89/23</p> <p>impacted [1] 31/10</p> <p>impacts [1] 26/10</p> <p>implies [1] 69/2</p> <p>important [12] 20/14 22/25 23/5 25/5 32/15 34/16 43/17 51/16 56/10 76/19 82/22 89/4</p> <p>impossible [1] 94/7</p> <p>impressed [1] 45/11</p> <p>improving [1] 21/17</p> <p>in [302]</p> <p>inaccurate [1] 89/6</p> <p>INC [1] 1/25</p> <p>include [2] 72/4 87/5</p> <p>included [4] 71/6 90/19 98/13 98/15</p> <p>includes [1] 81/17</p> <p>including [9] 17/5 17/20 24/22 29/21 31/13 43/20 44/18 88/10 101/8</p> <p>inclusion [1] 98/22</p> <p>increase [2] 24/10 36/14</p> <p>increasingly [1] 93/23</p> <p>incredible [1] 46/4</p> <p>incredibly [1] 58/24</p> <p>incremental [1] 68/9</p> <p>indeed [2] 98/20 107/16</p> <p>indemnification [4] 14/5 14/8 14/14 15/3</p> <p>indemnify [1] 14/21</p> <p>indicated [1] 6/8</p> <p>indication [1] 98/23</p> <p>indiscernible [2] 60/15 103/16</p>	<p>industry [3] 24/16 32/17 82/13</p> <p>information [9] 28/2 28/6 44/16 74/18 90/11 90/13 99/5 108/11 108/15</p> <p>infrastructure [1] 40/25</p> <p>initial [4] 37/17 46/13 64/18 66/8</p> <p>initially [1] 62/22</p> <p>innovating [1] 20/18</p> <p>innovation [3] 20/13 22/20 22/23</p> <p>input [1] 66/17</p> <p>instead [2] 62/17 97/23</p> <p>integrity [1] 18/24</p> <p>intend [1] 6/25</p> <p>intended [2] 6/11 106/2</p> <p>intends [1] 98/3</p> <p>intention [1] 13/5</p> <p>intentionally [1] 84/9</p> <p>interaction [1] 82/21</p> <p>interactions [1] 76/24</p> <p>interested [4] 45/12 45/17 47/24 48/19</p> <p>interesting [1] 46/6</p> <p>interference [1] 52/17</p> <p>internal [6] 53/9 60/5 61/3 72/15 88/14 98/12</p> <p>internally [1] 77/24</p> <p>interrupt [1] 8/22</p> <p>into [41] 6/12 23/2 27/2 28/22 29/15 29/16 29/23 32/3 34/3 34/19 36/4 36/15 36/18 38/13 38/25 39/22 39/25 40/2 40/5 44/4 52/20 52/22 53/14 57/6 65/4 69/6 69/11 74/12 76/12 77/7 80/18 80/19 86/23 87/24 88/4 88/7 88/17 93/19 107/2 109/25 109/25</p> <p>introduced [3] 45/6 45/8 101/4</p> <p>invented [1] 22/15</p> <p>inventor [1] 56/10</p> <p>inventory [2] 34/7 34/10</p> <p>investigator [1] 102/3</p> <p>investment [3] 37/18 40/19 57/5</p> <p>investor [9] 81/7 81/13 83/9 85/12 86/3 101/3 102/2 108/11 108/14</p> <p>investors [6] 82/22 83/2 83/7 85/17 100/6 108/12</p> <p>involved [1] 91/25</p> <p>iPad [1] 45/25</p> <p>is [264]</p> <p>iSeries [1] 39/20</p> <p>isn't [2] 77/10 100/4</p> <p>issue [9] 8/5 12/25 25/12 32/19 52/10 53/1 70/7 90/17 107/19</p> <p>issued [5] 79/12 79/15</p>	<p>80/14 94/22 106/24</p> <p>issues [6] 34/3 70/20 94/12 105/10 105/14 107/3</p> <p>it [245]</p> <p>it'd [2] 49/8 60/22</p> <p>it's [61] 6/13 9/16 11/19 13/12 14/9 14/12 17/3 18/7 18/9 20/4 20/15 21/25 24/3 24/17 24/17 26/22 27/18 28/7 32/12 32/16 33/18 34/7 39/3 41/6 44/11 47/23 53/25 54/1 54/17 55/19 55/22 56/13 56/25 57/10 57/16 57/18 60/18 62/3 62/3 65/6 68/3 68/17 68/19 68/20 69/13 71/1 72/7 72/17 74/7 75/5 76/1 82/22 83/6 88/9 88/21 88/23 89/4 103/22 104/3 104/4 108/12</p> <p>item [1] 31/1</p> <p>items [2] 6/7 94/8</p> <p>its [5] 15/4 68/18 74/4 77/25 78/4</p> <p>itself [1] 87/12</p> <p>J</p> <p>J-u-e-r-g-e-n [1] 12/4</p> <p>January [6] 44/13 88/3 107/10 107/11 107/17 107/21</p> <p>January 15 [1] 107/11</p> <p>JD [1] 1/25</p> <p>JILL [1] 1/24</p> <p>job [3] 17/25 32/22 100/17</p> <p>JOHN [1] 1/18</p> <p>join [1] 19/6</p> <p>joined [3] 20/6 37/9 37/23</p> <p>joke [1] 101/14</p> <p>Josh [4] 8/22 55/15 102/1 102/14</p> <p>JOSHUA [2] 1/21 100/24</p> <p>JUDGE [1] 1/11</p> <p>judgment [1] 14/22</p> <p>JUERGEN [3] 1/21 11/22 12/2</p> <p>July [7] 72/17 74/3 74/13 75/22 78/23 84/5 91/20</p> <p>June [9] 21/24 22/1 42/3 61/24 75/11 84/4 84/4 84/4 91/20</p> <p>just [74] 6/7 6/10 7/15 7/20 8/6 8/24 9/16 11/20 15/18 15/20 16/2 16/23 18/23 19/23 20/2 21/11 21/16 23/11 23/14 23/15 23/23 25/2 26/1 26/20 27/4 27/23 27/25 32/14 33/10 42/8 42/13 43/12 43/15 44/20 47/9 48/6 51/18 51/23 51/23 56/23</p>
--	---	--	--	--

<p>J</p> <p>just... [34] 60/14 60/21 61/4 61/22 64/11 64/21 65/6 65/8 65/12 65/13 66/17 66/24 66/24 67/11 68/20 71/24 71/24 71/25 72/2 79/23 83/7 87/11 88/23 88/25 89/4 91/23 93/22 96/5 100/11 101/17 102/19 105/18 105/22 108/13</p> <p>K</p> <p>Kahn [3] 107/24 108/1 108/3</p> <p>KAPLAN [2] 1/18 15/7</p> <p>Karen [6] 7/8 20/2 46/23 47/9 60/12 64/5</p> <p>keep [10] 9/16 13/12 23/12 34/9 49/23 50/19 54/2 55/22 59/18 102/25</p> <p>keeping [1] 9/12</p> <p>keeps [1] 80/11</p> <p>Ken [30] 7/7 12/11 12/21 13/19 13/20 14/1 17/23 18/11 18/12 18/13 18/14 18/15 19/7 45/8 47/18 56/9 56/18 56/21 58/5 58/19 58/21 59/4 60/12 61/4 61/16 82/20 101/4 101/4 102/8 102/14</p> <p>Ken's [2] 13/25 62/16</p> <p>KENNETH [2] 1/17 1/21</p> <p>Kenworthy [12] 7/8 10/18 11/5 46/23 47/6 64/2 65/17 65/24 66/21 67/23 71/4 103/19</p> <p>Kenworthy/Fox [1] 10/18</p> <p>key [6] 30/2 31/22 45/18 47/7 82/5 92/2</p> <p>kill [1] 82/15</p> <p>killed [1] 83/6</p> <p>kind [44] 14/12 14/16 17/12 19/7 19/7 20/18 21/5 21/19 24/18 26/9 26/10 26/15 27/25 30/17 31/11 35/6 40/1 47/1 47/7 47/9 47/12 48/2 48/8 48/13 48/14 48/24 50/3 53/11 55/5 56/14 56/24 61/10 62/16 82/8 83/18 89/9 92/2 93/22 101/5 102/12 103/17 105/21 109/6 109/20</p> <p>kiosks [3] 35/25 36/15 36/23</p> <p>kitchen [2] 50/25 51/5</p> <p>knew [6] 13/20 21/9 30/7 77/5 93/16 109/16</p> <p>know [79] 6/5 7/17 8/2 8/25 9/10 11/20 13/10 13/25 15/6 15/9 15/19 17/8 18/9 19/10 19/11</p>	<p>19/14 19/19 19/22 21/3 21/18 24/9 25/17 25/21 26/10 26/14 27/6 27/18 27/24 27/25 28/1 28/9 28/23 29/3 30/7 34/15 37/10 40/18 41/21 43/6 43/16 44/10 45/16 46/18 47/11 47/19 50/13 53/10 54/23 55/7 55/11 56/11 56/24 57/9 57/11 57/22 58/3 58/7 60/12 61/3 61/16 63/16 68/21 72/11 73/12 73/20 73/23 74/16 81/19 81/25 87/10 88/10 88/14 88/15 92/22 92/24 93/17 100/13 101/16 108/16</p> <p>knowledge [4] 39/8 44/3 100/16 109/11</p> <p>known [1] 30/21</p> <p>KOTLER [1] 1/20</p> <p>L</p> <p>Labor [1] 20/8</p> <p>lack [5] 32/18 38/15 38/15 99/25 102/25</p> <p>laid [2] 58/21 58/22</p> <p>language [3] 80/18 99/8 99/19</p> <p>large [7] 24/10 25/6 44/13 59/13 94/19 109/8 109/15</p> <p>largest [1] 19/3</p> <p>LAS [2] 5/8 111/12</p> <p>last [12] 12/1 12/10 13/11 16/6 24/10 39/3 43/19 79/19 85/18 88/25 98/2 103/17</p> <p>late [8] 30/9 31/7 44/13 45/9 63/22 84/21 84/24 85/1</p> <p>later [7] 37/14 66/2 66/4 66/7 82/15 96/6 96/6</p> <p>latter [1] 48/19</p> <p>launch [18] 25/23 26/4 28/5 28/8 29/1 29/2 29/19 30/8 30/12 32/22 32/24 33/15 33/18 50/1 53/2 87/1 92/1 92/10</p> <p>launched [8] 26/13 27/7 28/12 29/4 29/20 30/9 30/16 31/4</p> <p>launches [2] 84/21 86/24</p> <p>launching [6] 26/5 30/1 34/22 84/24 84/25 91/13</p> <p>law [1] 98/3</p> <p>lawyer [1] 104/20</p> <p>lawyers [2] 15/1 15/17</p> <p>leadership [3] 12/14 32/25 80/12</p> <p>leading [1] 34/20</p> <p>learn [1] 30/11</p> <p>learning [1] 39/9</p> <p>lease [2] 50/24 51/8</p> <p>least [8] 13/5 32/4</p>	<p>32/20 33/19 35/16 58/15 74/3 103/22</p> <p>leaving [1] 34/2</p> <p>led [1] 83/2</p> <p>left [3] 12/10 33/1 89/10</p> <p>legacy [1] 30/13</p> <p>legal [1] 14/19</p> <p>lender [4] 77/3 77/10 106/3 106/10</p> <p>lenders [5] 43/12 75/14 76/5 77/25 84/10</p> <p>lengthy [2] 56/4 102/3</p> <p>less [4] 19/24 32/16 88/22 103/11</p> <p>let [8] 8/14 11/20 19/21 54/8 59/9 61/21 96/15 105/17</p> <p>let's [17] 9/21 21/21 25/5 35/6 40/11 45/4 49/22 51/13 59/7 60/14 77/14 79/11 80/21 85/10 91/15 91/21 96/5</p> <p>letters [1] 98/21</p> <p>letting [1] 47/18</p> <p>level [6] 21/17 24/14 41/20 43/12 44/1 68/9</p> <p>leverage [1] 106/12</p> <p>license [18] 27/9 27/9 28/24 29/13 46/12 46/12 49/3 49/7 49/11 50/13 64/14 64/15 65/15 66/25 67/14 68/4 69/3 70/19</p> <p>licensed [2] 27/15 49/25</p> <p>licensees [2] 50/8 50/19</p> <p>licenses [1] 49/14</p> <p>licensing [8] 28/24 46/18 46/20 50/12 67/15 68/18 70/19 72/5</p> <p>Life [1] 51/2</p> <p>like [89] 6/9 13/5 19/17 20/3 20/7 20/25 21/12 21/13 21/14 21/19 23/1 23/23 24/5 24/6 25/18 25/19 26/22 28/16 29/5 29/23 31/1 31/2 31/19 32/14 33/2 33/6 33/7 33/11 34/7 35/4 35/13 37/13 38/9 38/12 38/22 38/23 39/3 41/3 42/20 43/10 45/16 46/3 46/6 47/2 47/8 47/14 49/9 50/6 52/1 52/6 52/19 55/5 55/6 57/10 58/5 59/6 59/12 59/13 59/13 61/25 64/11 64/21 67/24 68/20 69/11 71/8 71/14 72/9 73/8 73/11 73/18 77/3 77/5 78/18 82/20 82/23 85/19 86/22 87/17 87/19 90/5 92/8 92/11 93/9 93/15 94/19 101/17 105/15 109/20</p> <p>liked [12] 17/22 17/22 17/23 18/24 19/1 19/7</p>	<p>20/5 22/24 36/7 36/7 36/8 59/7</p> <p>limit [1] 43/9</p> <p>limited [2] 27/3 32/10</p> <p>limiting [1] 33/4</p> <p>limits [1] 105/22</p> <p>line [5] 12/20 34/23 59/17 61/23 67/3</p> <p>lineup [1] 24/24</p> <p>list [4] 9/4 13/25 80/1 93/8</p> <p>listed [2] 12/14 84/11</p> <p>listen [4] 36/7 93/21 102/2 102/3</p> <p>listening [7] 15/17 15/19 36/3 36/11 36/11 36/15 55/12</p> <p>lists [2] 56/14 58/1</p> <p>literally [2] 52/22 65/6</p> <p>LITIGATION [1] 1/5</p> <p>little [25] 16/24 26/9 29/7 29/16 35/6 35/25 38/17 39/20 43/14 45/4 45/6 45/25 51/20 51/20 55/6 57/2 62/15 70/15 76/9 81/9 85/20 85/25 86/14 86/15 88/6</p> <p>living [6] 49/24 50/2 51/23 52/4 52/20 109/25</p> <p>LLC [2] 1/15 6/9</p> <p>loan [10] 43/2 43/4 43/4 43/6 43/7 47/12 47/12 76/12 107/2 107/4</p> <p>located [1] 65/19</p> <p>logic [2] 58/22 58/22</p> <p>Logitech [1] 40/23</p> <p>Lokey [3] 81/22 89/15 97/9</p> <p>long [8] 8/1 24/18 51/8 58/19 60/5 67/3 73/1 109/4</p> <p>long-range [1] 73/1</p> <p>long-term [1] 51/8</p> <p>look [56] 13/19 21/21 22/2 22/5 22/6 35/6 40/11 40/23 41/5 41/11 42/6 47/17 53/16 60/15 60/25 61/6 62/13 64/1 66/12 66/13 66/24 66/24 67/2 67/19 69/4 69/20 69/24 70/1 70/11 70/24 71/3 71/22 73/22 74/10 75/10 80/1 80/21 80/21 81/1 81/24 83/20 85/11 89/13 90/5 90/14 90/14 90/15 91/15 95/11 97/20 98/1 98/11 99/13 101/10 104/2 104/11</p> <p>looked [6] 20/24 33/11 41/10 89/14 90/15 94/19</p> <p>looking [6] 17/24 18/25 46/12 47/19 77/15 85/18</p> <p>looks [13] 35/13 37/13 46/2 61/25 64/11 67/24</p>	<p>71/8 71/14 72/9 73/8 73/18 78/18 85/19</p> <p>loop [1] 71/24</p> <p>lose [3] 23/9 51/10 83/6</p> <p>losing [2] 49/4 59/15</p> <p>loss [4] 45/23 48/20 48/22 49/10</p> <p>losses [1] 94/20</p> <p>lost [2] 16/18 27/22</p> <p>lot [27] 9/18 20/13 20/14 21/15 23/4 25/2 26/7 31/20 32/24 34/19 34/21 53/11 56/11 60/8 72/20 72/21 72/25 77/10 88/2 88/19 89/9 89/10 91/14 103/16 108/10 109/1 109/4</p> <p>lots [2] 8/3 50/7</p> <p>lovely [1] 8/12</p> <p>low [12] 25/19 48/12 75/8 77/5 77/12 104/4 104/7 104/9 104/24 104/25 105/7 105/8</p> <p>low-side [1] 75/8</p> <p>lower [6] 23/11 41/20 84/8 100/12 100/13 107/7</p> <p>lunch [2] 11/13 110/5</p> <p>M</p> <p>mad [2] 29/20 32/17</p> <p>made [10] 6/24 13/25 17/5 30/18 37/17 52/20 79/18 87/22 99/3 107/8</p> <p>mail [34] 42/6 42/9 46/22 47/1 47/5 47/17 53/17 53/21 56/2 56/3 56/4 56/4 58/4 60/20 61/24 61/24 63/22 64/1 64/2 65/25 69/1 72/14 75/10 75/12 77/21 80/2 81/15 81/24 82/7 82/11 83/9 85/18 89/14 89/22</p> <p>mails [2] 61/9 61/10</p> <p>main [3] 34/17 57/12 94/8</p> <p>mainly [2] 20/11 84/9</p> <p>maintain [2] 23/7 24/3</p> <p>major [2] 52/14 62/18</p> <p>majority [3] 18/16 18/17 59/20</p> <p>make [14] 19/4 32/1 40/18 42/14 68/18 75/5 76/23 77/12 80/18 80/19 98/4 100/11 103/1 109/4</p> <p>makes [2] 68/21 99/3</p> <p>making [3] 53/15 53/15 102/9</p> <p>man [2] 35/15 66/18</p> <p>managed [1] 16/6</p> <p>management [5] 40/25 78/4 95/14 99/17 109/18</p> <p>managing [1] 74/23</p> <p>many [12] 19/13 19/17 25/3 25/24 26/6 32/22 34/4 35/13 36/10 54/17</p>
--	--	---	---	--

<p>M</p> <p>many... [2] 54/21 62/23</p> <p>maps [1] 71/25</p> <p>March [13] 14/10 15/4 30/9 32/7 45/9 46/24 47/24 48/6 63/22 63/23 65/18 71/5 71/15</p> <p>March 22nd [1] 46/24</p> <p>margin [7] 38/7 40/15 40/19 42/20 75/17 83/23 84/13</p> <p>margins [1] 40/22</p> <p>marked [1] 69/12</p> <p>market [34] 20/12 22/12 22/12 22/16 22/25 23/2 23/3 23/8 23/17 23/25 23/25 24/4 24/6 24/9 24/11 24/14 24/18 27/12 27/19 31/19 34/5 34/20 36/10 39/10 39/24 40/1 48/3 48/5 48/20 49/10 52/21 58/2 76/3 108/20</p> <p>marketing [3] 20/16 22/22 53/20</p> <p>mask [2] 18/6 18/7</p> <p>match [1] 71/6</p> <p>material [3] 48/4 94/6 108/11</p> <p>materializing [1] 93/3</p> <p>materially [1] 89/5</p> <p>math [7] 64/12 65/9 65/13 67/11 68/21 69/10 104/20</p> <p>may [15] 13/17 14/21 16/8 16/16 30/17 57/22 58/18 60/8 60/17 61/3 61/8 62/18 69/21 70/15 97/17</p> <p>May 9th [1] 57/22</p> <p>maybe [6] 7/20 16/23 26/21 44/8 51/20 100/12</p> <p>McDonald's [3] 52/2 52/5 93/21</p> <p>McKenzie [2] 17/3 17/4</p> <p>me [48] 7/1 8/14 9/6 12/23 13/5 14/25 16/6 16/18 17/24 18/3 18/14 18/25 19/11 19/20 20/6 20/14 20/17 20/19 35/25 40/7 42/18 45/12 45/17 45/18 46/2 46/5 47/18 54/8 54/19 56/3 56/25 57/2 57/9 58/18 58/24 59/8 59/8 61/5 61/17 61/21 65/15 66/11 82/21 82/23 100/15 101/4 105/18 109/14</p> <p>mean [14] 9/17 13/8 14/6 14/15 24/15 39/2 43/16 48/11 49/21 69/21 74/23 93/19 96/20 102/7</p> <p>meaning [3] 44/8 94/16 102/23</p> <p>means [9] 19/23 23/4</p>	<p>23/6 31/15 31/17 34/5 50/14 93/8 101/16</p> <p>meant [2] 83/25 98/17</p> <p>measured [1] 36/13</p> <p>meet [1] 86/4</p> <p>meeting [2] 72/16 108/1</p> <p>meetings [1] 92/23</p> <p>member [3] 13/18 62/21 63/3</p> <p>members [3] 14/17 62/24 62/25</p> <p>mentioned [14] 13/8 13/10 18/19 19/7 19/10 38/14 43/1 56/21 56/21 58/5 58/14 81/4 87/13 93/18</p> <p>merger [10] 12/12 56/22 58/8 58/15 61/12 80/23 87/5 97/10 106/6 107/16</p> <p>metal [1] 51/23</p> <p>methods [1] 88/15</p> <p>mic [1] 28/17</p> <p>Michigan [1] 17/2</p> <p>microphones [3] 52/12 52/16 52/16</p> <p>Microsoft [13] 27/18 28/2 29/4 29/17 30/12 31/18 31/22 32/8 32/17 32/21 33/2 33/23 35/5</p> <p>Microsoft's [1] 31/5</p> <p>mid [2] 44/13 48/14</p> <p>middle [5] 29/3 64/1 77/1 99/13 102/22</p> <p>midyear [2] 72/16 73/8</p> <p>might [8] 14/15 25/20 30/9 50/2 51/9 51/9 65/7 77/4</p> <p>miles [1] 43/9</p> <p>million [62] 20/21 21/12 21/13 21/18 25/17 31/8 33/7 36/25 37/13 37/14 38/4 38/4 38/19 38/20 43/4 43/5 43/6 43/7 44/8 48/3 62/17 64/18 64/20 64/20 64/20 67/6 67/6 67/6 67/7 74/5 74/5 74/8 74/8 75/15 75/16 77/24 78/19 78/20 83/4 83/22 83/25 84/12 84/12 85/19 86/8 86/9 89/24 89/24 91/12 93/7 93/15 93/24 95/17 97/23 103/4 103/11 104/22 104/22 104/23 105/5 105/24 105/24</p> <p>millions [2] 31/6 93/24</p> <p>mine [1] 19/19</p> <p>minimum [1] 68/9</p> <p>minor [1] 87/21</p> <p>Minus [1] 10/21</p> <p>minutes [4] 16/4 16/4 63/10 64/5</p> <p>mislead [1] 74/19</p> <p>miss [1] 77/11</p> <p>missed [2] 84/20 97/20</p> <p>missing [1] 102/5</p>	<p>mobile [2] 17/15 17/17</p> <p>model [9] 64/6 64/9 64/11 66/8 67/11 67/25 68/13 69/7 72/1</p> <p>modeling [3] 65/13 65/14 71/4</p> <p>models [3] 26/5 26/5 82/3</p> <p>modified [1] 15/3</p> <p>moment [3] 30/4 31/11 91/23</p> <p>moments [1] 29/9</p> <p>money [3] 53/15 59/15 87/12</p> <p>month [5] 84/21 84/24 85/1 96/6 96/6</p> <p>MOORE [1] 1/21</p> <p>morale [1] 57/10</p> <p>more [39] 7/2 7/22 10/14 16/1 16/17 17/12 23/6 23/10 24/1 24/11 24/12 26/21 27/1 32/16 34/6 36/3 37/24 37/25 40/18 40/24 41/4 43/6 43/21 43/22 44/9 45/7 45/23 48/5 48/10 53/11 54/20 58/6 59/23 85/20 86/15 86/22 88/17 100/2 104/17</p> <p>morning [4] 6/3 16/21 16/22 63/7</p> <p>most [4] 48/19 49/1 49/10 109/24</p> <p>mostly [2] 58/7 65/20</p> <p>motivated [1] 43/12</p> <p>motivation [1] 77/6</p> <p>Motorola [4] 17/9 17/10 17/11 17/16</p> <p>move [11] 39/22 56/23 60/9 60/11 60/12 61/5 61/11 61/17 87/11 89/23 104/1</p> <p>moved [3] 17/9 17/15 19/23</p> <p>movement [1] 88/19</p> <p>movie [1] 45/25</p> <p>moving [4] 26/24 34/8 35/9 48/8</p> <p>Mr [72] 2/5 2/6 6/6 7/2 11/3 11/16 11/18 12/10 12/19 13/5 13/20 13/22 14/4 14/9 14/19 15/7 15/9 16/1 16/11 16/12 16/21 18/3 18/4 18/11 22/10 23/20 40/14 47/5 47/23 50/22 53/19 54/4 54/6 54/15 54/17 55/2 55/23 56/2 56/5 56/13 57/21 57/21 58/3 58/14 59/10 59/19 59/24 60/1 60/6 60/6 60/18 61/9 61/11 61/23 62/5 64/2 64/2 67/24 67/24 75/11 75/20 76/11 77/21 77/25 79/4 79/15 80/12 81/2 81/6 81/11 81/17 85/10</p> <p>Mr. [32] 7/21 7/22 10/5 12/7 72/20 72/25 79/18</p>	<p>80/11 81/18 81/20 81/20 81/25 82/8 84/4 84/16 91/23 92/16 100/5 100/24 101/2 102/18 103/19 103/19 103/19 105/4 106/20 107/13 107/23 107/24 108/1 108/3 109/1</p> <p>Mr. Apton [8] 7/21 7/22 10/5 12/7 72/20 72/25 79/18 80/11</p> <p>Mr. Dufilho [3] 81/18 81/20 103/19</p> <p>Mr. Hanson [2] 103/19 105/4</p> <p>Mr. Hoverman [2] 81/20 103/19</p> <p>Mr. Kahn [3] 107/24 108/1 108/3</p> <p>Mr. Potashner [10] 81/25 82/8 84/4 84/16 92/16 100/5 100/24 102/18 106/20 107/13</p> <p>Mr. Stark [3] 91/23 107/23 109/1</p> <p>Mr. Weisbord [1] 101/2</p> <p>Ms [7] 47/6 64/2 65/17 65/24 66/21 67/23 71/4</p> <p>Ms. [1] 103/19</p> <p>Ms. Kenworthy [1] 103/19</p> <p>much [28] 17/21 20/21 21/5 21/8 21/12 21/14 24/6 27/6 27/8 27/12 27/24 28/1 34/2 40/22 43/18 47/13 54/23 55/10 57/5 59/7 68/21 69/2 84/25 86/21 88/13 88/17 110/3 110/3</p> <p>multibillion [1] 39/24</p> <p>multibillion-dollar [1] 39/24</p> <p>multiple [4] 17/19 19/10 36/6 82/12</p> <p>multiplied [1] 93/14</p> <p>Murphy [2] 64/2 67/24</p> <p>music [2] 39/23 39/23</p> <p>musician [1] 56/10</p> <p>must [2] 63/2 101/13</p> <p>my [13] 13/4 13/19 17/21 25/21 29/9 40/18 58/22 58/23 77/6 82/21 94/4 100/15 111/5</p> <p>myself [1] 83/1</p>	<p>54/4 54/23 88/16</p> <p>needed [7] 19/18 29/15 40/18 40/24 53/10 105/23 106/5</p> <p>needing [2] 30/1 77/1</p> <p>needs [2] 48/10 76/15</p> <p>negative [1] 58/8</p> <p>negotiations [1] 63/2</p> <p>neither [1] 98/3</p> <p>net [3] 64/8 83/22 84/12</p> <p>NEVADA [3] 1/2 6/1 11/12</p> <p>never [5] 39/8 56/18 69/10 108/10 108/17</p> <p>new [35] 11/19 20/23 20/24 25/23 26/3 26/12 26/16 26/18 26/23 26/25 27/4 27/7 28/3 29/1 29/23 30/1 30/11 30/13 31/25 34/22 39/7 52/24 52/25 60/10 65/20 65/22 65/23 75/13 86/23 86/24 87/9 87/13 87/14 87/24 92/5</p> <p>news [1] 27/11</p> <p>next [11] 19/19 24/11 24/13 35/17 39/2 49/2 73/25 83/14 87/3 91/10 104/3</p> <p>nice [2] 51/23 52/20</p> <p>night [1] 16/6</p> <p>nine [2] 48/15 48/15</p> <p>no [54] 1/5 1/6 8/1 11/17 13/5 13/7 13/21 15/5 16/1 29/17 30/15 31/12 36/24 39/13 40/8 42/16 43/10 46/16 46/17 48/4 51/22 57/10 59/6 59/23 60/22 65/6 66/23 68/19 69/21 70/21 71/8 71/8 72/9 74/21 75/3 76/14 76/19 76/19 77/7 77/12 80/17 80/20 87/17 94/9 94/15 94/15 97/18 101/20 101/22 105/20 107/8 108/6 108/17 109/23</p> <p>nobody [4] 34/16 38/9 88/22 101/12</p> <p>noise [1] 52/12</p> <p>non [2] 62/1 62/9</p> <p>non-binding [2] 62/1 62/9</p> <p>none [11] 25/17 25/18 25/23 27/14 27/17 43/8 63/6 93/19 93/20 94/1 99/1</p> <p>nonpublic [1] 108/11</p> <p>nor [1] 98/3</p> <p>normal [1] 13/12</p> <p>normally [1] 88/13</p> <p>NORRIS [2] 1/18 15/12</p> <p>not [125]</p> <p>not explained [1] 102/2</p> <p>note [9] 7/18 47/18 61/21 75/16 87/3 87/4 89/1 89/4 104/17</p>
---	---	--	--	---

<p>N</p> <p>noted [2] 36/1 41/6</p> <p>notes [7] 55/2 57/22 95/11 96/2 97/1 97/13 98/2</p> <p>nothing [3] 13/8 28/9 75/13</p> <p>notice [1] 28/25</p> <p>noting [1] 90/21</p> <p>notwithstanding [1] 94/11</p> <p>November [10] 28/13 44/6 94/23 95/19 99/20 99/20 102/2 102/18 103/9 103/14</p> <p>November 30th would [1] 103/14</p> <p>November 4th [1] 99/20</p> <p>now [33] 6/19 9/4 9/20 11/11 13/13 19/24 25/2 27/22 31/2 31/23 32/3 32/6 50/4 53/16 57/18 66/17 67/19 68/7 68/23 69/17 69/20 69/24 72/20 73/4 73/15 74/10 75/24 79/7 84/2 93/16 99/25 103/18 105/9</p> <p>nowhere [1] 92/25</p> <p>NPV [1] 64/7</p> <p>number [33] 10/9 11/7 19/4 22/7 26/17 27/3 32/13 32/15 32/25 33/5 34/3 34/23 48/24 53/13 56/14 58/1 58/1 61/24 66/12 76/10 77/6 77/10 77/12 79/23 84/2 86/1 90/3 101/12 101/13 104/16 104/23 109/16 111/10</p> <p>numbers [37] 38/25 41/18 41/20 43/11 43/16 44/19 63/23 64/21 65/3 67/9 67/12 68/15 68/20 68/22 71/8 71/10 72/2 76/20 77/19 77/20 78/22 78/23 79/1 79/4 83/19 84/19 87/4 87/10 91/7 91/10 100/6 100/10 100/12 100/16 102/5 102/25 103/3</p> <p>nuts [1] 40/7</p> <p>nutso [1] 29/22</p>	<p>October 31st [1] 95/2 off [10] 12/10 34/10 46/7 49/18 50/8 50/14 85/19 94/7 105/5 109/3</p> <p>offering [1] 26/3</p> <p>office [1] 19/19</p> <p>officially [1] 74/4</p> <p>often [2] 34/10 75/7</p> <p>OGILVIE [1] 1/15</p> <p>oh [10] 8/16 9/13 22/4 23/16 27/24 35/15 41/14 54/10 56/3 102/17</p> <p>okay [134]</p> <p>old [10] 25/4 25/12 26/7 26/11 26/17 26/24 27/17 32/19 34/2 34/4</p> <p>on [174]</p> <p>once [1] 26/19</p> <p>one [78] 7/16 18/15 19/3 20/17 21/6 23/15 25/15 25/18 25/21 25/24 26/3 26/20 27/15 27/18 27/20 28/17 29/4 29/8 29/9 29/12 29/14 29/19 30/12 30/15 31/13 31/15 31/21 31/24 32/16 32/23 32/25 33/8 33/10 33/11 34/8 34/25 36/2 36/19 38/12 41/2 42/2 44/15 46/17 47/17 48/24 49/16 50/6 55/15 56/6 57/4 57/6 57/7 58/8 59/23 60/21 62/13 62/21 63/1 66/25 75/4 76/1 80/11 86/21 87/5 88/25 89/19 90/15 91/3 92/2 93/12 95/24 96/3 99/14 102/17 105/10 105/24 107/23 108/11</p> <p>one-time [1] 87/5</p> <p>ones [1] 11/11</p> <p>ongoing [1] 64/19</p> <p>only [16] 13/11 20/19 26/11 27/10 27/16 31/11 32/9 35/4 43/4 52/7 54/21 64/15 66/25 69/9 83/3 94/5</p> <p>open [2] 24/7 47/20</p> <p>operate [1] 83/8</p> <p>operated [2] 51/25 52/11</p> <p>operating [4] 6/9 18/22 19/14 52/18</p> <p>operational [1] 19/24</p> <p>opinion [9] 78/8 78/16 79/11 90/18 91/18 94/3 96/24 97/2 97/11</p> <p>opportunity [3] 33/11 33/13 33/16</p> <p>opposed [2] 56/22 56/23</p> <p>opposing [1] 6/18</p> <p>options [2] 46/18 64/13</p> <p>or [60] 6/25 12/25 15/6 15/14 15/23 16/4 17/13 19/13 20/23 21/4 23/23</p>	<p>26/20 28/2 30/9 30/13 31/19 36/24 40/23 49/9 49/18 50/8 50/11 51/23 52/1 58/4 58/21 59/4 69/3 69/6 69/11 70/7 72/7 72/7 72/20 79/12 81/2 81/7 83/1 86/4 87/6 87/18 87/21 91/16 94/22 95/19 96/7 97/1 98/4 98/23 98/24 98/25 99/2 99/2 99/3 99/4 105/14 108/4 109/8 111/10 111/10</p> <p>order [4] 29/14 60/2 68/10 75/5</p> <p>ore [1] 49/18</p> <p>organization [1] 17/18</p> <p>original [2] 15/4 38/18</p> <p>originally [1] 38/19</p> <p>other [33] 7/19 11/11 14/2 19/4 20/16 21/7 23/15 25/13 32/22 32/24 34/12 39/5 40/16 42/21 50/8 50/9 50/19 50/20 56/8 62/13 81/18 87/7 87/18 93/2 95/25 98/4 98/24 99/3 101/6 102/4 102/5 102/13 103/3</p> <p>others [3] 62/18 82/7 100/5</p> <p>otherwise [3] 20/4 82/14 108/23</p> <p>our [26] 9/1 12/22 24/9 31/7 36/10 36/14 39/22 39/22 39/24 43/11 48/25 63/7 64/8 74/15 74/21 77/3 84/20 86/7 86/8 86/20 89/4 93/4 94/18 103/6 107/6 107/7</p> <p>ours [1] 11/5</p> <p>out [45] 8/15 13/25 19/20 20/18 22/17 22/19 23/24 25/2 26/15 26/24 27/16 29/23 31/20 33/19 33/24 34/8 35/1 38/14 40/6 45/14 46/1 51/17 55/6 58/21 58/22 64/21 65/3 65/14 66/8 66/15 67/9 71/25 77/13 81/6 84/20 86/22 89/6 94/5 96/7 100/10 100/15 100/16 102/20 107/9 108/16</p> <p>outcome [2] 84/6 85/24</p> <p>outlook [7] 82/9 82/19 95/7 95/12 95/13 99/13 99/16</p> <p>outlooks [1] 89/1</p> <p>outside [2] 58/6 89/5</p> <p>over [27] 9/19 10/17 20/5 20/12 20/22 20/24 23/9 24/14 27/15 30/19 31/12 32/25 33/3 46/11 46/19 48/8 48/25 50/4 59/16 61/23 64/21 72/21 72/22 81/16</p>	<p>85/24 104/14 106/12</p> <p>overall [1] 65/9</p> <p>overlaps [1] 58/24</p> <p>overly [1] 109/4</p> <p>Overruled [5] 14/24 42/25 50/17 61/15 90/7</p> <p>overstated [1] 93/18</p> <p>overstocked [1] 34/18</p> <p>Overview [1] 22/1</p> <p>own [3] 31/5 50/5 75/21</p> <p>owner [1] 59/22</p> <hr/> <p>P</p> <p>P.C [2] 25/6 25/13</p> <p>P.E [4] 17/19 18/16 19/10 19/18</p> <p>p.m [7] 64/3 65/25 66/1 81/25 101/11 102/23 110/8</p> <p>packaging [1] 34/15</p> <p>page [18] 26/15 27/2 31/14 42/9 62/3 78/12 78/14 83/14 83/14 85/14 87/3 89/2 95/6 96/2 96/16 97/4 102/22 104/3</p> <p>page 25 [1] 78/12</p> <p>page 63 [1] 96/16</p> <p>pages [1] 8/19</p> <p>PAMCMB0006322 [1] 78/12</p> <p>PAMPT [2] 1/15 6/9</p> <p>PAMT [1] 48/17</p> <p>pan [1] 40/6</p> <p>panned [1] 51/17</p> <p>paragraph [9] 62/20 86/6 87/4 89/2 89/22 97/8 98/1 98/21 99/14</p> <p>paragraphs [1] 80/2</p> <p>PARAMETRIC [73] 1/4 12/25 13/10 13/15 13/24 45/4 45/5 45/21 46/2 46/7 46/10 46/24 48/3 48/17 49/1 50/10 51/13 56/22 58/21 60/7 60/18 61/1 61/4 62/10 62/22 62/22 62/24 62/25 63/5 63/24 64/7 65/1 66/22 67/15 67/16 68/18 68/24 69/13 69/18 70/8 70/17 76/14 77/2 80/7 80/9 80/23 81/21 85/17 89/15 91/15 91/16 91/25 92/17 92/21 94/3 94/8 94/22 95/20 97/9 97/13 97/20 98/3 98/23 99/1 99/4 101/3 102/24 103/6 103/10 106/6 106/8 106/17 108/21</p> <p>Parametric's [5] 63/6 65/4 72/21 91/6 94/16</p> <p>pardon [2] 42/18 56/3</p> <p>Paris [3] 80/4 80/6 80/7</p> <p>part [12] 17/16 21/10 21/11 34/16 36/24 42/3 45/7 49/1 50/14 59/13 59/16 93/6</p>	<p>participated [1] 85/12</p> <p>particular [1] 86/20</p> <p>particularly [3] 60/3 76/13 92/24</p> <p>partner [5] 17/5 17/5 18/22 19/14 47/8</p> <p>partners [2] 35/4 76/22</p> <p>parts [1] 93/2</p> <p>past [2] 79/22 98/15</p> <p>path [1] 107/12</p> <p>pause [3] 11/12 61/3 63/12</p> <p>pay [1] 65/9</p> <p>paying [2] 14/18 53/14</p> <p>payment [1] 64/18</p> <p>PEEK [1] 1/17</p> <p>people [31] 19/21 19/25 20/1 26/24 27/2 28/24 29/22 29/25 30/2 33/1 34/2 34/7 34/9 38/13 40/7 45/23 48/22 49/24 50/8 50/19 52/7 52/15 52/22 53/7 53/14 54/21 80/3 93/21 100/11 100/12 110/1</p> <p>per [2] 26/8 43/9</p> <p>percent [27] 20/12 22/12 24/1 27/19 29/25 31/16 31/19 40/20 43/21 43/23 59/17 59/18 60/2 62/17 64/19 74/16 75/17 83/23 84/7 84/7 84/13 86/4 89/12 93/11 93/12 94/18 104/18</p> <p>percentage [4] 38/8 38/10 40/15 62/14</p> <p>perfect [1] 48/10</p> <p>performance [1] 99/4</p> <p>period [5] 37/10 44/21 55/11 88/18 107/25</p> <p>person [5] 20/2 47/10 47/14 108/20 111/10</p> <p>personal [1] 83/7</p> <p>personally [1] 82/23</p> <p>pessimistic [1] 84/9</p> <p>phenomenal [1] 20/10</p> <p>phenomenally [1] 20/2</p> <p>philosophical [1] 102/12</p> <p>Philosophy [3] 17/24 56/25 59/8</p> <p>phone [5] 15/16 29/10 31/12 58/19 59/2</p> <p>physically [1] 65/18</p> <p>pick [3] 52/12 52/17 68/20</p> <p>Picunko [4] 53/18 53/19 54/6 55/2</p> <p>pie [1] 27/13</p> <p>piece [2] 29/18 87/21</p> <p>pilots [1] 93/20</p> <p>pipeline [5] 92/7 93/3 93/5 93/7 93/25</p> <p>pitch [1] 19/8</p> <p>pitched [1] 53/7</p> <p>place [6] 39/5 39/6 39/14 48/8 88/11 92/17</p> <p>plaintiff [4] 2/3 6/9</p>
--	--	--	--	---

<p>P</p> <p>plaintiff... [2] 6/11 6/23</p> <p>plan [5] 19/12 41/3 53/17 73/11 75/3</p> <p>planning [2] 32/6 76/3</p> <p>plans [2] 33/8 108/4</p> <p>Plantronics [1] 40/21</p> <p>platform [1] 20/22</p> <p>play [3] 30/1 30/3 68/3</p> <p>players [2] 49/3 50/12</p> <p>playing [2] 29/24 45/25</p> <p>plays [1] 86/22</p> <p>PlayStation [11] 20/12 25/10 28/9 28/10 28/10 28/12 28/14 28/15 28/23 32/18 39/21</p> <p>pleasant [1] 76/24</p> <p>please [7] 9/7 11/19 11/25 11/25 12/3 54/5 107/12</p> <p>plug [5] 29/16 32/3 64/6 65/6 65/7</p> <p>plugged [3] 28/16 29/15 68/22</p> <p>plugged-in [1] 68/22</p> <p>plugging [1] 68/15</p> <p>plugs [1] 67/6</p> <p>plus [3] 24/9 33/7 74/16</p> <p>PMD [5] 29/15 30/25 31/3 31/7 31/23</p> <p>PMDs [2] 33/3 33/24</p> <p>PNC [18] 21/24 41/24 42/2 42/11 76/21 77/8 77/25 78/24 84/4 84/16 105/10 105/16 106/1 106/2 106/5 107/5 107/8 107/20</p> <p>point [27] 13/4 13/19 14/1 17/14 19/16 29/5 43/20 45/18 46/5 47/1 47/20 48/2 48/20 49/2 49/6 51/16 56/22 59/1 60/11 68/24 69/17 69/25 89/11 99/8 100/17 105/9 105/18</p> <p>point-blank [1] 105/18</p> <p>points [2] 36/13 58/1</p> <p>poke [1] 6/11</p> <p>polarity [1] 28/17</p> <p>police [1] 17/10</p> <p>Polk [4] 27/10 27/10 31/18 31/18</p> <p>popular [1] 19/5</p> <p>portfolio [5] 17/20 25/13 25/19 26/15 26/22</p> <p>position [3] 22/22 83/1 108/14</p> <p>positive [5] 27/21 37/22 53/10 58/18 69/19</p> <p>possibility [3] 76/9 108/6 108/17</p> <p>possible [2] 87/23 106/4</p> <p>possibly [1] 76/10</p> <p>post [3] 13/15 14/2</p>	<p>44/19</p> <p>post-holiday [1] 44/19</p> <p>POTASHNER [27] 1/17 12/11 13/20 13/22 14/4 14/9 47/23 61/9 75/11 75/20 76/11 77/21 77/25 79/4 80/12 81/2 81/11 81/25 82/8 84/4 84/16 92/16 100/5 100/24 102/18 106/20 107/13</p> <p>Potashner's [1] 14/19</p> <p>potential [4] 20/24 47/2 48/24 49/10</p> <p>potentially [2] 27/12 27/21</p> <p>power [1] 51/24</p> <p>PowerPoint [3] 21/24 21/25 72/15</p> <p>predictability [1] 44/2</p> <p>predicted [1] 27/1</p> <p>predicting [1] 35/2</p> <p>predictive [1] 99/1</p> <p>predictor [2] 39/2 39/4</p> <p>preliminary [2] 94/22 99/19</p> <p>prepare [1] 97/14</p> <p>prepared [2] 7/16 26/4</p> <p>presentation [6] 35/7 42/2 69/13 72/15 102/3 102/4</p> <p>presented [1] 73/5</p> <p>president [2] 109/8 109/15</p> <p>press [10] 12/13 13/23 61/17 79/15 79/18 79/23 80/8 80/14 80/22 93/10</p> <p>pressure [3] 8/2 102/24 108/10</p> <p>presume [3] 50/11 67/17 83/25</p> <p>presumed [1] 33/14</p> <p>presumptively [1] 107/19</p> <p>pretty [4] 38/6 46/17 51/22 104/24</p> <p>price [3] 57/10 102/8 102/9</p> <p>primary [1] 106/3</p> <p>principals [1] 18/15</p> <p>prior [6] 17/21 38/3 41/19 62/9 62/15 87/17</p> <p>private [3] 87/20 88/4 88/16</p> <p>probabilities [2] 93/14 93/20</p> <p>probability [2] 31/16 93/7</p> <p>probably [12] 21/4 22/19 26/8 29/2 29/25 30/8 31/15 38/8 57/4 58/19 89/12 93/16</p> <p>problem [4] 50/1 52/14 77/8 84/25</p> <p>proceedings [6] 1/8 11/12 63/11 63/12 110/8 111/4</p> <p>process [7] 6/16 14/12</p>	<p>14/17 88/7 88/9 88/18 93/4</p> <p>processes [7] 21/17 38/16 44/14 87/7 88/11 88/14 88/15</p> <p>produce [2] 6/9 82/14</p> <p>product [30] 21/7 28/8 34/13 34/13 34/17 40/2 40/6 40/8 45/10 45/22 46/13 49/23 49/24 50/3 50/5 51/18 52/21 53/2 75/3 75/5 76/4 91/13 91/14 91/25 92/4 92/6 92/18 92/24 109/25 110/1</p> <p>productive [1] 37/1</p> <p>products [27] 20/13 20/13 22/23 22/24 23/7 24/19 24/25 25/3 25/24 26/11 26/11 26/17 26/20 27/2 27/3 28/13 28/14 29/11 31/4 34/4 34/17 34/21 34/22 44/10 45/7 56/11 92/9</p> <p>profitability [1] 41/22</p> <p>profitable [4] 23/13 59/14 65/15 105/25</p> <p>profits [2] 46/16 53/15</p> <p>projected [2] 78/15 107/7</p> <p>projection [2] 98/12 98/18</p> <p>projections [12] 67/2 90/18 97/7 97/9 98/4 98/5 98/8 98/22 98/25 99/6 99/9 101/19</p> <p>promised [1] 12/11</p> <p>promotional [1] 82/20</p> <p>propose [1] 68/8</p> <p>proposed [1] 62/8</p> <p>pros [2] 58/7 70/4</p> <p>prospective [1] 99/2</p> <p>prospects [1] 81/12</p> <p>proud [1] 31/5</p> <p>provide [7] 16/23 44/16 44/21 50/3 53/11 86/20 100/2</p> <p>provided [6] 62/10 95/13 97/7 99/16 106/12 108/3</p> <p>provider [1] 27/16</p> <p>providing [9] 42/18 51/24 53/21 58/6 82/13 92/16 100/6 108/9 108/19</p> <p>proxy [13] 82/4 90/19 91/18 94/22 95/1 95/8 95/9 96/6 96/7 98/22 99/20 102/19 106/23</p> <p>public [14] 46/14 57/8 57/8 57/11 58/2 58/7 82/22 87/10 87/15 87/25 88/4 88/17 97/14 98/5</p> <p>publishers [1] 19/4</p> <p>pull [3] 57/14 61/22 94/7</p> <p>pulled [1] 67/9</p> <p>pulling [1] 64/21</p>	<p>pumped [1] 77/10</p> <p>pumped-up [1] 77/10</p> <p>purchasing [1] 86/21</p> <p>purpose [5] 22/18 69/8 69/9 73/7 75/9</p> <p>purpose-designed [1] 22/18</p> <p>purposes [2] 75/2 75/25</p> <p>pursue [2] 46/7 46/21</p> <p>push [1] 61/5</p> <p>put [22] 6/11 31/7 32/11 34/14 36/3 36/14 38/13 43/15 52/3 59/10 60/14 66/17 82/8 83/1 88/11 88/19 100/10 102/5 102/19 106/1 108/14 109/4</p> <p>Putter [1] 15/9</p> <p>PUTTERMAN [2] 1/18 15/9</p> <p>putting [7] 21/17 33/24 34/6 34/9 43/9 52/1 100/15</p> <p>Q</p> <p>Q1 [1] 107/3</p> <p>Q1/14 [1] 107/3</p> <p>Q4 [3] 43/22 104/18 107/3</p> <p>Q4/13 [1] 107/3</p> <p>quality [3] 20/13 51/13 51/14</p> <p>quantities [1] 32/10</p> <p>quantity [1] 86/24</p> <p>quarter [1] 43/19</p> <p>question [4] 27/22 30/17 54/4 103/1</p> <p>questions [1] 16/1</p> <p>quick [3] 16/3 55/11 64/11</p> <p>quickly [1] 46/17</p> <p>quite [4] 31/5 45/11 61/2 71/8</p> <p>quote [4] 12/14 13/21 19/19 67/25</p> <p>quote/unquote [1] 67/25</p> <p>R</p> <p>races [2] 46/7 109/3</p> <p>radios [1] 17/10</p> <p>Ramsey [1] 15/20</p> <p>ran [4] 17/7 17/11 21/6 21/7</p> <p>range [22] 24/10 44/8 52/11 73/1 83/20 84/15 85/23 86/7 86/8 89/3 90/2 95/17 103/5 103/11 103/11 104/4 104/7 104/9 104/24 104/25 105/5 107/7</p> <p>ranges [1] 89/5</p> <p>rapidly [1] 109/5</p> <p>rate [1] 65/10</p> <p>rather [1] 21/19</p> <p>ratio [1] 43/2</p> <p>re [3] 1/4 11/19 88/10</p> <p>re-auditing [1] 88/10</p>	<p>re-swear [1] 11/19</p> <p>reach [1] 68/10</p> <p>reacting [1] 61/1</p> <p>reaction [1] 58/2</p> <p>read [1] 10/18</p> <p>reading [3] 8/25 9/1 10/17</p> <p>ready [8] 6/5 10/23 29/12 29/17 63/13 63/14 68/3 91/25</p> <p>real [4] 22/18 83/19 88/23 103/15</p> <p>realistic [1] 102/10</p> <p>realized [1] 33/4</p> <p>really [26] 17/22 17/23 18/4 18/24 20/20 20/25 21/19 24/8 25/5 27/5 31/14 32/15 36/22 44/6 44/7 46/3 46/6 51/16 52/8 57/1 59/4 88/2 96/10 103/14 109/23 109/24</p> <p>reason [1] 86/19</p> <p>reasonable [4] 39/1 39/5 39/6 39/14</p> <p>reasonably [1] 107/8</p> <p>reasons [11] 38/12 44/16 45/2 45/3 45/13 53/8 57/12 58/22 58/23 58/24 75/4</p> <p>recall [15] 14/16 15/25 37/17 48/1 49/7 58/11 62/19 69/1 69/6 79/20 81/6 91/16 94/21 107/25 108/1</p> <p>receipt [1] 108/18</p> <p>receive [1] 6/10</p> <p>received [1] 53/22</p> <p>recessed [2] 63/11 110/8</p> <p>recollection [1] 35/23</p> <p>record [3] 6/12 12/1 29/12</p> <p>RECORDED [1] 1/24</p> <p>RECORDER [1] 1/24</p> <p>recruit [1] 109/7</p> <p>recruited [3] 17/19 19/6 109/14</p> <p>recruiting [2] 19/11 19/25</p> <p>red [1] 25/6</p> <p>redirect [2] 16/2 16/8</p> <p>reduced [1] 33/23</p> <p>reduces [1] 33/23</p> <p>reducing [1] 41/2</p> <p>reference [1] 81/2</p> <p>references [1] 79/18</p> <p>referred [5] 15/6 15/14 15/22 18/11 43/14</p> <p>refers [1] 79/23</p> <p>reflect [2] 61/10 85/8</p> <p>reflected [1] 60/10</p> <p>reflects [2] 60/20 83/22</p> <p>refresh [1] 35/23</p> <p>refurbished [2] 34/15 34/17</p> <p>refurbishes [1] 34/13</p> <p>reg [1] 108/12</p> <p>regard [1] 98/21</p>
--	---	---	--	--

<p>R</p> <p>regarding [1] 99/4</p> <p>Regular [1] 46/1</p> <p>regulation [1] 108/16</p> <p>regulations [1] 88/12</p> <p>reinvest [1] 40/24</p> <p>relate [1] 25/4</p> <p>related [2] 30/25 87/5</p> <p>Relates [1] 1/7</p> <p>relation [1] 43/10</p> <p>relationships [1] 35/10</p> <p>relative [1] 40/16</p> <p>release [8] 12/13 13/23 79/15 79/18 79/23 80/8 80/15 80/22</p> <p>releases [1] 93/10</p> <p>relenting [1] 58/15</p> <p>relentlessness [1] 61/4</p> <p>relevant [2] 47/20 103/5</p> <p>reluctance [1] 100/2</p> <p>relying [2] 92/3 99/10</p> <p>remained [1] 99/22</p> <p>remains [1] 99/22</p> <p>remember [31] 11/19 12/16 12/17 12/22 13/13 27/13 28/12 29/10 32/6 35/15 40/17 45/9 45/24 50/25 57/9 58/4 58/17 60/9 63/1 72/23 73/2 78/9 83/13 87/16 90/10 90/10 90/12 92/12 105/13 105/14 109/9</p> <p>reminder [1] 95/16</p> <p>remote [1] 7/20</p> <p>renegotiate [1] 42/3</p> <p>renegotiated [1] 94/13</p> <p>rent [1] 34/9</p> <p>repack [1] 31/8</p> <p>replace [1] 106/3</p> <p>report [1] 97/1</p> <p>REPORTING [1] 1/25</p> <p>represent [4] 10/5 73/12 73/15 82/18</p> <p>representations [1] 99/3</p> <p>representative [1] 101/6</p> <p>representatives [2] 98/24 99/3</p> <p>represented [3] 59/20 74/13 79/7</p> <p>representing [1] 42/19</p> <p>represents [7] 22/11 24/24 26/2 37/6 70/16 78/3 78/14</p> <p>reputation [1] 24/21</p> <p>request [2] 62/16 102/5</p> <p>require [1] 87/15</p> <p>required [2] 87/9 98/3</p> <p>research [1] 65/4</p> <p>reserving [1] 16/2</p> <p>resolved [1] 30/5</p> <p>resources [1] 38/14</p> <p>respect [14] 6/24 29/7</p>	<p>30/13 63/23 66/16 67/13 68/25 71/16 71/25 76/5 81/3 95/1 95/11 105/10</p> <p>respective [1] 98/24</p> <p>respond [3] 82/11 101/23 103/3</p> <p>responds [2] 65/17 65/24</p> <p>response [4] 11/17 66/1 97/18 102/6</p> <p>rest [4] 6/25 21/4 46/8 74/15</p> <p>result [3] 94/2 96/3 99/15</p> <p>resulting [3] 64/8 64/20 93/20</p> <p>results [4] 43/21 86/20 89/5 97/16</p> <p>resume [1] 11/15</p> <p>retail [4] 23/4 28/22 35/10 36/15</p> <p>retailers [8] 23/5 24/5 24/20 24/22 32/10 32/12 36/4 36/10</p> <p>retired [1] 56/7</p> <p>returned [1] 34/14</p> <p>returning [1] 88/25</p> <p>revenue [24] 27/4 33/8 37/1 38/22 43/22 43/22 44/7 67/2 68/9 68/17 74/4 78/21 79/8 83/23 84/12 89/24 91/12 93/15 93/24 93/24 94/20 95/13 99/16 103/25</p> <p>revenues [14] 23/2 25/17 37/24 39/3 39/3 43/18 46/17 48/4 59/15 74/14 78/18 86/7 89/3 91/14</p> <p>Reverse [1] 58/8</p> <p>review [3] 72/16 73/8 92/23</p> <p>revised [8] 38/20 62/9 74/1 74/4 74/7 74/12 77/19 91/17</p> <p>revision [2] 95/12 99/15</p> <p>rework [1] 28/22</p> <p>right [132]</p> <p>rigorous [1] 44/14</p> <p>ringing [1] 52/23</p> <p>ripples [2] 34/3 34/19</p> <p>risk [5] 28/20 76/14 76/19 77/7 107/2</p> <p>risky [2] 57/5 60/4</p> <p>road [1] 103/15</p> <p>ROBERT [2] 1/18 15/7</p> <p>role [11] 12/14 12/21 13/6 13/21 13/25 14/2 17/21 19/24 63/4 80/13 81/3</p> <p>Ron [17] 13/9 17/23 18/19 18/19 18/21 19/8 19/22 21/9 45/19 46/23 47/7 47/15 56/9 57/22 58/19 58/23 59/6</p> <p>room [11] 45/10 49/24</p>	<p>50/2 51/23 52/4 52/13 52/18 52/21 52/23 85/20 110/1</p> <p>rough [1] 69/9</p> <p>roughly [7] 20/21 26/17 64/9 67/9 71/6 78/23 86/11</p> <p>royalty [3] 64/19 65/10 65/10</p> <p>rubber [1] 103/15</p> <p>rule [1] 87/20</p> <p>rules [4] 87/10 87/15 87/17 87/25</p> <p>run [13] 17/20 19/12 19/21 20/4 21/3 21/12 21/14 21/19 47/19 56/25 59/9 109/6 109/19</p> <p>running [7] 17/13 21/4 24/20 47/25 52/13 77/7 107/2</p> <p>RYAN [1] 1/21</p> <p>S</p> <p>S-t-a-r-k [1] 12/5</p> <p>said [9] 18/24 19/21 45/21 56/22 59/6 66/15 68/13 73/10 82/12</p> <p>sale [3] 34/6 44/10 51/10</p> <p>sales [8] 21/6 36/14 37/13 37/14 44/5 57/24 93/5 93/25</p> <p>salespeople [1] 109/16</p> <p>same [21] 9/4 26/15 26/17 45/2 45/3 50/3 58/11 66/1 67/13 71/13 71/14 71/25 72/1 72/2 75/21 77/20 77/21 96/2 99/19 99/22 103/6</p> <p>sand [1] 59/17</p> <p>sandbag [3] 101/13 101/16 101/18</p> <p>sarcasm [1] 16/18</p> <p>saw [5] 21/21 38/18 77/18 94/25 99/19</p> <p>say [24] 19/8 22/15 22/19 39/6 49/22 56/13 57/23 61/17 64/18 68/7 76/11 77/9 82/25 85/3 85/16 86/7 87/18 90/1 93/11 95/1 98/7 98/17 100/8 102/1</p> <p>saying [6] 12/19 12/20 12/23 32/8 49/5 101/17</p> <p>says [24] 7/25 34/15 46/3 47/18 47/18 48/9 48/16 48/19 49/2 58/8 62/21 66/15 66/17 68/3 81/25 83/15 86/20 95/6 97/7 98/13 98/20 99/15 101/11 107/1</p> <p>scale [1] 23/10</p> <p>scenario [13] 64/14 66/25 67/14 67/15 67/16 71/5 72/1 72/1 76/2 76/3 76/15 105/7 105/8</p> <p>scenarios [9] 47/2</p>	<p>49/13 63/23 64/7 66/16 68/25 69/10 72/10 107/3</p> <p>school [1] 17/3</p> <p>scope [1] 17/22</p> <p>scramble [1] 29/20</p> <p>screen [4] 22/3 22/6 57/18 71/1</p> <p>season [1] 44/22</p> <p>seasonality [2] 43/15 44/1</p> <p>seat [2] 14/2 14/12</p> <p>seated [1] 11/25</p> <p>SEC [1] 108/16</p> <p>second [6] 24/7 57/7 63/3 89/1 89/1 89/22</p> <p>SECURITY [1] 111/10</p> <p>see [34] 23/7 36/7 40/21 47/21 49/19 51/19 55/6 58/9 64/3 64/16 64/23 66/10 66/19 67/4 67/11 68/1 68/5 68/11 68/16 68/19 68/20 69/15 70/12 70/14 72/18 75/18 76/16 83/16 83/20 84/22 103/7 104/12 108/8 110/7</p> <p>seeing [1] 84/16</p> <p>seek [1] 74/19</p> <p>seem [1] 105/17</p> <p>seemed [3] 13/4 19/11 105/15</p> <p>seems [3] 45/22 55/5 58/5</p> <p>seen [3] 14/14 14/15 84/2</p> <p>segment [1] 93/15</p> <p>selecting [1] 63/5</p> <p>sell [12] 31/20 31/24 32/9 32/16 32/16 33/5 34/6 34/10 44/5 51/7 52/19 82/3</p> <p>sell-through [1] 44/5</p> <p>selling [5] 23/5 33/2 34/21 35/14 51/25</p> <p>send [5] 6/18 6/20 7/17 76/5 76/6</p> <p>sending [7] 42/10 47/5 55/2 57/22 58/3 66/10 67/23</p> <p>sends [1] 101/10</p> <p>senior [1] 33/1</p> <p>sense [5] 32/1 32/14 51/18 65/8 103/1</p> <p>sent [4] 6/15 21/24 46/23 47/18</p> <p>sentence [1] 98/2</p> <p>sentiments [1] 58/11</p> <p>separate [1] 34/14</p> <p>separately [2] 31/23 32/9</p> <p>September [6] 18/1 20/8 20/9 39/1 92/15 97/22</p> <p>September 23rd [1] 92/15</p> <p>series [2] 61/9 100/23</p> <p>serious [1] 108/23</p>	<p>served [1] 101/5</p> <p>set [7] 27/2 43/12 44/18 68/21 76/24 82/3 105/22</p> <p>Seth [2] 15/9 15/9</p> <p>setting [2] 76/6 102/10</p> <p>setup [1] 21/5</p> <p>seven [1] 102/17</p> <p>SG [1] 1/21</p> <p>shaded [1] 25/9</p> <p>Shall [1] 103/5</p> <p>shape [1] 17/12</p> <p>share [20] 20/12 22/12 22/25 23/2 23/4 23/8 23/17 23/19 23/25 24/4 24/6 24/9 24/11 24/14 24/18 27/12 27/19 31/19 34/20 36/10</p> <p>shareholder [2] 59/20 82/5</p> <p>shareholders [2] 99/9 101/6</p> <p>SHAREHOLDERS' [1] 1/5</p> <p>sharing [1] 58/11</p> <p>she [16] 47/10 47/12 47/13 66/1 66/8 66/15 66/15 66/17 66/22 66/25 67/6 67/13 68/3 68/7 72/9 72/10</p> <p>she's [5] 54/10 66/10 66/15 67/11 68/13</p> <p>sheet [7] 60/10 62/1 62/6 62/9 63/1 71/6 73/23</p> <p>shelf [3] 23/4 23/6 32/12</p> <p>shift [3] 33/19 35/6 82/2</p> <p>ship [1] 28/21</p> <p>shipping [1] 44/11</p> <p>short [1] 6/5</p> <p>Shortly [1] 45/18</p> <p>should [11] 6/20 7/13 7/15 15/19 47/19 58/20 59/6 85/4 98/21 99/10 107/11</p> <p>show [6] 20/4 42/8 47/19 54/7 56/25 59/9</p> <p>showed [3] 26/15 31/14 48/22</p> <p>shown [2] 57/20 79/22</p> <p>shows [3] 41/15 41/15 90/12</p> <p>side [8] 17/10 17/15 64/8 75/7 75/8 91/16 102/13 103/6</p> <p>sign [2] 43/9 51/8</p> <p>signed [4] 14/16 79/12 81/5 94/4</p> <p>significantly [1] 36/14</p> <p>signing [1] 15/4</p> <p>silly [1] 93/22</p> <p>similarly [1] 44/15</p> <p>simple [2] 64/6 64/11</p> <p>since [5] 7/19 11/19 15/4 27/17 29/6</p> <p>single [1] 88/21</p> <p>sir [6] 9/3 12/7 16/18</p>
---	---	---	---	---

<p>S</p> <p>sir... [3] 31/2 43/14 48/16</p> <p>sit [1] 63/15</p> <p>situation [1] 38/24</p> <p>six [2] 13/11 17/13</p> <p>size [1] 64/19</p> <p>skip [1] 96/5</p> <p>slap [1] 76/24</p> <p>Sleepy [2] 15/15 15/22</p> <p>slide [27] 22/7 24/23 24/24 26/2 26/2 35/7 35/7 35/9 35/17 35/18 37/3 39/15 39/19 40/12 40/14 41/5 41/11 41/19 42/19 70/1 70/11 70/12 71/7 73/22 73/25 77/16 104/17</p> <p>Slide 17 [1] 70/12</p> <p>slightly [2] 51/19 103/23</p> <p>slow [2] 8/15 8/18</p> <p>small [4] 21/14 21/20 34/15 51/21</p> <p>smaller [2] 17/21 109/19</p> <p>smart [1] 101/13</p> <p>Sneezy [1] 15/23</p> <p>snippet [1] 45/25</p> <p>so [305]</p> <p>SOCIAL [1] 111/9</p> <p>softened [1] 90/22</p> <p>softer [1] 102/25</p> <p>software [4] 17/11 19/3 30/6 96/3</p> <p>sold [4] 31/22 33/7 44/10 86/25</p> <p>solely [1] 75/1</p> <p>solution [5] 51/22 52/9 52/15 52/20 53/7</p> <p>solve [2] 12/24 12/25</p> <p>solved [1] 53/13</p> <p>solvency [2] 42/15 43/2</p> <p>some [43] 8/10 9/8 10/14 16/8 32/11 32/13 32/13 32/19 40/20 43/6 45/22 49/13 50/14 51/25 53/7 53/8 55/2 55/10 58/24 60/14 64/6 64/12 65/7 65/13 68/20 71/15 80/12 81/10 83/18 87/17 87/21 87/21 91/24 92/25 93/10 93/21 93/24 95/24 101/8 105/10 105/15 107/10 108/23</p> <p>somebody [4] 19/18 24/7 80/9 108/18</p> <p>someone [4] 46/20 49/11 54/19 109/13</p> <p>someone's [1] 50/24</p> <p>something [25] 14/11 20/19 21/13 27/11 27/20 28/16 29/15 31/19 33/2 38/22 40/9 46/6 47/8 47/23 49/8 57/1 59/14 64/21 76/8</p>	<p>82/23 87/17 87/18 93/15 94/19 106/16</p> <p>sometimes [1] 76/2</p> <p>somewhat [1] 58/23</p> <p>somewhere [2] 30/10 63/2</p> <p>Sony [4] 28/2 40/23 49/9 49/25</p> <p>soon [2] 82/4 106/4</p> <p>sorry [13] 6/3 9/23 18/5 20/9 27/22 53/23 61/6 70/1 77/16 95/9 96/20 101/21 101/22</p> <p>sort [1] 12/11</p> <p>sound [10] 1/4 22/21 45/5 45/13 46/24 49/25 50/2 52/3 69/13 80/23</p> <p>sounded [1] 48/14</p> <p>sounds [1] 101/12</p> <p>space [2] 23/4 23/7</p> <p>spared [1] 109/23</p> <p>speak [1] 18/4</p> <p>speaker [1] 52/25</p> <p>speakers [4] 45/15 46/1 46/2 51/21</p> <p>specific [2] 28/17 67/25</p> <p>specifically [1] 108/2</p> <p>specifications [1] 27/7</p> <p>specs [1] 29/13</p> <p>speed [2] 43/9 105/22</p> <p>spell [1] 12/3</p> <p>spelling [1] 12/1</p> <p>spend [3] 31/6 36/25 41/3</p> <p>spending [1] 41/4</p> <p>spent [5] 72/20 72/21 72/25 78/7 81/9</p> <p>split [1] 94/14</p> <p>spreadsheet [2] 66/25 72/11</p> <p>spreadsheets [1] 66/12</p> <p>spring [1] 27/9</p> <p>squeal [1] 53/8</p> <p>stable [1] 20/25</p> <p>stake [1] 18/17</p> <p>stamped [1] 64/3</p> <p>stand [1] 63/16</p> <p>standard [2] 14/12 14/17</p> <p>standing [1] 29/10</p> <p>standpoint [4] 37/1 43/2 83/8 87/11</p> <p>STARK [30] 1/21 6/6 7/2 7/7 7/23 9/1 11/16 11/18 11/22 12/2 12/4 12/10 16/2 16/12 16/21 18/4 18/11 22/10 23/20 40/14 50/22 54/4 56/2 57/21 62/5 81/6 85/10 91/23 107/23 109/1</p> <p>start [11] 6/5 9/19 17/7 17/7 34/8 39/5 39/6 39/14 44/7 103/15 109/20</p> <p>start-up [3] 17/7 17/7 109/20</p> <p>started [3] 17/25 32/21</p>	<p>36/4</p> <p>starting [2] 33/10 69/23</p> <p>starts [2] 81/16 103/15</p> <p>state [1] 11/25</p> <p>stated [1] 13/17</p> <p>statement [1] 98/22</p> <p>stations [4] 36/3 36/11 36/12 36/15</p> <p>stayed [1] 56/23</p> <p>STEPHEN [1] 1/17</p> <p>stick [2] 77/7 100/15</p> <p>STIGI [1] 1/18</p> <p>still [25] 15/17 15/19 16/12 23/20 24/11 28/12 32/6 40/17 44/15 44/25 45/1 45/9 45/24 53/10 57/9 63/24 69/2 69/21 71/19 82/23 85/22 87/11 89/10 104/1 105/4</p> <p>stipulated [2] 8/19 55/18</p> <p>stipulating [1] 8/13</p> <p>stipulation [1] 10/6</p> <p>stipulations [3] 8/10 8/20 11/5</p> <p>stock [4] 57/9 102/8 102/9 108/21</p> <p>stocks [1] 88/12</p> <p>store [2] 29/23 40/7</p> <p>Stores [1] 40/6</p> <p>story [2] 33/10 82/20</p> <p>stoutly [1] 56/20</p> <p>straight [1] 17/2</p> <p>strategic [1] 82/3</p> <p>strategy [2] 17/4 33/3</p> <p>straw [1] 66/18</p> <p>strike [1] 99/25</p> <p>STRIPES [11] 1/20 17/20 18/15 18/22 18/22 19/20 21/9 37/17 47/13 47/15 59/19</p> <p>strong [2] 20/25 109/17</p> <p>strongly [1] 57/8</p> <p>structure [2] 38/15 71/12</p> <p>struggles [1] 29/4</p> <p>stuck [1] 94/7</p> <p>stuff [1] 8/3</p> <p>subject [3] 12/20 46/24 60/18</p> <p>subjects [1] 49/18</p> <p>submitting [1] 43/11</p> <p>substance [1] 85/18</p> <p>subtract [1] 90/3</p> <p>subwoofer [2] 52/3 52/6</p> <p>successful [3] 19/17 27/1 59/14</p> <p>Such [1] 97/8</p> <p>sufficient [1] 21/18</p> <p>suggested [1] 100/5</p> <p>suite [1] 25/21</p> <p>sum [1] 85/17</p> <p>summarize [1] 57/6</p> <p>summer [1] 33/11</p> <p>super [4] 18/7 53/9</p>	<p>98/19 101/17</p> <p>supply [4] 21/6 33/4 75/3 76/3</p> <p>support [3] 43/3 82/5 82/5</p> <p>supportive [1] 60/12</p> <p>sure [8] 14/3 17/1 23/16 28/14 42/14 48/1 75/5 102/9</p> <p>surprise [1] 89/20</p> <p>surprised [1] 109/7</p> <p>surprising [1] 109/14</p> <p>surround [1] 22/21</p> <p>surrounding [1] 79/16</p> <p>swear [1] 11/19</p> <p>sweating [1] 54/20</p> <p>sworn [1] 11/23</p> <p>system [1] 45/19</p> <p>systems [1] 88/15</p> <p>T</p> <p>tab [10] 12/15 12/18 12/22 13/20 14/8 22/7 61/6 72/12 72/14 103/18</p> <p>table [2] 52/7 63/24</p> <p>take [17] 8/2 10/17 21/21 24/24 28/25 31/7 31/20 40/11 53/16 63/7 67/19 80/21 80/21 81/1 85/11 90/2 107/9</p> <p>talent [1] 109/23</p> <p>talented [1] 47/9</p> <p>talk [2] 45/4 74/22</p> <p>talked [11] 34/25 38/17 43/16 60/21 75/24 87/5 88/2 90/17 92/8 97/19 104/6</p> <p>talking [10] 12/13 70/4 70/19 80/12 89/9 91/23 94/12 96/23 105/21 109/1</p> <p>talks [3] 49/17 97/6 99/14</p> <p>taller [1] 51/20</p> <p>target [2] 45/15 107/11</p> <p>tax [2] 87/21 111/10</p> <p>team [8] 17/16 21/8 21/16 21/16 38/15 44/14 109/6 109/22</p> <p>technical [2] 52/11 53/11</p> <p>technology [13] 45/12 46/20 50/7 51/14 51/15 53/10 53/12 55/3 56/15 57/5 60/2 92/7 109/5</p> <p>tell [17] 13/22 18/14 20/6 20/7 35/25 45/6 50/24 51/7 57/2 58/16 61/19 75/13 81/1 82/20 83/3 101/14 107/1</p> <p>telling [4] 50/11 57/9 76/18 89/23</p> <p>ten [5] 16/6 17/5 17/6 24/1 63/10</p> <p>ten years [1] 17/5</p> <p>tend [1] 24/7</p> <p>tenor [1] 61/10</p> <p>Tens [1] 30/20</p>	<p>tense [1] 98/15</p> <p>term [8] 36/4 51/8 60/10 62/1 62/6 62/9 62/23 63/1</p> <p>terms [15] 7/18 17/22 18/25 19/18 20/23 29/12 39/10 40/24 41/22 46/8 62/8 68/9 75/9 92/23 107/4</p> <p>test [1] 28/8</p> <p>tested [1] 34/14</p> <p>testified [5] 11/24 22/10 37/9 50/23 108/3</p> <p>testimony [2] 14/13 107/23</p> <p>testing [5] 45/22 48/22 53/4 53/9 55/3</p> <p>tests [2] 42/15 55/4</p> <p>than [37] 14/2 17/21 20/16 21/19 23/10 24/11 24/13 25/13 26/21 27/1 32/16 34/3 34/5 37/24 37/25 39/20 41/4 41/21 42/21 43/21 43/23 48/5 51/19 54/20 58/24 59/24 62/15 76/4 83/3 83/5 84/25 88/13 100/12 100/13 102/4 103/4 104/17</p> <p>thank [11] 6/23 8/7 11/21 12/6 12/7 15/20 55/21 63/17 66/8 100/21 110/7</p> <p>that [544]</p> <p>that there's [1] 91/9</p> <p>that's [44] 7/8 7/24 8/6 9/13 12/23 13/7 14/25 14/25 16/10 18/19 21/1 24/2 32/15 33/7 33/19 34/15 38/6 38/8 39/5 39/13 43/25 49/8 50/6 52/8 52/22 53/1 57/6 62/2 72/1 72/15 73/4 83/7 83/8 83/14 84/15 85/7 87/20 93/5 98/19 99/19 101/7 101/14 101/23 110/4</p> <p>their [24] 17/23 18/24 19/8 28/3 30/5 30/6 31/7 32/3 33/3 37/17 40/22 45/10 48/24 50/14 50/15 52/23 76/21 77/1 97/21 97/21 97/22 98/23 99/2 106/5</p> <p>them [40] 6/20 11/13 15/14 19/11 19/13 19/21 21/6 25/18 28/22 28/24 31/20 32/4 36/7 41/20 43/13 45/16 49/17 52/1 58/8 59/3 60/10 64/18 71/20 75/8 76/6 76/25 77/4 77/6 77/13 83/4 89/23 90/2 90/22 91/25 93/10 93/22 101/14 106/3 106/12 107/9</p> <p>then [54] 7/8 7/25 8/9 11/19 12/18 17/6 17/6 17/9 17/15 17/19 20/7</p>
---	---	---	--	---

<p>T</p> <p>then... [43] 22/18 24/24 25/10 26/14 29/3 30/8 31/10 33/22 38/3 38/4 41/7 44/5 44/9 46/7 48/2 49/2 49/2 56/7 59/6 59/7 60/11 60/11 60/25 65/7 66/16 67/16 68/7 73/20 73/25 76/1 77/14 78/22 80/2 84/11 84/18 87/12 91/3 92/6 94/21 98/1 98/20 104/2 109/16</p> <p>there [70] 17/3 18/11 18/18 21/2 21/8 21/15 22/4 22/8 23/18 27/13 28/20 30/25 31/10 32/13 34/9 35/24 36/5 38/14 38/15 40/9 41/6 41/18 43/10 45/13 46/16 46/16 53/6 53/8 57/4 61/2 62/4 62/18 62/21 63/15 65/3 66/12 66/13 67/3 70/13 71/3 71/15 73/11 73/17 73/18 73/18 76/9 76/19 77/9 78/13 81/4 81/6 81/10 82/1 83/18 83/20 85/14 86/6 87/8 93/2 93/4 94/21 94/25 95/11 95/12 96/21 98/15 105/9 105/9 105/15 105/15</p> <p>there's [30] 6/7 20/14 39/13 41/6 41/7 41/13 48/9 49/17 49/17 54/17 54/19 61/25 70/12 70/12 75/13 76/19 80/1 80/2 81/2 81/10 83/15 84/18 88/14 89/10 91/9 91/9 104/6 106/19 107/23 108/6</p> <p>therefore [2] 51/10 76/15</p> <p>these [36] 9/8 25/3 26/13 29/11 30/18 32/9 33/3 35/25 36/14 36/15 36/23 36/25 41/20 42/15 43/8 45/15 47/11 51/20 51/21 51/24 64/7 64/12 71/20 77/18 79/7 84/19 87/4 88/11 89/2 89/5 97/6 97/14 98/4 98/7 98/22 99/9</p> <p>they [94] 6/11 6/25 7/1 7/2 7/2 7/17 9/10 15/18 15/19 17/23 17/24 18/16 18/16 18/23 18/25 19/4 19/8 19/21 19/24 22/22 24/5 24/6 27/15 28/5 28/14 29/2 29/5 29/13 29/18 30/1 30/3 30/4 30/5 30/15 30/19 30/19 31/24 31/25 31/25 32/3 32/3 32/9 32/11 32/16 32/21 32/23 33/3 36/23 37/23 40/8 45/12 45/21 46/14</p>	<p>48/21 48/21 49/2 49/11 50/1 50/13 50/24 51/9 51/17 51/25 52/20 52/23 52/24 53/1 54/23 55/24 72/22 76/23 76/23 77/2 77/4 77/5 81/22 89/16 90/2 91/12 91/19 92/5 92/6 92/23 92/24 93/2 93/22 97/21 99/10 105/22 106/10 106/14 108/15 108/15 108/23</p> <p>they'd [1] 45/21</p> <p>they'll [2] 23/7 91/10</p> <p>they're [17] 6/16 9/12 15/18 15/19 25/11 27/7 29/19 29/19 50/11 50/11 50/12 50/24 51/21 51/22 55/22 83/4 90/21</p> <p>they've [2] 29/21 31/17</p> <p>thin [1] 96/10</p> <p>thing [7] 22/25 24/2 28/17 31/14 71/25 88/22 105/10</p> <p>things [19] 20/3 20/17 32/24 33/9 34/6 34/19 34/25 47/11 47/17 51/17 52/1 53/13 55/6 84/20 87/8 90/22 92/2 93/9 95/25</p> <p>think [63] 6/8 7/10 7/23 8/9 15/18 22/2 22/10 24/12 30/8 31/8 31/18 32/2 32/13 36/17 36/18 36/18 37/9 37/21 38/18 38/19 38/22 38/25 39/14 40/21 41/10 42/13 43/20 45/8 46/13 48/5 50/13 50/22 50/22 51/16 57/13 58/18 60/8 60/20 61/2 61/2 61/2 62/14 62/15 62/17 68/8 68/8 69/22 73/10 80/7 83/4 83/11 84/2 86/13 87/21 97/21 97/22 98/19 100/8 102/7 102/14 102/23 105/13 108/5</p> <p>thinking [5] 46/9 47/8 50/10 69/17 87/8</p> <p>thinner [2] 51/19 51/20</p> <p>third [2] 83/14 98/1</p> <p>this [258]</p> <p>those [36] 10/8 11/6 15/22 17/12 27/14 28/21 29/1 29/25 31/13 31/22 31/24 34/25 36/1 38/25 41/18 42/3 49/16 49/19 52/16 57/11 58/11 65/3 72/10 76/19 78/3 78/22 81/21 91/10 92/8 92/9 93/14 93/19 100/6 102/11 103/17 104/21</p> <p>though [3] 17/21 71/19 71/21</p> <p>thought [3] 46/14 60/4 83/3</p>	<p>thousands [1] 30/20</p> <p>three [17] 17/7 19/13 24/10 24/12 25/22 26/21 26/21 49/14 57/4 60/21 64/21 66/3 66/4 66/7 67/16 86/24 87/18</p> <p>thresholds [1] 68/16</p> <p>through [19] 6/16 7/7 13/14 13/17 17/2 27/5 37/7 44/5 44/17 47/8 48/6 59/8 68/21 78/4 82/7 83/11 89/4 102/3 104/25</p> <p>throughout [1] 21/16</p> <p>throw [1] 12/21</p> <p>throwing [1] 65/3</p> <p>Thursday [1] 65/23</p> <p>time [95] 6/6 13/7 14/3 14/13 17/13 17/17 19/16 20/5 20/11 20/22 20/24 21/4 22/11 23/9 26/20 27/16 28/24 29/12 29/12 30/6 30/10 31/12 33/4 33/6 35/11 36/13 36/16 37/22 40/4 40/9 43/4 43/20 44/21 46/11 47/3 48/4 48/25 50/10 51/15 53/20 55/11 56/8 57/9 58/3 59/21 61/1 61/11 63/7 63/23 64/3 64/25 65/18 65/23 65/24 66/21 72/20 72/21 72/22 72/25 74/18 75/5 77/23 78/8 79/9 81/9 82/2 82/19 83/19 85/7 85/17 87/5 87/22 88/18 90/5 90/16 90/21 90/22 91/4 92/21 92/22 93/19 94/3 94/11 98/18 100/2 101/3 103/22 105/17 105/19 106/5 106/17 107/10 107/11 107/25 108/21</p> <p>times [4] 82/12 84/2 93/18 104/19</p> <p>timing [2] 7/19 60/9</p> <p>tinny [2] 48/14 52/3</p> <p>tired [1] 21/10</p> <p>titled [1] 69/13</p> <p>today [17] 6/25 7/3 7/4 7/7 7/19 8/13 8/15 23/24 36/17 39/4 44/25 45/1 77/15 82/23 85/23 101/8 108/9</p> <p>toes [1] 55/23</p> <p>told [18] 7/1 16/6 28/2 29/13 29/18 30/3 30/4 32/9 33/5 47/24 56/25 59/2 59/8 75/14 77/21 86/19 94/6 101/7</p> <p>tomorrow [3] 6/24 60/19 60/19</p> <p>tomorrow's [1] 39/4</p> <p>too [15] 6/20 9/18 10/14 19/1 34/4 38/11 45/24 52/10 54/17 57/4 57/5 81/10 88/17 94/15 94/16</p>	<p>took [5] 26/20 31/9 45/25 61/2 85/19</p> <p>top [5] 41/22 82/11 87/4 90/17 109/16</p> <p>topic [1] 87/18</p> <p>touched [1] 29/6</p> <p>towards [1] 69/23</p> <p>track [4] 9/12 9/16 93/1 97/22</p> <p>tracking [2] 21/2 92/23</p> <p>traded [1] 108/15</p> <p>trades [1] 108/21</p> <p>train [1] 40/7</p> <p>TRAN [1] 1/1</p> <p>transaction [3] 57/3 87/6 87/12</p> <p>TRANSCRIBED [2] 1/25 111/3</p> <p>TRANSCRIBER [1] 111/16</p> <p>transcript [3] 1/8 85/11 111/9</p> <p>transition [6] 25/3 25/22 28/1 39/8 82/14 86/23</p> <p>transitioning [1] 26/10</p> <p>translates [1] 23/2</p> <p>treating [1] 24/20</p> <p>treatment [2] 88/19 88/24</p> <p>tremendous [1] 102/24</p> <p>trial [2] 1/13 104/20</p> <p>Trichon [1] 57/23</p> <p>trim [1] 16/7</p> <p>trip [1] 43/13</p> <p>tripped [1] 76/22</p> <p>tripping [2] 41/24 76/13</p> <p>trouble [2] 9/12 108/23</p> <p>true [8] 13/7 44/25 45/1 47/23 73/13 98/7 100/4 108/5</p> <p>TRULY [1] 111/3</p> <p>try [7] 30/5 30/5 36/6 61/5 61/17 65/7 109/3</p> <p>trying [8] 9/14 27/23 27/25 40/2 50/13 50/23 65/11 65/14</p> <p>TUESDAY [1] 1/12</p> <p>turn [4] 17/16 46/22 53/14 89/6</p> <p>turned [1] 17/12</p> <p>turning [1] 45/18</p> <p>Turtle [79] 14/18 14/21 17/21 17/25 17/25 18/17 18/23 18/25 19/1 19/6 20/6 20/17 22/11 22/15 22/17 23/1 23/21 23/24 24/25 26/4 27/6 28/2 33/12 35/1 35/10 35/13 35/14 35/14 36/5 36/19 37/6 38/18 41/24 42/3 42/18 42/20 43/15 43/18 44/21 53/18 56/6 56/8 56/11 58/2 59/20 59/22 59/24 63/4 64/25 69/8 69/13 72/15 73/5 77/23 78/4 79/8 80/23 81/12 82/9 82/19 83/19</p>	<p>88/3 88/19 90/4 94/12 95/13 97/13 98/3 98/12 98/23 99/1 99/4 99/16 100/1 105/18 106/3 108/4 108/19 109/6</p> <p>TV [1] 93/21</p> <p>Twenty [1] 105/24</p> <p>Twenty-one million [1] 105/24</p> <p>two [29] 7/2 7/19 17/12 18/15 21/3 21/6 21/8 21/14 25/22 26/5 26/5 26/11 26/13 29/11 31/8 38/3 40/4 45/19 51/24 57/6 57/12 62/25 67/14 80/2 86/23 87/18 92/2 94/8 104/6</p> <p>two years [1] 21/14</p> <p>type [8] 23/19 38/10 46/9 52/5 55/7 73/15 87/8 92/5</p> <p>types [2] 47/11 104/7</p> <p>typical [5] 43/1 43/24 43/25 85/22 85/22</p> <p>typically [1] 23/10</p> <hr/> <p>U</p> <p>U.S [1] 22/12</p> <p>Uh [1] 67/21</p> <p>Uh-huh [1] 67/21</p> <p>UK [1] 87/21</p> <p>ultimate [2] 62/23 99/4</p> <p>ultimately [10] 26/16 31/3 40/6 46/21 47/15 58/14 60/8 85/16 93/17 101/4</p> <p>uncertainties [1] 89/2</p> <p>uncertainty [1] 84/19</p> <p>uncomfortable [1] 53/8</p> <p>under [4] 67/2 84/18 102/24 106/8</p> <p>undergrad [1] 17/1</p> <p>underneath [1] 21/8</p> <p>underscored [1] 76/13</p> <p>understand [7] 27/23 27/25 45/23 46/1 46/3 101/5 106/1</p> <p>understanding [2] 94/5 103/23</p> <p>understood [2] 44/22 59/1</p> <p>unique [1] 45/11</p> <p>units [2] 30/20 32/14</p> <p>University [1] 17/2</p> <p>unless [1] 52/3</p> <p>unlike [2] 31/12 56/18</p> <p>unproven [1] 57/5</p> <p>unquote [1] 67/25</p> <p>until [11] 9/6 28/15 29/3 30/8 30/21 44/4 44/6 44/13 44/22 63/11 110/8</p> <p>unusual [1] 24/17</p> <p>unusually [1] 23/17</p> <p>up [42] 11/18 12/7 14/25 14/25 15/16 15/20 16/11 16/17 17/7 17/7 17/8 17/13 18/4</p>
--	---	---	--	---

<p>U</p> <p>up... [29] 24/19 25/20 26/21 32/17 33/2 34/14 36/9 38/16 43/5 45/14 46/2 47/18 52/12 52/17 57/14 60/1 60/7 61/22 63/16 65/9 71/1 77/10 82/8 84/24 84/25 86/16 93/20 102/5 109/20</p> <p>update [1] 98/4</p> <p>updated [2] 72/10 104/3</p> <p>upgrading [1] 21/15</p> <p>upon [1] 45/5</p> <p>upper [1] 48/14</p> <p>upside [1] 76/3</p> <p>urging [1] 82/8</p> <p>us [36] 11/20 16/13 20/7 26/20 27/10 27/18 29/13 29/18 30/3 30/4 30/6 31/6 31/18 32/9 32/15 33/5 36/10 40/23 45/6 47/10 47/10 47/13 57/8 58/16 60/12 64/12 68/3 76/23 76/23 76/24 82/15 87/23 96/15 100/10 101/7 107/5</p> <p>use [7] 31/25 32/19 49/18 84/9 87/23 101/13 110/1</p> <p>used [5] 51/3 69/7 75/1 78/15 91/17</p> <p>uses [1] 50/7</p> <p>using [1] 87/23</p>	<p>view [11] 14/1 40/18 44/18 48/24 48/25 49/9 59/1 82/18 85/8 92/17 103/25</p> <p>viewed [6] 20/20 20/21 27/11 27/20 33/15 60/1</p> <p>vigorous [1] 58/19</p> <p>violation [1] 108/12</p> <p>visibility [1] 100/14</p> <p>volatility [1] 84/19</p> <p>VOLUME [1] 1/13</p> <p>VTB [4] 1/20 1/21 78/14 83/15</p> <p>VTBH000171 [1] 62/3</p> <p>W</p> <p>wait [1] 9/6</p> <p>walk [2] 52/22 60/22</p> <p>walked [1] 89/4</p> <p>want [21] 9/6 10/17 19/13 22/19 31/21 32/11 41/11 44/17 46/10 52/10 56/16 59/3 60/19 64/8 71/3 77/1 77/12 86/3 87/18 100/14 100/15</p> <p>wanted [6] 7/20 27/20 42/14 56/18 86/3 100/10</p> <p>wanting [1] 6/11</p> <p>wants [1] 34/16</p> <p>was [277]</p> <p>was one [1] 105/10</p> <p>wasn't [4] 8/2 46/15 108/11 109/19</p> <p>way [19] 13/13 20/20 24/5 27/1 36/17 44/9 51/9 56/18 63/2 68/8 77/4 83/8 91/16 94/5 94/15 94/15 94/16 104/14 106/1</p> <p>ways [2] 34/24 40/20</p> <p>we [264]</p> <p>we'll [5] 9/16 25/4 82/2 89/13 107/9</p> <p>we're [11] 9/14 11/18 20/1 32/6 32/7 32/11 41/4 44/19 69/3 94/7 103/4</p> <p>we've [10] 19/25 19/25 73/10 82/12 84/2 84/15 89/9 104/6 108/8 109/1</p> <p>weaker [1] 34/5</p> <p>wearing [1] 45/17</p> <p>weather [2] 39/4 39/4</p> <p>weeks [4] 86/25 86/25 103/17 106/23</p> <p>weighted [1] 93/7</p> <p>Weisbord [2] 100/25 101/2</p> <p>well [58] 8/11 8/24 16/8 20/10 21/2 23/2 24/20 24/20 26/25 27/14 29/17 30/25 31/2 31/4 32/8 32/23 33/8 34/16 39/2 41/3 41/6 44/4 45/24 46/11 46/15 47/16 48/12 48/15 48/21 48/25 49/22 50/1</p>	<p>52/5 53/12 55/4 59/12 60/4 64/7 65/17 65/20 65/22 66/15 69/21 76/1 82/5 87/9 92/22 94/21 95/2 96/5 100/10 102/7 102/10 105/17 107/1 108/8 109/19 110/5</p> <p>went [6] 13/14 13/24 17/2 17/3 38/12 60/8</p> <p>were [103] 12/13 12/24 17/11 17/24 18/23 18/25 19/6 19/24 21/10 25/9 26/7 26/14 26/25 27/15 27/16 28/13 28/14 28/14 28/19 28/19 29/13 30/1 30/5 30/18 30/19 30/19 31/20 34/2 36/2 39/1 41/21 44/10 45/13 46/7 46/12 47/2 48/21 51/19 53/1 53/6 54/15 56/9 57/2 57/20 59/13 60/6 60/12 63/24 65/3 65/3 65/18 69/2 69/21 69/22 69/22 72/22 75/21 77/14 78/18 80/8 81/19 83/19 85/18 87/8 87/9 87/10 89/14 90/2 90/18 91/17 91/19 91/23 92/3 92/5 92/8 92/23 93/2 93/2 93/3 93/19 93/20 93/20 93/22 93/22 94/9 94/9 94/12 95/19 97/7 97/9 97/22 98/8 100/12 102/10 102/10 105/14 105/15 105/21 105/22 106/14 107/7 108/19 109/9</p> <p>weren't [2] 28/24 93/23</p> <p>what [102] 8/6 8/12 8/25 9/14 14/6 14/6 17/24 18/25 19/2 19/8 19/8 20/7 21/19 23/24 25/4 26/2 26/16 27/4 28/10 29/7 29/13 31/3 32/17 36/1 38/17 40/14 42/19 42/19 43/17 44/1 44/10 44/22 46/3 46/9 46/9 48/11 49/5 49/11 49/21 49/21 50/13 50/14 51/2 51/14 53/1 55/6 57/2 57/10 58/2 62/5 62/23 62/23 63/4 64/10 64/10 65/9 65/9 68/17 69/12 71/6 72/21 73/7 74/14 76/5 77/5 80/6 80/14 81/11 82/25 83/18 83/19 84/8 84/11 84/15 85/8 85/18 86/24 86/24 87/8 90/1 90/4 90/4 92/4 92/9 92/20 92/20 92/21 94/2 94/25 101/7 101/16 101/19 102/1 102/5 102/6 102/6 103/23 105/12 105/14 105/21 107/23 109/2</p> <p>what's [2] 40/1 102/7</p> <p>whatever [6] 49/9 72/7</p>	<p>94/6 97/12 102/9 107/19</p> <p>whatsoever [2] 81/3 104/21</p> <p>when [41] 6/11 7/1 12/10 13/13 13/24 16/6 17/5 19/6 20/6 25/22 28/1 28/12 29/10 30/15 36/14 37/9 37/17 37/23 37/23 38/25 39/9 45/7 48/11 50/6 50/6 50/11 52/12 56/7 59/8 65/15 68/16 72/22 73/10 74/22 82/23 83/5 86/23 92/9 93/14 101/18 103/14</p> <p>where [27] 13/11 23/3 23/18 29/5 29/9 29/10 30/9 36/5 43/13 46/5 53/14 58/20 58/25 64/6 65/18 68/24 76/22 82/11 83/2 85/23 89/14 90/17 92/23 94/8 107/6 108/14 110/4</p> <p>whether [13] 6/25 12/11 23/23 58/20 69/2 69/3 69/6 69/7 69/22 70/7 72/7 81/2 91/16</p> <p>which [48] 12/13 12/19 19/23 21/22 22/7 22/24 23/4 23/6 24/23 26/2 29/22 31/7 31/11 31/17 34/5 35/7 35/17 35/18 37/3 39/15 39/20 40/12 41/5 41/11 42/7 43/5 48/16 52/4 56/25 62/14 64/1 67/16 73/22 75/15 75/16 77/2 77/15 78/12 80/14 82/15 84/12 84/19 85/25 93/6 94/6 97/4 107/5 109/15</p> <p>while [2] 93/23 107/7</p> <p>who [21] 7/4 15/7 15/9 18/14 19/25 20/1 20/2 23/5 23/6 29/22 45/19 56/19 63/5 68/21 81/19 81/19 88/1 93/8 101/2 109/13 109/16</p> <p>who's [3] 53/19 56/5 57/23</p> <p>whole [5] 33/24 80/3 88/14 89/10 93/8</p> <p>why [16] 15/19 22/25 44/16 45/13 47/5 53/8 58/3 58/16 61/21 76/18 76/18 87/13 100/8 100/8 100/8 108/7</p> <p>wide [1] 89/3</p> <p>Widex [2] 109/8 109/15</p> <p>will [20] 7/12 7/20 8/18 10/8 11/6 18/8 33/23 48/16 59/5 59/5 82/4 82/12 82/13 82/15 83/6 86/21 86/24 86/25 99/15 107/9</p> <p>WILLIAMS [2] 111/12 111/16</p> <p>wipe [1] 16/5</p> <p>wired [1] 32/4</p>	<p>wireless [1] 22/21</p> <p>withholding [1] 61/11</p> <p>within [1] 49/16</p> <p>without [7] 29/18 30/12 31/13 77/13 82/13 88/17 104/20</p> <p>witness [2] 7/18 11/23</p> <p>witnesses [5] 2/3 6/24 7/2 7/11 7/19</p> <p>WOLFE [1] 1/18</p> <p>won't [2] 59/4 76/11</p> <p>word [1] 47/12</p> <p>work [26] 21/15 25/24 27/3 28/10 28/15 29/11 29/14 29/18 30/15 31/13 32/5 39/10 52/4 53/10 64/12 65/9 69/10 71/15 73/16 73/21 77/20 81/22 87/21 87/22 92/6 107/9</p> <p>worked [8] 24/8 25/18 25/23 27/17 28/11 47/14 52/1 109/12</p> <p>working [8] 18/22 26/18 30/5 45/14 52/24 92/5 101/4 107/1</p> <p>works [2] 44/15 52/4</p> <p>worksheet [3] 71/14 72/9 72/11</p> <p>world [1] 38/9</p> <p>worried [1] 93/23</p> <p>worst [5] 75/15 75/17 76/15 100/6 101/14</p> <p>worst-case [1] 76/15</p> <p>worth [1] 89/23</p> <p>would [114]</p> <p>wouldn't [6] 13/16 28/21 71/22 93/16 100/11 108/13</p> <p>Wow [1] 16/3</p> <p>write [4] 12/19 34/10 80/3 84/18</p> <p>writes [1] 102/23</p> <p>writing [2] 9/20 60/18</p> <p>wrong [2] 28/21 30/10</p> <p>wrote [2] 48/11 107/13</p>
<p>V</p> <p>Val [1] 8/15</p> <p>validated [1] 6/13</p> <p>valuable [1] 49/1</p> <p>valuation [2] 46/15 46/15</p> <p>value [7] 13/15 20/4 33/23 48/24 64/7 64/8 94/3</p> <p>variables [1] 65/8</p> <p>variety [1] 88/14</p> <p>various [4] 64/13 66/17 68/25 72/22</p> <p>vary [1] 97/17</p> <p>VEGAS [2] 6/1 111/12</p> <p>venture [1] 17/8</p> <p>version [1] 67/24</p> <p>very [53] 13/12 15/18 19/5 19/16 20/12 20/21 21/2 21/5 21/11 21/14 23/5 23/12 23/18 24/3 24/7 24/17 24/17 27/21 32/10 32/23 43/17 44/11 44/14 44/14 45/11 45/12 45/17 45/24 46/14 47/9 47/13 49/11 52/4 53/13 55/4 58/17 59/7 59/13 69/2 71/11 75/14 76/9 76/23 78/3 79/7 82/8 85/25 86/21 88/9 92/16 105/25 105/25 109/5</p> <p>VIDEO [1] 111/4</p>	<p>view [11] 14/1 40/18 44/18 48/24 48/25 49/9 59/1 82/18 85/8 92/17 103/25</p> <p>viewed [6] 20/20 20/21 27/11 27/20 33/15 60/1</p> <p>vigorous [1] 58/19</p> <p>violation [1] 108/12</p> <p>visibility [1] 100/14</p> <p>volatility [1] 84/19</p> <p>VOLUME [1] 1/13</p> <p>VTB [4] 1/20 1/21 78/14 83/15</p> <p>VTBH000171 [1] 62/3</p> <p>W</p> <p>wait [1] 9/6</p> <p>walk [2] 52/22 60/22</p> <p>walked [1] 89/4</p> <p>want [21] 9/6 10/17 19/13 22/19 31/21 32/11 41/11 44/17 46/10 52/10 56/16 59/3 60/19 64/8 71/3 77/1 77/12 86/3 87/18 100/14 100/15</p> <p>wanted [6] 7/20 27/20 42/14 56/18 86/3 100/10</p> <p>wanting [1] 6/11</p> <p>wants [1] 34/16</p> <p>was [277]</p> <p>was one [1] 105/10</p> <p>wasn't [4] 8/2 46/15 108/11 109/19</p> <p>way [19] 13/13 20/20 24/5 27/1 36/17 44/9 51/9 56/18 63/2 68/8 77/4 83/8 91/16 94/5 94/15 94/15 94/16 104/14 106/1</p> <p>ways [2] 34/24 40/20</p> <p>we [264]</p> <p>we'll [5] 9/16 25/4 82/2 89/13 107/9</p> <p>we're [11] 9/14 11/18 20/1 32/6 32/7 32/11 41/4 44/19 69/3 94/7 103/4</p> <p>we've [10] 19/25 19/25 73/10 82/12 84/2 84/15 89/9 104/6 108/8 109/1</p> <p>weaker [1] 34/5</p> <p>wearing [1] 45/17</p> <p>weather [2] 39/4 39/4</p> <p>weeks [4] 86/25 86/25 103/17 106/23</p> <p>weighted [1] 93/7</p> <p>Weisbord [2] 100/25 101/2</p> <p>well [58] 8/11 8/24 16/8 20/10 21/2 23/2 24/20 24/20 26/25 27/14 29/17 30/25 31/2 31/4 32/8 32/23 33/8 34/16 39/2 41/3 41/6 44/4 45/24 46/11 46/15 47/16 48/12 48/15 48/21 48/25 49/22 50/1</p>	<p>52/5 53/12 55/4 59/12 60/4 64/7 65/17 65/20 65/22 66/15 69/21 76/1 82/5 87/9 92/22 94/21 95/2 96/5 100/10 102/7 102/10 105/17 107/1 108/8 109/19 110/5</p> <p>went [6] 13/14 13/24 17/2 17/3 38/12 60/8</p> <p>were [103] 12/13 12/24 17/11 17/24 18/23 18/25 19/6 19/24 21/10 25/9 26/7 26/14 26/25 27/15 27/16 28/13 28/14 28/14 28/19 28/19 29/13 30/1 30/5 30/18 30/19 30/19 31/20 34/2 36/2 39/1 41/21 44/10 45/13 46/7 46/12 47/2 48/21 51/19 53/1 53/6 54/15 56/9 57/2 57/20 59/13 60/6 60/12 63/24 65/3 65/3 65/18 69/2 69/21 69/22 69/22 72/22 75/21 77/14 78/18 80/8 81/19 83/19 85/18 87/8 87/9 87/10 89/14 90/2 90/18 91/17 91/19 91/23 92/3 92/5 92/8 92/23 93/2 93/2 93/3 93/19 93/20 93/20 93/22 93/22 94/9 94/9 94/12 95/19 97/7 97/9 97/22 98/8 100/12 102/10 102/10 105/14 105/15 105/21 105/22 106/14 107/7 108/19 109/9</p> <p>weren't [2] 28/24 93/23</p> <p>what [102] 8/6 8/12 8/25 9/14 14/6 14/6 17/24 18/25 19/2 19/8 19/8 20/7 21/19 23/24 25/4 26/2 26/16 27/4 28/10 29/7 29/13 31/3 32/17 36/1 38/17 40/14 42/19 42/19 43/17 44/1 44/10 44/22 46/3 46/9 46/9 48/11 49/5 49/11 49/21 49/21 50/13 50/14 51/2 51/14 53/1 55/6 57/2 57/10 58/2 62/5 62/23 62/23 63/4 64/10 64/10 65/9 65/9 68/17 69/12 71/6 72/21 73/7 74/14 76/5 77/5 80/6 80/14 81/11 82/25 83/18 83/19 84/8 84/11 84/15 85/8 85/18 86/24 86/24 87/8 90/1 90/4 90/4 92/4 92/9 92/20 92/20 92/21 94/2 94/25 101/7 101/16 101/19 102/1 102/5 102/6 102/6 103/23 105/12 105/14 105/21 107/23 109/2</p> <p>what's [2] 40/1 102/7</p> <p>whatever [6] 49/9 72/7</p>	<p>94/6 97/12 102/9 107/19</p> <p>whatsoever [2] 81/3 104/21</p> <p>when [41] 6/11 7/1 12/10 13/13 13/24 16/6 17/5 19/6 20/6 25/22 28/1 28/12 29/10 30/15 36/14 37/9 37/17 37/23 37/23 38/25 39/9 45/7 48/11 50/6 50/6 50/11 52/12 56/7 59/8 65/15 68/16 72/22 73/10 74/22 82/23 83/5 86/23 92/9 93/14 101/18 103/14</p> <p>where [27] 13/11 23/3 23/18 29/5 29/9 29/10 30/9 36/5 43/13 46/5 53/14 58/20 58/25 64/6 65/18 68/24 76/22 82/11 83/2 85/23 89/14 90/17 92/23 94/8 107/6 108/14 110/4</p> <p>whether [13] 6/25 12/11 23/23 58/20 69/2 69/3 69/6 69/7 69/22 70/7 72/7 81/2 91/16</p> <p>which [48] 12/13 12/19 19/23 21/22 22/7 22/24 23/4 23/6 24/23 26/2 29/22 31/7 31/11 31/17 34/5 35/7 35/17 35/18 37/3 39/15 39/20 40/12 41/5 41/11 42/7 43/5 48/16 52/4 56/25 62/14 64/1 67/16 73/22 75/15 75/16 77/2 77/15 78/12 80/14 82/15 84/12 84/19 85/25 93/6 94/6 97/4 107/5 109/15</p> <p>while [2] 93/23 107/7</p> <p>who [21] 7/4 15/7 15/9 18/14 19/25 20/1 20/2 23/5 23/6 29/22 45/19 56/19 63/5 68/21 81/19 81/19 88/1 93/8 101/2 109/13 109/16</p> <p>who's [3] 53/19 56/5 57/23</p> <p>whole [5] 33/24 80/3 88/14 89/10 93/8</p> <p>why [16] 15/19 22/25 44/16 45/13 47/5 53/8 58/3 58/16 61/21 76/18 76/18 87/13 100/8 100/8 100/8 108/7</p> <p>wide [1] 89/3</p> <p>Widex [2] 109/8 109/15</p> <p>will [20] 7/12 7/20 8/18 10/8 11/6 18/8 33/23 48/16 59/5 59/5 82/4 82/12 82/13 82/15 83/6 86/21 86/24 86/25 99/15 107/9</p> <p>WILLIAMS [2] 111/12 111/16</p> <p>wipe [1] 16/5</p> <p>wired [1] 32/4</p>	<p>wireless [1] 22/21</p> <p>withholding [1] 61/11</p> <p>within [1] 49/16</p> <p>without [7] 29/18 30/12 31/13 77/13 82/13 88/17 104/20</p> <p>witness [2] 7/18 11/23</p> <p>witnesses [5] 2/3 6/24 7/2 7/11 7/19</p> <p>WOLFE [1] 1/18</p> <p>won't [2] 59/4 76/11</p> <p>word [1] 47/12</p> <p>work [26] 21/15 25/24 27/3 28/10 28/15 29/11 29/14 29/18 30/15 31/13 32/5 39/10 52/4 53/10 64/12 65/9 69/10 71/15 73/16 73/21 77/20 81/22 87/21 87/22 92/6 107/9</p> <p>worked [8] 24/8 25/18 25/23 27/17 28/11 47/14 52/1 109/12</p> <p>working [8] 18/22 26/18 30/5 45/14 52/24 92/5 101/4 107/1</p> <p>works [2] 44/15 52/4</p> <p>worksheet [3] 71/14 72/9 72/11</p> <p>world [1] 38/9</p> <p>worried [1] 93/23</p> <p>worst [5] 75/15 75/17 76/15 100/6 101/14</p> <p>worst-case [1] 76/15</p> <p>worth [1] 89/23</p> <p>would [114]</p> <p>wouldn't [6] 13/16 28/21 71/22 93/16 100/11 108/13</p> <p>Wow [1] 16/3</p> <p>write [4] 12/19 34/10 80/3 84/18</p> <p>writes [1] 102/23</p> <p>writing [2] 9/20 60/18</p> <p>wrong [2] 28/21 30/10</p> <p>wrote [2] 48/11 107/13</p> <p>X</p> <p>XBox [35] 20/12 25/10 25/18 25/24 26/3 27/8 27/9 27/15 27/17 27/19 28/6 29/4 29/8 29/12 29/14 29/19 30/12 30/15 31/13 31/15 31</p>

<p>Y</p> <p>yeah... [67] 36/2 37/19 38/22 39/6 39/13 39/17 39/22 40/15 41/14 41/19 42/13 43/1 44/1 49/7 49/20 50/18 51/1 51/4 51/16 53/6 54/6 55/4 55/8 55/20 56/16 58/17 59/22 61/8 66/5 66/10 67/11 68/15 70/15 71/11 71/12 73/17 73/19 76/8 80/14 82/10 82/20 83/12 84/6 84/11 84/18 85/19 86/15 88/8 88/8 91/12 91/21 93/4 94/18 95/9 95/9 96/9 96/13 97/12 100/3 101/7 101/15 101/17 103/14 104/8 105/24 106/10 106/14 year [23] 13/14 20/18 22/21 22/21 24/19 29/3 32/7 36/24 44/4 44/17 44/19 48/6 73/18 73/19 74/16 74/16 87/1 91/10 91/13 101/12 103/17 104/12 104/18 year's [2] 39/2 39/3 years [19] 17/5 17/6 17/8 18/17 19/13 19/13 19/17 21/4 21/14 24/1 24/10 26/21 34/23 37/14 38/3 59/15 59/15 64/21 87/18 Yep [3] 11/14 61/20 91/2 yes [100] 6/17 7/10 7/18 10/7 12/17 14/15 14/20 15/8 15/11 15/13 18/13 18/21 23/22 23/23 25/1 33/17 33/21 34/1 35/12 37/8 37/12 37/16 38/2 38/5 42/1 44/24 46/25 47/4 47/22 48/18 54/5 54/13 55/24 56/23 57/25 58/13 60/24 61/13 61/17 64/4 64/24 67/5 68/2 68/6 69/16 69/19 70/6 70/14 71/14 72/3 72/19 72/24 74/25 75/19 79/17 79/25 80/5 80/10 81/8 82/6 82/17 83/17 83/21 84/1 84/17 85/2 85/9 85/13 89/21 91/5 91/8 92/2 94/24 95/22 96/1 96/14 96/25 98/14 98/16 99/21 99/23 100/7 101/1 101/15 101/25 102/21 103/8 103/21 104/10 104/13 104/15 104/17 105/11 106/4 106/18 106/22 106/25 107/15 107/18 108/25 yesterday [24] 6/8 7/1 12/10 13/8 13/10 25/3 25/21 29/7 38/17 41/10</p>	<p>41/23 43/14 50/23 57/21 58/5 72/20 73/10 78/7 81/10 89/14 90/16 93/18 96/11 108/9 yet [3] 6/10 6/19 9/5 York [3] 65/20 65/22 65/23 you [500] you'd [4] 31/2 40/8 55/13 60/22 you'll [1] 101/14 you're [43] 8/25 12/7 12/25 14/18 16/11 23/5 28/25 33/5 34/5 34/21 34/22 35/2 40/2 46/20 49/5 50/6 50/8 50/23 51/1 51/8 51/10 53/15 61/19 65/11 65/12 65/12 65/13 65/14 68/15 74/23 75/20 76/18 77/9 77/11 89/23 90/1 90/21 92/16 93/9 93/9 93/11 100/5 103/10 you've [11] 8/3 14/14 25/23 26/24 49/25 50/4 50/4 65/4 84/3 88/16 93/8 your [77] 6/8 6/13 7/4 7/12 7/16 8/7 11/25 12/1 12/3 12/18 14/9 14/13 15/18 16/8 16/24 20/4 20/4 23/7 23/7 23/10 24/20 24/20 27/22 33/8 33/14 33/22 34/7 34/8 34/21 35/4 35/23 42/23 44/2 44/4 44/11 46/9 49/9 49/13 50/5 50/16 52/6 53/23 54/23 55/23 56/25 61/14 62/2 62/20 63/9 64/2 74/13 74/19 75/12 75/21 76/6 79/1 82/18 84/4 85/8 86/11 86/16 86/16 88/1 88/12 89/10 90/4 90/6 90/16 92/16 92/20 94/2 95/12 95/20 101/19 103/10 103/23 105/4 yourself [1] 16/24</p> <hr/> <p>Z</p> <p>zero [1] 92/17</p>			
---	---	--	--	--

From: Dan Marriott <dm@stripesgroup.com>
To: Karen Kenworthy
Sent: 1/1/2014 2:33:36 PM
Subject: Re: IMPORTANT: TB Cap Call Doc - KEN PLEASE ALSO READ IF YOU HAVE INTERNET

Cool. No worries on my end. Will be around.

From: Karen Kenworthy
Sent: Wednesday, January 01, 2014 07:30 PM Coordinated Universal Time
To: Dan Marriott
Subject: Re: IMPORTANT: TB Cap Call Doc - KEN PLEASE ALSO READ IF YOU HAVE INTERNET

Not right now thanks- all good. Would rather not have to drag you into all of this, though given Ken's accessibility I want to make sure we're all aligned!

On Jan 1, 2014, at 11:16 AM, "Dan Marriott" <dm@stripesgroup.com> wrote:

Need me for anything? Available if so, just holler.

From: Karen Kenworthy
Sent: Wednesday, January 01, 2014 07:15 PM Coordinated Universal Time
To: Dan Marriott
Subject: Re: IMPORTANT: TB Cap Call Doc - KEN PLEASE ALSO READ IF YOU HAVE INTERNET

Yes thanks - working through it- will send follow up email once settled. Thanks!

On Jan 1, 2014, at 11:14 AM, "Dan Marriott" <dm@stripesgroup.com> wrote:

Did you guys connect? My battery died this afternoon and I just caught this.

From: Karen Kenworthy
Sent: Wednesday, January 01, 2014 02:12 PM Coordinated Universal Time
To: Ken Fox
Cc: Dan Marriott
Subject: RE: IMPORTANT: TB Cap Call Doc - KEN PLEASE ALSO READ IF YOU HAVE INTERNET

I should also clarify PNC is far from happy and is not trying to negotiate with Stripes. Jeff D has said many times that "Kenny should know this is not a deal we want to be in anymore and people at the bank are talking about TB and the downgrades we have had to give it."

With \$7M investment, they would have been out by 6/2014 and that was not early enough for them. They are really concerned this business is going to zero.

I realize \$3.75M is a problem, but I will need your/dan's guidance as to what we want to do here asap. They are not budging and the time sensitivity we are facing does not help.

Please call my cell anytime and/or provide a number I can reach you. Alternatively, let me know if you'd like Dan and I to work through. Thanks
Karen

From: Ken Fox
Sent: Wednesday, January 01, 2014 9:03 AM
To: Karen Kenworthy
Cc: Dan Marriott; Wayne Marino

KENWORTHY -21
Karen Kenworthy
5/29/2019
S. Arielle Santos
CCR-NJ, CLR
Aptus Court Reporters

STRIPES 0037505

Subject: Re: IMPORTANT: TB Cap Call Doc - KEN PLEASE ALSO READ IF YOU HAVE INTERNET

Karen

The additional \$3.75M is a problem and with the loan amount so low and us contributing the additional \$7.5M I am frustrated that we can't get them to extend that term so we have a chance to refinance and not put in additional capital.

Ken

Sent from my iPad

On Jan 1, 2014, at 3:50 PM, "Karen Kenworthy" <karen@stripesgroup.com> wrote:

Hi guys – first, happy new year! In California, so it's early over here, thought I wanted to get this email out asap given time zone changes.

An update after many calls with PNC yesterday – here is the best they have proposed – after saying on many calls they could not do anything for us at all:

- ? Stripes \$7M subordinated debt used to pay down term loan 12/31/2013 (as was already required)
- ? TB must pay an additional \$1.750M against term loan and \$8.5M to reduce revolver on 12-31-13. Term loan balance \$7.5M at year end (this was already required and has been executed)
- ? Bank amends Q1 mandatory clean down in revolver to increase from \$16.5M to \$20.250 (this gives TB \$3.75M more flexibility in q1 to use for the next bullet)
- ? Company pays term loan (\$7.5M) off completely by 2-28-14 (note: this requires an additional \$3.75M of cash given the \$3.75M flex from revolver)
- ? Fixed charge coverage covenant eliminated 12-31-13 and forward and TTM minimum EBITDA of \$16M covenant (I have asked Juergen for confidence level on this for 2013)
- ? Reduce revolver availability to \$35M (from \$55m) at 3-31-14 (John/CFO believes this is OK)
- ? Unfortunately we need to decide by tomorrow as to whether or not we will accept this, as they have a call with overall bank group later on the afternoon EST Thursday 1/2/2014

What this means and next steps:

- ? TB will now need an incremental \$3.75M by 2/28/2014 to pay down the term loan, as the additional \$3.75 required will be coming from what would have been required to pay down the revolver.
- ? We will not be able to get a new financing solution by 2/28/2014 given timing and state of business. I think earliest realistically will be end of Q1/early q2, and this would be best case.
- ? I have asked Juergen/John to model exactly how low the business would have to go in order to not be able to make the additional \$3.75M paydown, and for their confidence level in beating this number. They are working on this now and will provide as soon as they have relayed back to me. Without models, I have received word from John and Juergen they think this is highly highly doable, though am waiting for numerical confirmation.
- ? I have also pushed back on the 2/28/2014 paydown (vs 3/31/2014 paydown) to give us more time to re-finance, but have very little leverage at this point because the timing of the merger is working against us now. I will let you know if I get anywhere with this.
- ? Ken/Dan, do we want to ask Ron D and or C+F, given what we are doing now, to guarantee that they will contribute to the additional pay down, if required, at the end of 2/28/2014? Legally we don't have any power to do so, but we do have leverage now given we will be agreeing to these terms and the \$7M investment.
- ? Dan, please advise as to whether or not you think Ken would want to be brought up to speed via phone (I don't have a number to reach him at beyond his cell), given the change in conditions.
- ? Wayne how do we look against our concentration limit on TB at this point, given \$7M investment we will be making imminently. Would an incremental \$3.75M put us anywhere close?

Apologies for the new years day email, but time sensitive. It's 5:30a here, so I am going to try to go back to sleep for a couple of hours, but Dan, I know there's a lot here, so if you'd like to connect via phone, will be able to in a couple of hours.

STRIPES 0037506

428 - 002

AA 3412

Thanks
K

From: Dan Marriott
Sent: Tuesday, December 31, 2013 8:05 PM
To: Karen Kenworthy; Wayne Marino
Cc: Ken Fox
Subject: RE: TB Cap Call Doc - KEN PLEASE ALSO READ IF YOU HAVE INTERNET

Karen,

Agree and here to discuss if you need tomorrow any time – on London time.

Dan

<image001.png>

Dan Marriott | *Managing Partner*
402 West 13th Street, 4th Floor | New York, NY 10014
tel | 212.823.0729 | fax | 212.823.0721
dm@stripesgroup.com | <image002.png>

This message is intended only for the person(s) to which it is addressed and may contain privileged, confidential and/or non-public information. If you have received this communication in error, please notify us immediately by replying to the message and deleting it from your computer. Any disclosure, copying, distribution, or the taking of any action concerning the contents of this message and any attachment(s) by anyone other than the named recipient(s) is strictly prohibited.

From: Karen Kenworthy
Sent: Tuesday, December 31, 2013 11:46 AM
To: Wayne Marino; Dan Marriott
Cc: Ken Fox
Subject: RE: TB Cap Call Doc - KEN PLEASE ALSO READ IF YOU HAVE INTERNET

OK great, though if this gets raised to high risk team, could still not be settled by Thursday. We will see. Thanks.
Will continue to keep you guys in the loop.

From: Wayne Marino
Sent: Tuesday, December 31, 2013 11:32 AM
To: Karen Kenworthy; Dan Marriott
Cc: Ken Fox
Subject: RE: TB Cap Call Doc - KEN PLEASE ALSO READ IF YOU HAVE INTERNET

Karen- I am available any time today to get this out. But it might make sense to see where everything settles and get out Thursday and ask for less than the 10 day funding requirement. I think given situation sending out on Jan 2nd with a Jan 10th due date is reasonable. Given holiday if it gets to people today in afternoon or Thursday AM, it's really the same thing.

It would be ok to call more than what is required if you want to call for a cushion. We can either return to LP's or hold on BS for future use.

<image001.png>

STRIPES 0037507

428 - 003

AA 3413

Wayne Marino | Vice President

402 West 13th Street, 4th Floor | New York, NY 10014

tel | 212.823.0733 | fax | 212.823.0721

wayne@stripesgroup.com

This message is intended only for the person(s) to which it is addressed and may contain privileged, confidential and/or non-public information. If you have received this communication in error, please notify us immediately by replying to the message and deleting it from your computer. Any disclosure, copying, distribution, or the taking of any action concerning the contents of this message and any attachment(s) by anyone other than the named recipient(s) is strictly prohibited.

From: Karen Kenworthy

Sent: Tuesday, December 31, 2013 10:59 AM

To: Dan Marriott

Cc: Ken Fox; Wayne Marino

Subject: RE: TB Cap Call Doc - KEN PLEASE ALSO READ IF YOU HAVE INTERNET

Importance: High

Thanks. As an update - KEN IF YOU HAVE A CHANCE, PLEASE READ.

Last 24 hrs:

- Yesterday, TB sent PNC their revised low to high range to build covenants off of up until Q2 2014. Dan, I had spoken to you about this yesterday, but for Ken's sake, John/Juergen are now focusing on a 2013 EBITDA range from \$16 to \$23M, to a) provide extreme cushioning on the loan (to avoid finding ourselves here in a month's time) and b) cover certain uncertainties around inventory reserves, refurb and marketing that they've discovered in the past week. The lowest range included a \$-3M EBITDA for Q1, which would only be a result of a Microsoft delay beyond q1; a highly unlikely scenario but one that TB has absolutely no control of.
- Before sending John (CFO) had gone through in detail what the numbers would look like with Jeff D at PNC. They were aligned.
- This morning (just now), we had a call with PNC that was originally scheduled to discuss the amendments. Instead, the PNC team, reacted quite dramatically to the decrease in range.
- They have now come back to TB saying that there is a chance this loan, having been downgraded in the bank substantially, will be elevated to the high risk team which takes the negotiations out of the PNC group we have been dealing with (Jeff Doherty, etc). According to them, they do not know if TB will even hit low range, and they are no longer making money on this loan due to the reserves the bank has had to set aside for it.
- To refresh you, at this point (early morning of December 31, 2013), the term loan is \$20M and the revolver is \$48M. Today (the afternoon of December 31st), TB will be making a payment of \$12.5 to paydown the term and \$8.5M to pay down the revolver, which will include SG's \$7M-\$8M infusion. Meaning, by the end of the day, going into Q1, for all intents and purposes, the term will equal \$7.5M, and the revolver will equal \$40M – so total \$48M of debt.
- PNC is very concerned that moving into Q1 and Q2, TB will not be in a place to pay down the remaining \$7.5M term.

Where we are now, and why I am writing this: While the call this morning was arranged so that we could summarize the covenant alterations in the amendment, PNC instead said they may have to raise a red flag internally and elevate this to their high risk department. They are talking about this internally and "will be getting back to us". I believe they think that even with the \$7-8M infusion from Stripes, they are still at risk. As a result, I do not think we can send out the capital call until we have a clear path forward. This poses risk as to timing of close, due to the 10 days required to get the \$\$ in, though I do not see an alternative path. I am hoping that by mid to EOD I will have more color, but at this point we are in a holding period. I also think there is a chance PNC may insist we invest \$8-10M instead so that they take even less risk on the term loan. We may perhaps consider doing a capital call for more (\$10M), as a backup plan?.

Dan/Ken, what are your thoughts on \$10M as a backup - backup? Wayne, what are the implications of this, if we only need \$7M

STRIPES 0037508

428 - 004

AA 3414

Wayne, what is the absolute latest time we can send out the capital call today?

I am around all day to chat.

From: Dan Marriott
Sent: Tuesday, December 31, 2013 5:41 AM
To: Karen Kenworthy
Cc: Wayne Marino; Ken Fox
Subject: Re: TB Cap Call Doc

OK, thanks. Makes sense, we'll just have to deal with messaging post if any issues arise.

I read this version. Two quick comments:

- Should probably note if financial results are or aren't audited.
- Assume Dechert would read the language "trading is volatile and may be impacted by disclosure of 2013, etc" as a neutral comment, implying no directional bias? If so, I think that was a worthy add and I am good with it.

Otherwise, I am good to go and online today if you need me.

Thanks for pushing this along,

Dan

From: Karen Kenworthy
Sent: Tuesday, December 31, 2013 02:06 AM Coordinated Universal Time
To: Dan Marriott
Cc: Wayne Marino; Ken Fox
Subject: TB Cap Call Doc

Dan,

We're in final stages (as you know) – thanks for your feedback today. Have worked with Dechert post our conversation to discuss forward looking and 80/20 issues. Unfortunately not much we can do to raise red flags as guidance, since our LPs haven't signed any special non-trading restrictions (that Dechert knows of) so better safe than sorry at this point. That said, I did include some language to protect us. No need to review again, but either way, once we have your go ahead we will send.

Wayne, including you in this chain as we're down to the wire.

Thanks for everyone's input here,
Karen

<image003.png>

Karen (Lisson) Kenworthy
402 West 13th Street, 4th Floor | New York, NY 10014
tel | 212.823.0725 | fax | 212.823.0721
karen@stripesgroup.com

This message is intended only for the person(s) to which it is addressed and may contain privileged, confidential and/or non-public information. If you have received this communication in error, please notify us immediately by replying to the message and deleting it from your computer. Any disclosure, copying, distribution, or the taking of any action concerning the contents of this message and any attachment(s) by anyone other than the named recipient(s) is strictly prohibited.

STRIPES 0037509

428 - 005

AA 3415

From: Karen Kenworthy <karen@stripesgroup.com>
To: Dan Marriott; Ken Fox
Sent: 12/13/2013 1:09:43 PM
Subject: My annual review...
Attachments: 2013.12.10 -- 2013 SG Annual Review Karen Kenworthy.docx; 2013.12.10 -- 2013 SG Annual Review KK.pdf

Hi guys,
Please see attached my annual review for 2013. Let me know if you'd like me to send through 2012 as well.
Looking fwd to discussing next week!
Thanks
Karen



Karen (Lisson) Kenworthy
402 West 13th Street, 4th Floor | New York, NY 10014
tel | 212.823.0725 | fax | 212.823.0721
karen@stripesgroup.com

This message is intended only for the person(s) to which it is addressed and may contain privileged, confidential and/or non-public information. If you have received this communication in error, please notify us immediately by replying to the message and deleting it from your computer. Any disclosure, copying, distribution, or the taking of any action concerning the contents of this message and any attachment(s) by anyone other than the named recipient(s) is strictly prohibited.

STRIPES 0000632

464 - 001

AA 3416

2013 SG Annual Review

Karen Kenworthy

I. Qualitative Section:

A. Perspective on 2013

i.e. What did we do well in? What deals should we have taken a closer look at? (Open Discussion)

- **What I believe SG did well:** deal execution and closing, resource allocation at senior level, team development (analyst and associate program), sonar creation and implementation (still a lot more to do on this front), continued development of overall Stripes brand and ethos
- **Areas I believe we can work on:** being truly “value add” to our portfolio companies beyond recruiting, quality deal sourcing (mainly optimizing SONAR results), internal cultural dynamics (motivation of junior team-members), integrating consumer data into SONAR (ie product reviews), follow through on top priority companies (attacking all angles), implementing comprehensive team-wide diligence procedure and more efficient processes for analyst recruiting. Can explain all in mtg.
- **Specific deals we should have taken a closer look at /AND OR SEEN:** In consumer, I am not proud that we did not see Dave’s Killer Bread (<http://www.daveskillerbread.com/>) - this was a proprietary deal done by Goode partners and advised by Cascadia which closed Jan 2013. While this, it turns out, would not have been a great deal for SG (Dave actually went to jail two months after deal closed), I learned post deal that Cascadia had limited its marketing to the 3 funds who had previously reached out to Dave’s (including VMG and goode), telling me we needed to “up” our consumer sourcing as others were on top of it. This is what led me to begin thinking about “local/regional” consumer sourcing tactics.
- Regarding, Anaqua I know there is a difference in opinion on this investment, though beyond the presentation to the team, I am not close enough to the deal to have a concrete view. I do believe it would have been difficult for us to get above 3x.

B. Time Allocation

In what areas did you spend your time? Provide an approximate percentage breakdown of time spent sourcing, calling, visiting companies, deal work, and other.

- This year might have been an anomaly due to TB requirements, though at a high level and looking at entire period: **portfolio management** (primarily TB financing and PAMT merger): 40%; **deal relationship development and execution** (AN/S&C/ PAMT pre-TB); 35%, **deal sourcing**: 10%; **consumer network build-out**: 10%; **other** (LP meeting, analyst/recruiting, SG infrastructure): 5%

C. Sourcing/Calling

Sourcing: What worked, what didn’t? Tactics. Trade show, broker, magazine mix and effectiveness. How can you improve?

- I could not spend as much time sourcing as I would have liked to due to other SG time pressing needs, though for me in particular, I find the best way to source is to walk aisles of retailers. Always keeping my eyes open. Did not find trade shows or conferences particularly helpful for sourcing companies because these brands were overly “shopped”, though for consumer in particular, I found it important to go to these conferences to build consumer presence with brokers.
- My tactic for this year was to send associates/analysts company ideas when I came across them, and for those where I thought I had an angle (Parametric/TB sourcing, woman entrepreneurs, Stanford, etc), I would reach out directly.

Calling: What worked, what didn’t? How can you improve? Effectiveness in selling SG.

- I do not find cold calling particularly productive. Have had much more luck emailing CEOs multiple times and if still no traction, getting in through other means.
- Once I do have CEOs on the phone, I actually think we have developed a very cohesive story on our consumer strategy and believe our boutique approach helps a lot in this regard.

STRIPES 0000633

464 - 002

AA 3417

- I find it most effective to just meet in person – feel we can effectively differentiate ourselves that way. Think our associates/analysts should be doing that more (traveling, meeting CEOs, visiting companies).
- Finally, while broker relationships are not direct sourcing, it was a high priority for me to get in front of any consumer banker there was. Believe I was successful at this for the first half of the year, but unfortunately, activities with Turtle Beach over the summer made that difficult. Fortunately, it's easy to stay on their radar once introduced, though will need to prioritize this for 1H 2014. Sending out a press release on S&C should help revive momentum. I do not believe we missed any brokered deals as a result of me focusing on Turtle Beach for a quarter though.

D. Goals

Recap your 2013 goals. Did you meet them? Why or why not? List three key goals for 2014.

2013 Goals

- **Connect with 100% of Top Priority Consumer Brokers:**
Meet goal? Yes, believe I hit many of them 1H 2013 though will need to revisit in 1H 2014. Don't think we missed any consumer deal.
- **Complete & own one or more consumer deal – if one, a majority buyout.**
Meet goal? Yes, sourced and closed S&C. Now need to find another one!
- **Complete one accretive M&A transaction for Turtle Beach to help weather console transition and set up for 2014 exit.**
Meet goal? Yes, sourced, refinanced TB, and helped execute PAMT.
- **Continue to develop associates**
Meet goal? Somewhat: Not as much time as I would have liked to spend with them, though working on Chris and Aditi on deals very effective. Very little interaction with Chris and Victor unfortunately.
- **Continue to take an active role in building out brand with LPs –**
Meet goal? I believe I could have been more effective here. I actually didn't meet with many LPs this year due to scheduling. Also, while I hope I was helpful with the annual meeting deck, I didn't present in the meeting as there was nothing particularly fitting for me to present. Not a big deal either way, and thought the LP meeting went very well, so didn't give it much thought at the time -- I hope I can be more helpful on this front in 2014.

2014 Goals

- Complete another majority consumer deal – hoping before April
- Continue to develop senior network in consumer
- Develop playbook for consumer portfolio companies (can explain)
- Oh and of course... Keep TB afloat.

E. Strengths & Weaknesses

Discuss 3 key strengths and provide supporting examples where appropriate

- Business judgment & prioritization - believe I navigated complex TB process quite well (refinancing, diligence, public company readiness) and provided helpful support
- Negotiation - PNC, S&C
- Relationship development – S&C, Audio Network

Discuss 3 weaknesses and ways to improve

- Patience – I'm not known for this. I've realized I need more patience when working with associates/analysts – I have high standards, though realize they do not have training
- Making time for analysts/associates – I get into the office and go directly to tackling a to-do list. Anything not on that is a distraction. Need to be better at making more time for those on 3rd floor, including general deal discussions, lunches, etc.
- Communicating questions appropriately/being less direct – r29/personal compensation. My communication tactics on both failed miserably this past year... learned a lot from those!

F. Development

Are there some tasks or projects you would like to initiate or get involved in because they would further your personal development in a direction that would be valuable to you as an individual or as a contributor to Stripes?

- High level strategic decision making and quite honestly, being incredibly effective and productive at work so that I can achieve an adequate work/life balance post family addition.

What are some of your personal development goals for 2014? Do you have a plan to meet your goals?

- Continue to engage in high level strategic decision making, develop senior consumer network and quite honestly, figure out how to be incredibly effective, efficient and productive at work so that I can achieve an adequate work/life balance post family addition.

G. Thoughts about what you can do to make SG better

- Develop consumer playbook (will explain)
- Develop internal diligence process
- Ensure social interaction bw more senior members and junior team members to ensure engagement, ownership, and consistent stripes culture.

H. Management Feedback

1. What can we do to make your job better? What is the best way to work with you?

Quite honestly very much enjoying my job and Stripes, and really appreciate the openness of the culture. Couldn't be happier working for both of you, and given my weakness #3, you know I would voice otherwise!

2. Provide feedback on Ken and Dan – do not “sugarcoat” it:

Ken – engage analysts/associates – give them more exposure to you if possible

Dan – prioritize areas you need to be heavily involved in and areas you can off-load to Ron, Brian and I. Know you're swamped and want to make sure you're comfortable offloading as much as possible.

II. Quantitative Section:

Personal Qualities

1	Works hard
1	Shows initiative
1	Is organized, can manage multiple projects
1	Is responsible, can work with minimal direction
1	Team player
1	Ability to sell/represent SG
1	Displays good judgment -
1	Ability to set priorities
1	Internal communication skills
2	Sourcing/Calling
1	Deal Execution
1	Post-Deal Work
1	Analytical strength/modeling
2	<i>Management of associates</i>

2013 SG Annual Review

Karen Kenworthy

I. Qualitative Section:

A. Perspective on 2013

i.e. What did we do well in? What deals should we have taken a closer look at? (Open Discussion)

- **What I believe SG did well:** deal execution and closing, resource allocation at senior level, team development (analyst and associate program), sonar creation and implementation (still a lot more to do on this front), continued development of overall Stripes brand and ethos
- **Areas I believe we can work on:** being truly “value add” to our portfolio companies beyond recruiting, quality deal sourcing (mainly optimizing SONAR results), internal cultural dynamics (motivation of junior team-members), integrating consumer data into SONAR (ie product reviews), follow through on top priority companies (attacking all angles), implementing comprehensive team-wide diligence procedure and more efficient processes for analyst recruiting. Can explain all in mtg.
- **Specific deals we should have taken a closer look at /AND OR SEEN:** In consumer, I am not proud that we did not see Dave’s Killer Bread (<http://www.daveskillerbread.com/>) - this was a proprietary deal done by Goode partners and advised by Cascadia which closed Jan 2013. While this, it turns out, would not have been a great deal for SG (Dave actually went to jail two months after deal closed), I learned post deal that Cascadia had limited its marketing to the 3 funds who had previously reached out to Dave’s (including VMG and goode), telling me we needed to “up” our consumer sourcing as others were on top of it. This is what led me to begin thinking about “local/regional” consumer sourcing tactics.
- Regarding, Anaqua I know there is a difference in opinion on this investment, though beyond the presentation to the team, I am not close enough to the deal to have a concrete view. I do believe it would have been difficult for us to get above 3x.

B. Time Allocation

In what areas did you spend your time? Provide an approximate percentage breakdown of time spent sourcing, calling, visiting companies, deal work, and other.

- This year might have been an anomaly due to TB requirements, though at a high level and looking at entire period: **portfolio management** (primarily TB financing and PAMT merger): 40%; **deal relationship development and execution** (AN/S&C/ PAMT pre-TB); 35%, **deal sourcing**: 10%; **consumer network build-out**: 10%; **other** (LP meeting, analyst/recruiting, SG infrastructure): 5%

C. Sourcing/Calling

Sourcing: What worked, what didn’t? Tactics. Trade show, broker, magazine mix and effectiveness. How can you improve?

- I could not spend as much time sourcing as I would have liked to due to other SG time pressing needs, though for me in particular, I find the best way to source is to walk aisles of retailers. Always keeping my eyes open. Did not find trade shows or conferences particularly helpful for sourcing companies because these brands were overly “shopped”, though for consumer in particular, I found it important to go to these conferences to build consumer presence with brokers.
- My tactic for this year was to send associates/analysts company ideas when I came across them, and for those where I thought I had an angle (Parametric/TB sourcing, woman entrepreneurs, Stanford, etc), I would reach out directly.

Calling: What worked, what didn’t? How can you improve? Effectiveness in selling SG.

- I do not find cold calling particularly productive. Have had much more luck emailing CEOs multiple times and if still no traction, getting in through other means.
- Once I do have CEOs on the phone, I actually think we have developed a very cohesive story on our consumer strategy and believe our boutique approach helps a lot in this regard.

STRIPES 0000636

464 - 005

AA 3420

- I find it most effective to just meet in person – feel we can effectively differentiate ourselves that way. Think our associates/analysts should be doing that more (traveling, meeting CEOs, visiting companies).
- Finally, while broker relationships are not direct sourcing, it was a high priority for me to get in front of any consumer banker there was. Believe I was successful at this for the first half of the year, but unfortunately, activities with Turtle Beach over the summer made that difficult. Fortunately, it's easy to stay on their radar once introduced, though will need to prioritize this for 1H 2014. Sending out a press release on S&C should help revive momentum. I do not believe we missed any brokered deals as a result of me focusing on Turtle Beach for a quarter though.

D. Goals

Recap your 2013 goals. Did you meet them? Why or why not? List three key goals for 2014.

2013 Goals

- **Connect with 100% of Top Priority Consumer Brokers:**
Meet goal? Yes, believe I hit many of them 1H 2013 though will need to revisit in 1H 2014. Don't think we missed any consumer deal.
- **Complete & own one or more consumer deal – if one, a majority buyout.**
Meet goal? Yes, sourced and closed S&C. Now need to find another one!
- **Complete one accretive M&A transaction for Turtle Beach to help weather console transition and set up for 2014 exit.**
Meet goal? Yes, sourced, refinanced TB, and helped execute PAMT.
- **Continue to develop associates**
Meet goal? Somewhat: Not as much time as I would have liked to spend with them, though working on Chris and Aditi on deals very effective. Very little interaction with Chris and Victor unfortunately.
- **Continue to take an active role in building out brand with LPs –**
Meet goal? I believe I could have been more effective here. I actually didn't meet with many LPs this year due to scheduling. Also, while I hope I was helpful with the annual meeting deck, I didn't present in the meeting as there was nothing particularly fitting for me to present. Not a big deal either way, and thought the LP meeting went very well, so didn't give it much thought at the time -- I hope I can be more helpful on this front in 2014.

2014 Goals

- Complete another majority consumer deal – hoping before April
- Continue to develop senior network in consumer
- Develop playbook for consumer portfolio companies (can explain)
- Oh and of course... Keep TB afloat.

E. Strengths & Weaknesses

Discuss 3 key strengths and provide supporting examples where appropriate

- Business judgment & prioritization - believe I navigated complex TB process quite well (refinancing, diligence, public company readiness) and provided helpful support
- Negotiation - PNC, S&C
- Relationship development – S&C, Audio Network

Discuss 3 weaknesses and ways to improve

- Patience – I'm not known for this. I've realized I need more patience when working with associates/analysts – I have high standards, though realize they do not have training
- Making time for analysts/associates – I get into the office and go directly to tackling a to-do list. Anything not on that is a distraction. Need to be better at making more time for those on 3rd floor, including general deal discussions, lunches, etc.
- Communicating questions appropriately/being less direct – r29/personal compensation. My communication tactics on both failed miserably this past year... learned a lot from those!

F. Development

Are there some tasks or projects you would like to initiate or get involved in because they would further your personal development in a direction that would be valuable to you as an individual or as a contributor to Stripes?

- High level strategic decision making and quite honestly, being incredibly effective and productive at work so that I can achieve an adequate work/life balance post family addition.

What are some of your personal development goals for 2014? Do you have a plan to meet your goals?

- Continue to engage in high level strategic decision making, develop senior consumer network and quite honestly, figure out how to be incredibly effective, efficient and productive at work so that I can achieve an adequate work/life balance post family addition.

G. Thoughts about what you can do to make SG better

- Develop consumer playbook (will explain)
- Develop internal diligence process
- Ensure social interaction bw more senior members and junior team members to ensure engagement, ownership, and consistent stripes culture.

H. Management Feedback

1. What can we do to make your job better? What is the best way to work with you?

Quite honestly very much enjoying my job and Stripes, and really appreciate the openness of the culture. Couldn't be happier working for both of you, and given my weakness #3, you know I would voice otherwise!

2. Provide feedback on Ken and Dan – do not “sugarcoat” it:

Ken – engage analysts/associates – give them more exposure to you if possible

Dan – prioritize areas you need to be heavily involved in and areas you can off-load to Ron, Brian and I. Know you're swamped and want to make sure you're comfortable offloading as much as possible.

II. Quantitative Section:

Personal Qualities

1	Works hard
1	Shows initiative
1	Is organized, can manage multiple projects
1	Is responsible, can work with minimal direction
1	Team player
1	Ability to sell/represent SG
1	Displays good judgment -
1	Ability to set priorities
1	Internal communication skills
2	Sourcing/Calling
1	Deal Execution
1	Post-Deal Work
1	Analytical strength/modeling
2	<i>Management of associates</i>

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No. ____)**

Filed by the Registrant ☒

Filed by a Party other than the Registrant ☐

Check the appropriate box:

☐ Preliminary Proxy Statement

☐ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(a)(2))

☐ Definitive Proxy Statement

☐ Definitive Additional Materials

☒ Soliciting Material Pursuant to §240.14a-12

Parametric Sound Corporation
(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☒ No fee required

☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies: _____
(2) Aggregate number of securities to which transaction applies: _____
(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined): _____
(4) Proposed maximum aggregate value of transaction: _____
(5) Total fee paid: _____

☐ Fee paid previously with preliminary materials: _____

☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount Previously Paid: _____
(2) Form, Schedule or Registration Statement No.: _____
(3) Filing Party: _____
(4) Date Filed: _____

In re Parametric Sound
Corp.

DX-909

No. A-13-686890-B

**Subject Company: Parametric Sound Corporation
Commission File No.: 000-54020**

On November 21, 2013, Mr. Ken Potashner, Executive Chairman of Parametric Sound Corporation ("Parametric"), and Juergen Stark, CEO of VTB Holdings, Inc. ("Turtle Beach"), made a joint presentation describing certain business, financial and other matters pertaining to Parametric, Turtle Beach and the pending merger contemplated by the Agreement and Plan of Merger ("Merger Agreement") dated August 5, 2013, by and among Parametric, Turtle Beach and Paris Acquisition Corp., a wholly-owned subsidiary of Parametric. As previously announced by press release on November 12, 2013 the presentation was webcast.

Below is a transcript of the webcast presentation:

<<David M. Mossberg, Analyst, Three Part Advisors LLC>>

All right, we'll go ahead and get started, Dave Mossberg with Three Part Advisors, for those of you who don't know me. Next company has been a client of ours for – since April of 2012, have a great story. We started working about \$4 a share, stocks between \$12 and \$15 a share here recently, very exciting news here, look to merge with Turtle Beach and which is obviously a big mile stone in the history of the company. And really Turtle Beach has dominant market share – 50% market share in the gaming – high-end gaming headset market, our global distribution footprint, and the ability to really accelerate the commercialization of Parametric Sound, which also has some really incredible audio technology.

So with that, I'll let these guys take over the presentation and I will introduce Ken Potashner, who is the Executive Chairman.

<<Kenneth F. Potashner, Director and Executive Chairman>>

Yes. Thank you everyone for attending. So I'm going to be brief, because you'll be much less interested in where we've got, how we've got into where we are then where we were going, and Juergen will take you through that piece. But very quickly we've got this very innovative disruptive technology, so we're able to take an audio signal, overlay it on to an ultrasonic beam – on to an ultrasonic wave and then beam that wave.

So if you think of it in the context of a sound laser or a sound flashlight, so we're able to put you if you're in that beam, we're able to create a very immersive 3D high fidelity sound footprints, that's pretty spectacular, we're going to give a quick demo as well. If you're outside of the beam, the sound goes to zero very quickly. So that opens up a broad set of commercial as well as consumer as well health application.

So the company was on a path, we had a three-tiered strategy, one was to take the technology and license it, so we have relationships with who is who in the consumer of electronic space, everyone is under NDA with us, very active licensing discussions are underway.

Secondly, we had a commercial strategy of let's take the technology, deploy it into some high value reference sites, so places like McDonald's, Rite Aid's, Build-a-Bear, where we have audio beam hitting kids at different work stations. So a broad set of deployments in the pipeline we've established there. Then the third piece which may end up in the most exciting pieces of all is we have ability to take people with hearing issues and unlike conventional speakers, which vibrate and create the sound hear our beam by disrupting air is creating sound as it goes.

So sound is literally being created at your ears and people who are aging and people with hearing malodies are getting pretty dramatic benefit, they hear louder, they hear clear, so that's going to be a major opportunity as well.

So we were progressing on here is three-tiers pushing the ball forward in all three, engage the dialogue with Turtle Beach in terms of licensing. So Turtle Beach 50% plus market share leader in the gaming headset business lead player. Our discussion there was, let's license them and create some new product opportunities. And that discussion quickly evolved, so let's put the two companies together and Juergen will give you the rationale for that.

So timeline is we've crossed all the major hurdles as we see them, so the deal has got, we're not creating an antitrust situation. We've been through all the steps, what's remaining simply at this point, initial proxy out. We have a final proxy out at end of the month, very first week of December and the shareholder vote shortly thereafter and we expect to consummate the deal by the end of the year, so it's tracking very aggressively at this point.

So with that, I'm going to hand the presentation over to Juergen Stark. So Juergen is the CEO of Turtle Beach, and as we combine the company, he'll be the CEO of Parametric Sound.

<<Juergen Stark, Chief Executive Officer>>

Okay, thank you very much Ken. Nice to see everybody here today, I'm Juergen Stark, I'm the CEO of Turtle Beach. I joined Turtle Beach in September of 2012. Before that just by the way a quick introduction I was the Chief Operating Officer of Motorola's mobile business. And came into Turtle Beach in September of last year because of the franchise that the company has built in the audio technology and gaming segments. I'll talk you through that. But let me just start with two pages of summary. Today, we're going to talk about the merger of two companies Turtle Beach and Parametric Sound as Ken mentioned.

In a nutshell and I'll go through this in a lot more detail. Turtle Beach is the 35-year old company that is innovated in audio for many years has a number one position in gaming headsets with over 50% market share, outstanding retail relationships globally a very good supply chain. The company has grown quickly in the last two years more than doubled in size and is very profitable. We are combining with Parametric Sound, which Ken has described, and I will go into more detail on is what we view is one of the most disruptive innovations in audio that we can imagine.

Parametric Sound has the R&D and the patents behind this ultrasound based audio. And by combining the companies we're taking the product audio technology commercialization capabilities of Turtle Beach plus the good economics and the good financials and the ability to make investments. And using that to fully commercialize and accelerate the development of Parametric's ultrasound audio.

One of the things I will talk more through at the end of this is we have a goal and internal aspiration, not guidance, not a forecast, our internal aspiration to move the company from \$200 million today in revenue to a billion dollars. And again just in the summary and I will go through this in more detail that's going to be driven by growth in gaming headsets. By some of the new things we are doing at Turtle Beach in the media headset category. And by ramping initially in the near-term the commercial products for Parametric Sound and then longer term adding the core growth in gaming headsets and media headsets with the technology that Ken mentioned on enabling people with hearing impairments to utilize the Parametric Sound technology to hear their TV sets. And then continue to be growing the commercial business in other parts of Parametric.

So all of this very important part of the philosophy and the foundation of the company both historically and what we will leverage in the future is the company and the success of Turtle Beach has been based on audio technology and innovation in audio. So, we don't do commoditized products, we don't bid out to Chinese vendors, we focus on what are the innovations that will drive the market share and the ability to have differentiated products in gaming headsets. And then deliver very high quality products. And we will apply that philosophy and thinking across the full suite of products including the Parametric products over time. So I'm going to take a quick step back and give you more full introduction of both companies.

So, Turtle Beach 35-year old company as I mentioned early and many decades ago was developing synthesizers. Then was one of the leaders in the PC audio category, PC sound cards. And in 2005 the company invented the category of gaming headsets, gaming headsets are very important are different than stereo headphones in two ways.

First of all the gamers that are using these are often communicating with each other, so these headsets have to have two way communication capability meaning a mike in good voice pick up, the most common use case of these is multi-player gaming, people are running around, kids are running around shooting each other while they're talking with their teammates wherever they might be located.

So you have to have differentiation or difference number one is two way communication. The second thing and very relevant to what I will talk about with Parametric Sound is gaming headsets are better middle and high tier headsets have very sophisticated audio processing built into the headsets, you don't find this in stereo headphones, so as an example our headsets will do things like make footsteps louder so that a gamer has an advantage and it's known in the gaming community to be an actual advantage where they can hear somebody coming and they can hear where they're coming from because they can pick up the footsteps or do things just to take two examples – goes off in front of the player, the chat audio volume goes up and down automatically so they don't miss commands or interactions with their colleagues in the game.

Two examples, I'll give a few more later but very important to understand that gaming headsets have a level of technology that is not typically a normal stereo headphone, so we don't we view them as a very, very different category. The company invented the category and in the past year has driven every innovation in the field, first wireless gaming headsets for surround headsets for as dual channel wireless headsets and has delivered those innovations with very high quality products.

The company has a very diverse line of headsets in the console space, so console is Xbox and PlayStation that's the majority of our business today is headsets for those two platforms and we cover all price points from \$30 up to \$300 and across Xbox, PlayStation, a little bit of Nintendo as well but PlayStation and Xbox are the core of the business.

We also have some headsets that are in the smaller market of PC gaming headsets and then I'll talk more about the headsets we've introduced in the Apple stores in a few minutes.

So I mentioned product innovation and quality and it's a real important part over the culture of the company and the fabric of how we become successful. The company a few years ago had virtually no marketing department, so you will see in a moment here has built the 50% market share in gaming headsets with the next biggest independent player being up roughly one tenth the size and the company has done that by leading the innovation and technology development in the headsets and always differentiating by staying ahead on that front versus maybe a different kind of business model where you use marketing to stay ahead of every body else or branding.

The company had a very good brand but the core of the growth and the success has been driven by good quality products with real innovations.

So that as I mentioned the company is looking at 2012 NPD data this is domestic data where it is well tracked 53% market share, Sony and Microsoft each have call it roughly 12% that market share by the way is largely driven by what they call chat communicators it's in over the ear microphone and speaker that just does the inter-player communication doesn't provide the game audio it's a very we view it as a very kind of low end audio product that enables people to play multi-player and it's kind of an up sell opportunity for us.

Sony does have two of their own gaming headsets, Microsoft doesn't and so that's kind of the next two market share players and then you can see the first independent player Mad Caps with 5.4% market share so roughly one tenth our size, very, very positive brand in the space as I mentioned well known for technology, innovation and quality typically if you ask a gamer about headsets they will say Turtle Beach, Turtle Beach is the best that's the headset you got to buy and we've pointed the bottom 9 of the top 10 best selling third party gaming headsets in 2012 and top 5 best selling third party gaming headsets in the U.S. since 2005 in dollars here. Right so a lot of good milestones, I call it a franchise the company has built a very good franchise in this space because of that and because of the way we manage retail, the company has also has a very broad distribution over 27,000 store fronts, 44 countries very well distributed in the United States with a lot of point of distribution expansion in the past two years.

Exceptionally good relationships with companies like Best Buy and GameStop and Wal-Mart not only because of the strength of our brand and the appeal of the products but because we manage the relationships with the retailers in a way to make sure that everybody makes money and is successful with our product very similar kinds of relationships with companies in the UK and we're establishing relationships in Asia and Lat Am, Latin America is two areas where we foresee for future growth.

On the right side of this you'll notice what we call Kiosk, they are really point to sale displays, very, very unique competitive advantage for the company, we have 15,000 of these displays deployed globally and what this is if we go into Best Buy, you go into the Xbox, or PlayStation aisle first of all you'll see that a lot of the package shelf space are Turtle Beach headsets, our price points you also notice that there is an interactive tablet driven display that allows consumers to try four headsets and with the associated marketing and all that and then the product underneath that kiosk as we call them, kiosk is our internal term we don't buy things from it like a Red Box kiosk but it is we get the floor space from the retailers to put these in they are big sales driver for us and with 15,000 deployed, we view this as a real competitive advantage in the market.

So very good retail relationships we have, we have a very good economical and effective supply chain distributing to all the countries you can see here market in red very strong market share as I mentioned in the United States, North America, very strong in the UK, good in Europe and Europe is a growth opportunity that we've been focused on and foresee anticipate more growth there in the future, very strong in Australia and then as I mentioned Latin America and China are two places that we expect future growth and market share gains, China interestingly after having consoles be a legal there for up until a few months ago, has now allowed the new Xbox and PlayStation consoles to start at being in the country.

So we view that as a good future growth opportunity, so that's Turtle Beach as a business, very, very I will take you guys through the numbers in a few minutes but a good strong franchise with an impressive market share, and very good product and technology leadership in this segment, it's very easy to think about Turtle Beach as a gaming headset company, I will tell you that's not the way I think about it and that's not the way I thought about it when I joined the company last year, I think about Turtle Beach before I get into Parametric side is an audio technology company, with very strong proven capability to commercialize audio technology which today happens to be in the form of gaming headsets.

Parametric HyperSound as we call it, so Ken mentioned this is a very, very disruptive innovation in audio, when Ken and I first met back in the end of March, we started discussions around a gaming sound bar and the ability to utilize the directional 3D sound of the Parametric system for sound bar, I have been in tech my whole career, I have seen a lot of innovations, I have never seen anything like this, I got the demo and very quickly within a day began conversations with Ken about putting the two companies together because again if you think about Turtle Beach as an audio technology company that can commercialize technology.

Parametric on the other hand was an R&D capability with good patents and good disruptive innovation in these ultrasound speakers and putting them together would allow us to rapidly commercialize and fund the investment to bring that technology to market.

So let me Ken described the technology it's essentially the way I think about it like a flashlight beam versus a light bulb and if a normal speaker is a light bulb, where it fills the room, this is like a tight flashlight beam and it's got three very unique characteristics, the first is because like a flashlight beam you're only getting audio where you want it, you get directional sound and you have people anybody who need sound only in one location but not another locations, can have an application for it.

So as an example Ken and his team have deployed solutions at McDonalds in the pilot where they have a few tables that have the audio from the TV, directional audio, imagine the flashlight beam lighting up those tables, but the rest of the restaurant and the restaurant staff doesn't have to listen to the audio, so you can pick where you want to sit by using this technology that doesn't work with normal speakers obviously because the normal speakers would have everybody hearing it.

There are many retail display kind of capabilities that will utilize directional sound, imagine walking up to a display and not being able to hear anything until you are standing right in the sweet spot and then you get immersive 3D sound, a very, very potentially interesting advertising and retail display technology, lots of those kind of applications people have talked to the Parametric guys about audio or auto applications try to imagine them the driver of getting them now instructions with others and everyone else in the car having to hear it, the kids in the back seat being able to watch their movies without having the audio spill over in the rest of the car, lots of interesting applications that take advantage of the first unique characteristic of highly directional sound.

The second unique characteristic is because of the fact that it's a flash light beam equivalent if you are an individual person you are sitting in front of it, you can have the right speaker in your right ear and the left speaker hit your left ear, and because in normal speakers both ears are hearing all the speakers right, the only place actually you can get truly separated channels of sound is with the headset, that's why audio and a headset is so good and so immersive because your left ear is not hearing the right channel and your right ear is not hearing the left channel.

Well because you can sit in front of this system and have each ear only hear that channel, you get fully immersive 3D sound that you can't get from normal speakers. So in a example the reason why you have five speakers or seven speakers is to trick each ear and hearing something little bit better depending on where the speakers located. You can get just like we do in our headsets, fully immersive 3D sound with sound coming from wherever you want to come from with these two emitters not five speakers or seven speakers, that's the second characteristic.

The third characteristic Ken mentioned is that people with hearing impairments, we've done our own diligence by the way in the Turtle Beach side 30 test subjects go from having difficult time understanding the regular speakers, TV to being able to understand very, very well with the Parametric technology, there the companies have been working with audiologists and there is some evidence that the audio penetrates deeper into the ear canal and skips some of the degraded hair cells to the front of the audio canal, I'm not an audiologist that want to go in a more detail than that. But we have had our own experience with people taking hearing aids out and saying they can hear better than they have heard in 10 years using that audio example.

The application there is I believe quite obvious, you have a lot of people who are watching TV, who are driving everybody else in the family crazy because they have to have the TV turned up and they still may not be understand it very well and the solution here using Parametric system is you have the normal audio that fills the room, you still need it this is not a living room speaker replacement right now because it's directed at a person, but the person in the household who has a hearing impairment can sit in their chair and they typically always have a chair or a recliner in the case of my dad, point that Parametric system there have the normal audio be for everybody else.

But have that Parametric solution be for the person with the hearing impairment, right and so we see a very, very high potential that's the third unique characteristic of the technology, one of the things I will just spend a minute on this or one of the things that has come up is the technology ultrasound audio has been around for something like 40 years, the same way that LED lighting and I like this example because there are lot of good parallels, LEDs are little red lights, they have been around for four years, the LED lights have only recently been able to start having a market potential as a consumer light bulb replacement.

Right now is using a light before the analogy and I think there are lot of good parallels, LEDs have been around for long time but they are too expensive, they generate too much heat, the color of the light was wrong, lots of things that had to be broken through before you could actually ever get to an LED light bulb right that is now starting to become a consumer product, a very similar way as we did our diligence on the technology here that the Parametric team has broken through the barriers that have taken Ultrasound audio from a laboratory almost unusable type of application to an application that is now you can see line of sight to a real consumer sort of application.

Three places where the company is innovated and patented. First of all there is very sophisticated digital signal processing behind the scenes that's working in this technology, both pre-processing of audio and post processing of audio, note by the way that behind a lot of the secrets of Turtle Beach gaming headsets is audio processing, digital signal processing, it's something we do very well, we have a lot of capability in, so some without understanding that it's easy to look at this and say why is the headset company buying Parametric speaker company.

Well a lot of the engineering is very common behind the scenes, we turn it into gaming headsets, they turn into ultrasound speakers, the second place that the company is innovated and patented is in the electronics, and the older ultrasound solutions because you are vibrating a film and ultrasound speed, in a very high voltage, had cables going to the I will call them speakers that were 600 volts.

Some of the innovations in electronics allow this to be done with a normal speaker cable. Again developed, innovated and patented it and then the last thing is the emitter themselves, the speakers, other older solutions were two feet square there is no consumer application for putting something that's two feet by two feet into your living room. And so the innovations are they broke the size barrier to allow the film to be smaller now approaching the size of a bookshelf speaker, so again line of sight to consumer apps, much lower costs and significantly improved audio performance, the volume level of the audio much, much better even though the size is smaller.

So from us from Turtle Beach side we look at this and the judgment we've made in this deal is this technology is now broken through with some key innovations to allow the LED light bulb equivalent to get started. Real consumer applications of the technology, so very, very interesting Ken mentioned before there is a lot of applications, one of the challenges frankly is there are so many applications for this who are going to prioritize and go after the ones that make the most sense, there is gaming and console applications, sound bars, PC speakers, digital signage and kiosks I talked to the retail there have been discussions between Parametric and casino companies, slot machines, entertaining somebody that's in front of the equipment.

The hearing loss living room application in our opinion could be extremely big, there is a lot of people with hearing impairments, 48 million in United States alone and it takes 80% of them by the way don't have hearing aids and it takes seven day years on average for someone that needs the hearing aid to actually go and get one, so you have a large population of people that are struggling with hearing don't want to get or have a hearing aid that can benefit from the solution.

Over time home theater type of solutions leveraging the 3D sound although again this is not a living room filling, we don't view this as competitive with normal speakers, it can do a very, very good job at giving a person in the room or a few people in the room an incredible audio experience though. And then something that Ken has talked about before there is some research going on that is demonstrating the ability to make the emitters transparent using glass and so with lot of inventions still needed there is a possibility in the future to actually have something like a tablet be able to generate audio right from the glass that's still a ways out though and still frankly need some breakthroughs and some innovations.

So we are very excited by this, I laid out at the beginning a plan to get from \$200 million to a \$1 billion and let me just walk you through how I see that unfolding in the coming few years. Seven key drivers, three of them in our core business, in the Turtle Beach core business and then four of them around HyperSound, I will jump into the first one, so 2014 will be about console transition, one of the things if you look through the proxy or listen to some of the calls we've had again core Turtle Beach is in PlayStation and Xbox headsets, this year PlayStation just launched a week ago, there are a new PlayStation 4 and Xbox is launching an Xbox One tomorrow.

This has last happened about eight years ago, when we call it a console transition, when it happens as if you look at history, the market has tended to take a big dip, leading up to the console transition followed by very aggressive growth after the transition, it's somewhat kind of makes some sense, right if you have some new coming.

You will tend to buy less accessories, software, for the existing console. You will wait until the new one comes, and then you will buy the accessories or the software for the new one, or maybe figure out you can't afford the new one. And so you will start catching up on your purchases for the old one.

This year 2013, is a year of the console transition. So one of the things we've been – I've been very clear to make sure is well understood is that the company last year 2012, \$207 million of revenue. \$48 million I've been saying \$46 million because the 48s got \$2 million of a gain in it.

\$46 million of EBITDA, very, very profitable, the numbers will be lower, this year because of this console transition but it will be followed by our expectation with very, very strong growth next year, as we get through the console transition. Very important dynamic to understand about the business, let me give you a few statistics, IDG is one of the companies that tracks console transition, you can see here a 11% decline from 2012 to 2013. The decline in the current generation console is about 30% by the way.

And their expected growth, 2013 to 2014 is about 46%, there are two other unique things on PlayStation 4, we have multiple headsets that work on PlayStation 4 including two new ones. Just launched last week, they sold 1 million units in the first day. The last PlayStation 3 launch these are U.S. numbers, sold 197,000 units in a week, so they are on a clip now. In fact they just read the new forecast from IDG that the provider of these numbers has just up their forecasts for 2013 sales of PlayStation 4 and Xbox One because of the first day already it hit their full year estimate for PlayStation 4.

A very, very important step for the industry, because people have been wondering are these new consoles going to do well, as things moving to mobile or not. And Sony's launch here last week has demonstrated to everybody in a positive way that the new consoles are going to have very good demand. So PlayStation 4, we expect to have very good pickup in the business, and our PlayStation headsets both the rest of this year and next year.

Xbox One is a bit unique in a few ways. The audio is not opened, the chat audio is locked, you cannot get a headset working on the Xbox One without a proprietary adapter our expectation is that those adapters will not be available in mass, they maybe available in small quantities, but not a lot, what that means is that there will be essentially for the majority of the market a forced upgrade of the headsets. Everybody who has a headset on the 360 who wants to get an Xbox One and keep gaming with a headset will need the majority of them that can't get this proprietary adapter some other way, we'll need to buy a new headset, very dislocated single kind of trend – transition of fact top of the macro effect of the growing market from the new console launches.

As we stated a few weeks ago, Microsoft is launching the Xbox One tomorrow that Xbox One won't have audio headset capability. So none of the headsets we have headsets ready by the way, it's us and one other provider that is a licensee to produce and sell headsets for the Xbox One two people right now no doubt they will license more people next year but right now it's two of us. Us and a company that doesn't have any kind of real franchise in gaming.

But those headset sales will move from Q4 into early 2014. And we're working very closely with Microsoft, on the schedule and frankly we're using the extra time to build up supply for what we've expect will be a lot of pent-up demand. There will be a lot of frustrating gamers frankly with Xbox One because that want headsets and they will have to wait some months to get them.

So very important part of the growth folding into that \$200 million, to \$1 billion expect a lot of good growth from the console transition in 2014 and in 2015. Second I will go through these a little bit more quickly PC Gaming Headset segment it's about one fifth of size in the U.S. but PC gaming is a bigger segment in some other countries Korea, Scandinavia, Germany for example. So we've launched three new headsets in the PC Gaming segment and I would expect some growth to come from market share gains in that segment.

We don't have a large market share today, we're primarily been focused on console gaming, third part of our long-term strategy is to expand the umbrella of the consumers we serve in the core Turtle Beach side from gamers to what we call media, some music, movies and gaming as a part of it, especially mobile gaming. So we've launched two products.

The i60 and the i30 they are both on sale and through the Apple stores now very difficult to retail environment to get in. And they both deliver a level of technology at the price point which far exceeds anything else in the market that's one of the reasons why Apple is very excited about the headsets, again very consistent with our strategy to leverage technology innovation and good quality products.

And we've got competitive crowded space but we will start chipping away at the market slowly and I would expect some good growth from that segment over the next few years. Those are the three key pieces of the core Turtle Beach business let me now talk about HyperSound on the four drivers commercial business, the products are there they are selling today, the company has been as I mentioned pilots with McDonalds the commercial deployment with Build-A-Bear, lots of conversations with retail kiosk vendors and in 2014 I would expect a piece of growth from our combined business to come from the more rapid acceleration and ramp of the commercial business for HyperSound.

2015 meanwhile by the way we're working on the first living room hearing impaired solution, and my expectation is that in 2015, and then after that a big piece of growth for the business will come from building out that market.

Third is consumer, there are a lot of good 3D sound kind of consumer solutions, from HyperSound those in the growth scenario and how I see it unfolding will hit in late 2015, and 2016. Intentionally prioritized behind the healthcare piece, because the healthcare piece is so big, and the value proposition is we think very strong. And then fourth, as the company has been as Parametric has been. We'll continue to focus on licensing opportunities in any segments that are not overlapping with a segment that we're commercializing products.

We will invest and pursue licensing agreements, running a little bit low on time here. So let me summarize on this slide a few key things on the economics you can see core business grew \$92 million to \$207 million.

The business this year as I described the revenue will be lower than it was last year for the normal cyclical effect of the console transition, but then we expect good growth next year. Couple of other key things we have done with the business in the light of the console transition, we have launched some inventory management activities to make sure we don't go into this console transition with any inventory issues. And in general have increased and improved the infrastructure of the business added capacity and people where we needed it, when the business doubles in size you tend to fall a little bit behind on some of those investments.

So we have caught up on those in 2013, and are also preparing the business for 2014. We've also made investments in the categories like media headsets, which will hit the profit this year by a few million dollars. But we believe will pay off well over time. Well let me just say one other thing about the, so the combined business here these are pro forma financials if you look on, all the way to the right-hand side.

We combined a company will have very good revenue profit and economic characteristics here. And the ability for us on the Turtle Beach core business side to take some of that return and invested in Parametric should be very positive. Last quick thing on the capitalization of the company very important to know that the business is seasonal that the revolver on this page at \$18 million will go up and down over the years in fact we stayed, we do about 50% of the Turtle Beach business in the last four months of the year.

And because of that there is a large working capital requirement that tends to max out the revolver in the Q4 timeframe and then all the cash from all the sales comes in, in Q1 and the revolver gets worked down over time. So in summary, very excited about the combination of the business, we feel like we've got just an excellent foundation in the audio technology business we built in Turtle Beach with the innovations and the patents and the potential markets of Parametric, so we look forward to closing the deal at the end of the year here. Thank you very much.

END

Cautionary Note on Forward-Looking Statements

Certain statements made in this transcript may constitute "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. Forward-looking statements may include, but are not limited to, statements regarding assumptions, projections, expectations, targets, intentions or beliefs about future events including, without limitation, revenue goals and performance expectations of Turtle Beach and the combined company for 2013 and beyond; and management's expectations regarding progress, customer interest and other developments across its business sectors and statements about the proposed transaction between Parametric and Turtle Beach, the terms, timing, conditions to and anticipated completion of the proposed transaction, the expected ownership of the combined company and the composition of the combined company's management team, the potential benefits of the proposed transaction to the Parametric and Turtle Beach stockholders, Turtle Beach's and the combined company's plans, objectives, expectations and intentions with respect to future operations, technology and products, the anticipated financial position, operating results and growth prospects of Turtle Beach and of the combined company and other statements that are not historical in nature.

Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Uncertainties and risks may cause Parametric's and the combined company's actual results to be materially different than those expressed in or implied by such forward-looking statements. Particular uncertainties and risks include, among others: the failure of the Parametric stockholders to approve the transaction, the failure of NASDAQ to authorize the continued listing of Parametric's shares following the transaction; the risk that Turtle Beach's operating results at closing will be lower than currently anticipated or the failure of either party to meet other conditions to the closing of the transaction; delays in completing the transaction and the risk that the transaction may not be completed at all; the failure to realize the anticipated benefits from the transaction or delay in realization thereof; the businesses of Parametric and Turtle Beach may not be combined successfully, or such combination may take longer, be more difficult, time-consuming or costly to accomplish than expected; operating costs and business disruption during the pendency of and following the transaction, including adverse effects on employee retention and on business relationships with third parties; general business and economic conditions; the combined company's possible need for and ability to obtain additional financing; the difficulty of developing audio products, obtaining any required approvals and achieving market acceptance; the marketing success of Parametric's and the combined company's licensees or sub licensees, if any. More detailed information on these and additional factors that could affect Parametric's actual results are described in Parametric's filings with the Securities and Exchange Commission, including the preliminary proxy statement and the most recent quarterly report on Form 10-Q.

All forward-looking statements in this transcript speak only as of the date of the conference call and are based on current beliefs and expectations. Parametric undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

Important Additional Information

This material and statements made in the web cast presentation is not a substitute for the definitive proxy statement that Parametric will file with the SEC related to the proposed merger. Parametric filed a preliminary proxy statement with the SEC on November 4, 2013 related to the proposed merger. Investors and security holders are urged to read the definitive proxy statement (including any amendments or supplements) and other documents filed with the SEC carefully in their entirety because they contain important information about Parametric, Turtle Beach and the proposed transaction. The definitive proxy statement will be mailed to the stockholders of Parametric.

Investors and security holders may obtain free copies of the definitive proxy statement and other relevant documents filed with the SEC by Parametric at the SEC's web site at www.sec.gov. Free copies of the definitive proxy statement and other documents filed with the SEC also can be obtained by directing a request to Parametric, Attention: Investor Relations, telephone: (888) 477-2150. In addition, investors and security holders may access copies of the documents filed with the SEC by Parametric on Parametric's website at www.parametricsound.com.

Parametric and its directors and executive officers and other persons may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction described in this release. Information regarding Parametric's directors and executive officers is available in the preliminary proxy statement related to the proposed merger, which was filed with the SEC on November 4, 2013. If and to the extent that any of the Parametric participants will receive any additional benefits in connection with the proposed transaction that are unknown as of the date of this release, the details of those benefits will be described in the definitive proxy statement relating to the proposed transaction. Investors and stockholders can obtain more detailed information regarding the direct and indirect interests of Parametric's directors and executive officers in the proposed transaction by reading the definitive proxy statement when it becomes available.