

EIGHTH JUDICIAL DISTRICT COURT
CLARK COUNTY, NEVADA

In re PARAMETRIC SOUND) Lead Case No. A-13-686890-B
CORPORATION SHAREHOLDERS')
LITIGATION) Dept. No. XI
) CLASS ACTION
_____))
This Document Relates To:)
ALL ACTIONS.)
_____)

NOTICE OF PENDENCY OF CLASS ACTION (TO CLASS)

TO: All holders of Parametric Sound Corporation (“Parametric”) common stock who held shares on January 15, 2014, at the time Parametric issued shares in the Merger pursuant to the Agreement and Plan of Merger.¹ Excluded from the Class are Defendants, executive officers of Parametric as of January 15, 2014, and their legal representatives, heirs, successors-in-interest, transferees, and assignees (the “Excluded Parties”).²

1. This Notice is given pursuant to Rule 23(c) of the Nevada Rules of Civil Procedure and pursuant to an Order of the Eighth Judicial District Court for the State of Nevada, County of Clark (the “Court”). This Notice is not an expression of any opinion by the Court as to the merits of any of the claims or defenses asserted by any party in this litigation. Moreover, this Notice is not intended to suggest any likelihood that Plaintiffs or any other Class member will obtain any relief. If there is any monetary recovery in the form of damages, Class members may be entitled to share in the proceeds, less such costs, expenses, and attorneys’ fees as the Court may allow. The purpose of this Notice is to inform you of the pendency of this lawsuit, how it may affect your rights, and what steps you may take in relation to it.

2. A class action lawsuit is a lawsuit in which one or more persons sue on behalf of themselves and others who have similar claims. This litigation is a class action on behalf of all holders of Parametric common stock on January 15, 2014, at the time Parametric issued shares in the Merger pursuant to the Agreement and Plan of Merger, excluding the Excluded Parties. Plaintiff Kearney IRRV Trust is the Class Representative. Defendants are the former members of the Parametric Board and certain entities involved in the Merger.

¹ “Merger” refers to the reverse merger wherein VTB Holdings, Inc. (“VTBH”) merged into a Parametric subsidiary.
² “Defendants” as used herein refers collectively to Kenneth Potashner, Robert Kaplan, Elwood G. Norris, Seth Putterman, Andrew Wolfe, James L. Honore, VTBH, Stripes Group, LLC (“Stripes Group”), and SG VTB Holdings, LLC (“SG VTB”). Stripes Group and SG VTB are sometimes collectively referred to as “Stripes.”

3. Plaintiffs' Amended Class Action and Derivative Complaint (the "Complaint") alleges (i) that the Individual Defendants breached their fiduciary duties to Plaintiffs and the Class involving fraud and/or intentional misconduct in connection with the reverse merger wherein VTBH merged into a Parametric subsidiary; (ii) that VTBH and Stripes aided and abetted the Individual Defendants' breaches; and (iii) that Defendants' actions injured Parametric stockholders. Defendants filed an answer denying all material allegations in the Complaint and have asserted affirmative defenses thereto.

4. On January 18, 2019, the Court entered an order that this action may be maintained as a class action and defined the Class as follows:

All persons and/or entities that held shares of Parametric Sound Corporation ("Parametric") common stock on January 15, 2014, at the time Parametric issued shares in the Merger pursuant to the Agreement and Plan of Merger, whether beneficially or of record, including the legal representatives, heirs, successors-in-interest, transferees, and assignees of all such foregoing holders, but excluding Defendants, executive officers of Parametric as of January 15, 2014, and their legal representatives, heirs, successors-in-interest, transferees, and assignees (the "Class").

5. All nominees who were holders of Parametric common stock on January 15, 2014, at the time Parametric issued shares in the Merger pursuant to the Agreement and Plan of Merger, and are not an Excluded Party are requested to send this Notice to all such beneficial owners no later than ten days after receipt of this Notice. Additional copies of this Notice will be provided to such nominees upon written request sent to the address identified in Paragraph 4 below. In the alternative, all nominees are requested to send an unduplicated list of names and addresses of such beneficial owners to the address identified in Paragraph 4 below. The Notice Administrator will thereafter mail copies of this Notice directly to all such beneficial owners. Plaintiffs' counsel offers to pay the reasonable cost of preparing an unduplicated list of names and addresses of such beneficial owners or of forwarding this Notice to beneficial owners in those cases where a nominee elects to forward this Notice rather than provide a list of names and addresses to the Notice Administrator.

NOW THEREFORE, TAKE NOTICE:

1. If you were a holder of Parametric common stock on January 15, 2014, at the time Parametric issued shares in the Merger pursuant to the Agreement and Plan of Merger, and are not an Excluded Party then you are a member of the Class unless you request exclusion therefrom as provided in Paragraph 3 below.

2. All members of the Class who do not request to be excluded will be bound by any judgment, whether or not favorable to the Class. ***If you wish to remain a member of the Class, you need do nothing*** and your rights in this lawsuit will be represented by Co-Lead Counsel for Plaintiffs and the Class, Robbins Geller Rudman & Dowd LLP, 655 W. Broadway, Suite 1900, San Diego, CA 92101, and Saxena White P.A., 150 E Palmetto Park Rd., Boca Raton, FL 33432. ***If you wish, you may enter an appearance through your own counsel at your own expense.***

3. You may request to be excluded from the Class by mailing a written request for exclusion, addressed to *In re Parametric Sound Corporation Shareholders' Litigation, EXCLUSIONS*, c/o Gilardi & Co. LLC, 3301 Kerner Blvd., San Rafael, CA 94901, postmarked on or before **April, 1, 2019**, setting forth your name and address. Persons who request exclusion will not be entitled to share in the benefits of any judgment or settlement nor will they be bound by any settlement or judgment. If you elect to be excluded from the Class, you may pursue, at your own expense, whatever legal rights you may have.

4. All communications regarding this Notice should be made in writing, should refer to the name and number of this action – *In re Parametric Sound Corporation Shareholders' Litigation*, Lead Case No. A-13-686890-B, and should be addressed to:

In re Parametric Sound Corporation Shareholders' Litigation
c/o Gilardi & Co. LLC
3301 Kerner Blvd.
San Rafael, CA 94901

DO NOT TELEPHONE THE CLERK OF THE COURT REGARDING THIS NOTICE.

DATED: January 18, 2019

HON. ELIZABETH GONZALEZ
EIGHTH JUDICIAL DISTRICT COURT

In re Parametric Sound Corporation Shareholders' Litigation
c/o Gilardi & Co. LLC
3301 Kerner Blvd.
San Rafael, CA 94901

PAO

«Barcode»

Postal Service: Please do not mark barcode

Claim#: PAO-«Claim8»-«CkDig»

«FirstNAME» «LastNAME»

«ADDR1» «ADDR2»

«CITY», «STATE» «ZIP»

«COUNTRY»