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16 **United States District Court**
17 **District of Nevada**

18 CHEMEON SURFACE TECHNOLOGY, LLC, a
19 Nevada limited liability company,

20 Plaintiff,

21 vs.

22 METALAST INTERNATIONAL, INC., a Nevada
23 corporation; METALAST, INC., a Nevada
24 corporation; DAVID M. SEMAS; GREG D.
25 SEMAS; and WENDI SEMAS-FAURIA,

Defendants.

And related claims.

Case No. 3:15-cv-00294-MMD-VPC

**STIPULATED ORDER OF
PRELIMINARY INJUNCTION**

1 Through counsel, the parties stipulate to an Order as follows:

2 **INTRODUCTION, CONTENTIONS, BOND, PURPOSE:**

3 1. In its Complaint (June 3, 2015, DE 1), Plaintiff CHEMEON Surface
4 Technology, LLC (“CHEMEON”) alleges that, among other things, the Defendants
5 have threatened to misuse or infringe certain of CHEMEON’s trade secrets,
6 confidential information, copyrights, and goodwill, including without limitation the
7 goodwill it acquired pursuant to its acquisition of all assets of Metalast
8 International, LLC.
9

10 2. Without this Stipulated Order (i) binding the plaintiff to any of the
11 following representations, warranties, or denials as being undisputed in this
12 matter, including going forward, or (ii) releasing any of plaintiff’s claims in this
13 matter, including claims contrary to the following representations, warranties, and
14 denials, the defendants state:
15

16 A. CHEMEON Trade Secrets: AA-200 composition and method of making the
17 same. Defendants represent and warrant that: (i) all defendants except David W.
18 Semas have never disclosed to any third party the composition of, or how to make,
19 AA-200 (“AA-200 Information”) to any third party; (ii) since January 27, 2015,
20 Defendant David W. Semas has never disclosed to third party any AA-200
21 Information, and (iii) on or before January 27, 2015, David W. Semas did not render
22 any AA-200 Information publicly available or generally available in the trade.
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B. CHEMEON Trade Secrets: TCP-HF chemical formulation and method of making same. Defendants represent and warrant that they do not know the chemical formulation for TCP-HF, except to the extent expressly disclosed in the Navy patent licensed to CHEMEON. Defendant David Semas represents that he has some general technical knowledge about the particular manufacturing process that differentiates the CHEMEON TCP products from TCP products manufactured and sold by other licensees of the Navy patent. Defendant David Semas represents that he does not possess documents (including electronic documents) that describe these manufacturing parameters, and that he does not have specific knowledge that would allow him to duplicate the CHEMEON manufacturing process. Defendants David Semas and Wendi Semas-Fauria do not have that technical knowledge.

C. CHEMEON Trade Secrets: Process control hardware and software. Defendants represent and warrant that they do not possess any documents (including electronic documents) that contain any hardware schematics, software code, or other technical information or knowledge that would allow them to reproduce or reverse engineer any of CHEMEON's process control hardware or software.

D. Copyright: photographs. Before commencement of this suit, Defendants Greg Semas and David Semas included on their LinkedIn profiles, including photographs of the T-Rex mobile classroom taken by David Semas. These Defendants represent that they did not understand that these photographs were the



1 intellectual property of CHEMEON, and still do not concede that they are the
2 intellectual property of CHEMEON. These Defendants represent that, at or about the
3 time this litigation was commenced, these images were removed from their
4 LinkedIn profiles, and that they have made no attempts to add these images back to
5 their LinkedIn profiles.
6

7 E. Copyright: business plan descriptions and pro-forma financial information.

8 Defendant David Semas represents that, after January 27, 2015 and before
9 commencement of this action, he began drafting materials, including a business plan
10 description and pro-forma financial information in order to raise equity investment
11 to purchase CHEMEON, and that he did this only pursuant to a discussion with
12 CHEMEON owners who expressed an interest in selling the company or its assets.
13 Semas further represents that, at the time, he understood that the text, which he
14 authored, was the intellectual property of Metalast International, Inc., and not the
15 intellectual property of CHEMEON.
16

17 F. Financial Records. In its Complaint, Plaintiff alleges on “information and
18 belief” that Defendant Wendi Semas-Fauria removed boxes of financial records
19 owned by Metalast International, LLC, and that those records now belong to
20 CHEMEON. Wendi Semas-Fauria represents and warrants that she did not remove
21 any financial or other business records of Metalast International, LLC, or CHEMEON.
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23 3. Bond. Defendants represent and warrant that they have no current
24 plans to conduct any business in a manner that would be impacted by entry of a
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1 preliminary injunction, and that a nominal injunction bond will adequately protect
2 them against entry of a wrongful injunction.

3 4. Purpose of stipulated order. The Parties intend to limit the scope of the
4 March 31, 2016, hearing by agreeing to the entry of this preliminary injunction on
5 the following terms.
6

7 **Stipulated Order**

8 The Parties stipulate to the entry of the following preliminary injunction on
9 the following terms:

10 A. Until further order of this Court, Defendants and, in the case of
11 business entities, their shareholders, directors, members, managers, employees, and
12 all those having knowledge of this injunction and being in active concert with any of
13 them are preliminarily enjoined from any of the following:
14

15 1. Trade secrets. Disclosing or utilizing any of CHEMEON's trade
16 secrets identified in paragraphs 2 (A-C) above, and from disclosing or utilizing any
17 information known to constitute a trade secret or the confidential information of
18 Metalast International, LLC, or CHEMEON.
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20 2. Copyrights. Reproducing, distributing, deriving from, or
21 otherwise infringing: (i) any works of authorship in the categories described in
22 paragraph 2 (D and E) above or any copyrights in any such works, or (ii) any other
23 work of authorship, or any copyrights therein, whether or not registered with the
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1 United States Copyright Office, known to be owned by Metalast International, LLC,
2 or CHEMEON.

3 3. Patents. Practicing or otherwise infringing any patent owned by
4 CHEMEON, including without limitation, Patent No. 8,486,203, or practicing any
5 other patent under a claim of sub-license from CHEMEON.
6

7 B. Pursuant to FRCP 65(c), within ten court days after entry of an order
8 approving this stipulation, Plaintiff shall post a cash bond in the amount of ten
9 dollars (\$10.00).

10 B. Entry of an order approving this stipulation shall not constitute a
11 ruling on the merits of any claims under FRCP 65(a)(2).
12

13 D. In the March 31, 2016 hearing, the parties will argue the aspects of the
14 pending Motions for Preliminary Injunction (Doc. 52) directed to the construction of
15 the parties' Settlement Agreement of January 27, 2015, and CHEMEON's use of the
16 term "Metalast," including without limitation Defendants' Motion for Preliminary
17 Injunction its entirety. On or before March 25, 2016, at 5:00 PM, the Parties may file
18 a supplemental document that does not re-argue any of the law or facts, but simply
19 lists documents already in the Court record that pertain to the issues to be
20 addressed at the hearing on March 31, 2016, as set forth herein, except that Plaintiff
21 may file an objection, if it desires, to the Defendant's Request for Judicial Notice
22 (Doc. 89).
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Dated March 25, 2016.

HOLLAND & HART


/s/ Robert C. Ryan
Robert C. Ryan
Attorneys for CHEMEON Surface
Technology, LLC, Dean S. Meiling, and
Madylon Meiling

Dated March 25, 2016.

HOY CHRISSINGER KIMMEL VALLAS, PC

/s/ Michael D. Hoy
Michael D. Hoy
Attorneys for Metalast International, Inc.,
Metalast, Inc., Sierra Dorado, Inc., David
M. Semas, Greg D. Semas, and Wendi
Semas-Fauria

IT IS SO ORDERED.



Hon. Miranda Du
United States District Judge

Dated March 28, 2016

