

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE NEXCEN BRANDS, INC. SECURITIES LITIGATION	X : : X	Master File No. 1:08-CV-04906 (AKH)
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**NOTICE OF PENDENCY AND
PROPOSED SETTLEMENT OF CLASS ACTION**

If you purchased the publicly-traded common stock ("Stock") of NexCen Brands, Inc. ("NexCen") during the period from March 13, 2007 through May 18, 2008, you could get a payment from a class action settlement (the "Settlement").

A federal court has authorized this notice.

**Objections or Exclusion Deadline: November 14, 2011
Claims Deadline: January 31, 2012**

- If approved by the Court, the settlement will provide \$4,000,000 in cash, plus interest (the "Settlement Amount"), to pay claims of investors who purchased NexCen Stock during the period from March 13, 2007 through May 18, 2008 (the "Class Period").
- The Settlement represents an average recovery of \$0.2128 per share of NexCen Stock for the 18.8 million NexCen shares that Lead Plaintiff's expert estimates were traded and damaged as a result of the alleged misconduct during the Class Period. This estimate solely reflects the average recovery per damaged share of NexCen Stock. This is not an estimate of the actual recovery per share you should expect from the Settlement. Your actual recovery will be lower, and will depend on the aggregate losses of all Class Members, the date(s) you purchased and sold NexCen Stock, the amounts and prices of those transactions, the total number of claims filed, and the administrative costs for completion of the Settlement and distribution of the Settlement Amount.
- Attorneys for the Lead Plaintiff ("Class Counsel") intend to ask the Court to award them fees of up to 30% of the Settlement Amount, and reimbursement of litigation expenses not to exceed \$70,000. Collectively, the attorneys' fees and litigation expenses are estimated to average \$0.0676 per damaged share of NexCen Stock. The Court will review and rule on an application for fees and expenses from the attorneys. If approved by the Court, these amounts will be paid from the Settlement Fund.
- The Class Members' approximate recovery from the Settlement, following deduction of attorneys' fees and expenses approved by the Court, is an average of \$0.1452 per damaged share of NexCen Stock. This estimate is based on the assumptions set forth in the preceding paragraphs. Your actual recovery, if any, will vary depending on the dates of your transactions, your purchase and sale price(s) and the number of claims filed. In addition, it will be affected, by a slight increase, by the exclusion of certain potential class members.
- In this case Lead Plaintiff contended that NexCen and members of its senior management team violated the federal securities laws by providing investors with allegedly false or misleading information about its business and financial condition. However, the Defendants denied that there was anything improper about the information NexCen or members of its senior management team provided to investors, and deny any wrongdoing whatsoever. Based on his expert's analysis, Lead Plaintiff believes that, if he prevailed on all the claims on behalf of the Class and the Court accepted his theory of damages, the Class would recover up to approximately \$1.95 per damaged NexCen share, before deductions for fees and expenses and assuming that the full amount of the judgment was collected. Defendants believe that, if this case proceeded they would win every claim, and Lead Plaintiff and the Class would recover nothing. Defendants (as described below) deny the allegations in the lawsuit and deny any wrongdoing.
- Your legal rights will be affected whether you act or do not act. If you do not act, you may permanently forfeit your right to recover on this claim. Therefore, *please read this notice carefully.*

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

SUBMIT A CLAIM FORM NO LATER THAN JANUARY 31, 2012	Remain in the Class, be bound by the Court Order and Final Judgment (including the Release) and receive settlement benefits. This is the only way to get a payment.
EXCLUDE YOURSELF NO LATER THAN NOVEMBER 14, 2011	Get no payment. This is the only option that allows you to be part of any other lawsuit against Defendants and related parties with respect to the “Settled Claims” (as defined below).
OBJECT NO LATER THAN NOVEMBER 14, 2011	Write to the Court about why you do not like the Settlement, the proposed Plan of Allocation or the request for payment of attorneys’ fees and expenses.
GO TO A HEARING ON DECEMBER 2, 2011	Speak in Court about the fairness of the Settlement.
DO NOTHING	Remain in the Class, be bound by the Court’s Order and Final Judgment (including the Release) but without receiving any payment. Give up your rights to sue Defendants and related parties on the claims in this case.

INQUIRIES

Please do not contact the Court regarding this notice. All inquiries concerning this Notice, the Proof of Claim form, or any other questions by Class members should be directed to:

NexCen Brands Securities Litigation
Claims Administrator
c/o Strategic Claims Services
P.O. Box 230
600 N. Jackson Street, Suite 3
Media, PA 19063
866-274-4004
www.nexcensettlement.com

or

Class Counsel:
Lisa M. Mezzetti, Esq.
Matthew B. Kaplan, Esq.
Cohen Milstein Sellers & Toll PLLC
1100 New York Avenue NW
Suite 500 West Tower
Washington, DC 20005
202-408-4600
www.cohenmilstein.com

COMMON QUESTIONS AND ANSWERS CONCERNING THIS CASE AND THE SETTLEMENT

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BASIC INFORMATION

1. Why did I get this Notice?

You or someone in your family or household may have purchased NexCen Stock during the Class Period.

2. What is this lawsuit about?

The case is known as *In re NexCen Brands, Inc. Securities Litigation*, Case No. 08-CV-04906 (AKH) (the "Litigation"), and the Court in charge of the case is the Honorable Alvin K. Hellerstein of the United States District Court for the Southern District of New York.

In this class action, Mr. Vincent Granatelli was appointed by the Court to represent all Class Members and was designated as the "Lead Plaintiff" for the case and Cohen Milstein Sellers & Toll PLLC ("Cohen Milstein") was appointed by the Court to serve as "Lead Counsel" or "Class Counsel."

Defendants in this case are NexCen and certain of its present and former officers and directors — David S. Oros, Robert W. D'Loren, and David B. Meister (the "Defendants"). Lead Plaintiff purchased NexCen Stock during the Class Period, like all Class Members. Lead Plaintiff alleges that the Defendants violated the federal securities laws during the Class Period by issuing or approving materially false and misleading financial statements and information to investors about the viability and prospects of NexCen's business model.

NexCen was a brand acquisition and management company with a focus on companies operating in the consumer-branded products and franchise industries, although it has since ceased all such business operations and is in the process of dissolving. Lead Plaintiff alleges:

- Defendants incorrectly informed investors that NexCen planned to acquire three to five companies each year and had sufficient liquidity to complete those acquisitions while also sustaining existing operations;
- the Company did not enjoy such liquidity, and further alleges that over the Class Period its substantial debt or credit facility did not provide enough cash for operations and such acquisitions;
- the Company's strategy sacrificed liquidity and sustainability in order to boost its financial performance in the short-term and to inflate its stock price; and
- Defendants knew or recklessly disregarded that the Company would never be able to accomplish its acquisition business plan under its then-current operations or credit facility, but they did not disclose this to the public.

After amendments were made to the credit facility, NexCen suffered a severe cash shortfall.

On May 19, 2008, the Company disclosed that (1) the January 2008 amendment to its credit facility included an accelerated redemption feature, requiring a balloon payment that NexCen was unlikely to be able to pay; (2) the Company would soon face a cash shortage of \$7 million to \$10 million; (3) the public could no longer rely on the Company's reported 2007 financial results; and (4) there was "substantial doubt" about the Company's ability to continue as a going-concern. On May 13, 2010, NexCen announced that it was selling its franchise businesses and management operations and would be dissolving the Company.

Defendants deny that they or anyone acting on behalf of NexCen engaged in any wrongdoing, and emphatically disagree with any claim that they in any respect misled investors, violated the securities laws, or otherwise acted improperly. To the contrary, Defendants believe that they acted in good faith at all times.

Lead Plaintiff and Defendants also disagree on the existence and amount of damages.

The Settlement resolves all of the claims in the Class Action.

3. Why is this a class action?

In a class action, one or more people or entities, called a class representative or Lead Plaintiff, sue on behalf of all persons and/or entities who have similar claims. All of these people and entities are called the “Class.” These individual persons and/or entities are known as “Class Members.” One court resolves all of the issues for all Class Members, except for those Class Members who exclude themselves from the Class.

4. Why is there a Settlement?

As noted, Lead Plaintiff and Defendants do not agree on the merits of Lead Plaintiff’s allegations with respect to liability or the average amount of damages per share that would be recoverable if Lead Plaintiff were to prevail at trial on each claim. This case has not gone to trial and the Court did not decide in favor of Lead Plaintiff or Defendants. Instead, while Defendants’ motions to dismiss the case were pending, both sides agreed to a settlement. That way, everyone avoids the cost and risks of further litigation and trial. Given the risks involved in this litigation, and the fact that NexCen is liquidating its business and is not in a strong financial position, Lead Plaintiff and his attorneys think the Settlement is best for all Class Members. Even if Defendants’ motions to dismiss and potential motions for summary judgment were denied and Lead Plaintiff won at trial, and also prevailed on any appeal, Lead Plaintiff might not be able to collect some, or all, of any judgment awarded to the Class. Consequently, Class Counsel is concerned that, if this matter is not settled, the Class Members may receive little or nothing even if the Lead Plaintiff wins the case.

Thus, the principal reason Lead Plaintiff has agreed to the Settlement is to provide a benefit to the Class Members now. This benefit must be compared to the risk that no recovery might be achieved. Although Class Counsel had opposed Defendants’ motions to dismiss and were prepared to move forward in the case, and ultimately go to trial, and were confident in their ability to present a case, they recognize that such motions and trial are risky propositions and that Lead Plaintiff and the Class might not have prevailed. The claims advanced by the Class involve numerous complex legal and factual issues, requiring extensive expert testimony, which would add considerably to the expenses and duration of the litigation, which would have gone on for some years. In addition, had the case proceeded, Defendants would have asserted that all of them, including NexCen, acted in good faith and that Defendants’ statements were not false or misleading, and certainly not intentionally false or misleading, when made. Defendants would have asserted that none of them acted with an intent to deceive or recklessness, which is a required element of Lead Plaintiff’s claims.

In addition, if this case were to proceed, the parties would disagree on numerous other issues that could affect the outcome of the litigation and, if resolved in favor of Defendants, could result in Class Members receiving little or even nothing. The issues include: (1) the amount by which any NexCen Stock was allegedly artificially inflated (if at all) during the relevant time period; (2) the extent to which the various allegedly materially false and misleading statements made by Defendants influenced (if at all) the trading prices of NexCen Stock; (3) the extent to which the various allegedly adverse material facts that Lead Plaintiff alleged were not disclosed to the public influenced (if at all) the trading prices of NexCen Stock; and (4) whether the statements made or facts allegedly omitted were false, misleading, material, or otherwise actionable under the federal securities laws.

Despite these issues and risks, this Settlement enables the Class to recover a substantial amount now. As a result, Lead Plaintiff and Lead Counsel believe this Settlement is fair and reasonable and provides a reasonable recovery to the Class.

WHO IS IN THE SETTLEMENT

5. How do I know if I am part of the Class settlement?

To be a Class Member, you must have purchased NexCen Stock during the period from March 13, 2007 through May 18, 2008, and suffered losses on your investment as a result of the decline in the value of NexCen Stock, which Lead Plaintiff alleges occurred because of Defendants’ misconduct.

6. Are there exceptions to being included?

Yes. You are not a Class Member if you are:

- (i) a Defendant; a member of a Defendant’s immediate family; a Defendant’s heir, successor or assign; any entity in which any Defendant has or had a controlling interest; or a predecessor of NexCen; or
- (ii) a present or former officer or director of NexCen; or

- (iii) Willow Creek Capital Partners, L.P., a Delaware limited partnership; Willow Creek Long Biased Fund, L.P., a Delaware limited partnership; Willow Creek Short Biased 30/130 Fund, L.P., a Delaware limited partnership; Willow Creek Offshore Fund, a Cayman Islands limited liability company; and Multi-Manager Investment Programmes PCC limited, a Guernsey Channel Islands protected cell company, acting in relation to its cell, US Equity Master Fund (all collectively “Willow Creek”) and all such entities’ general partners and managing members, and their successors, assigns, heirs, executors, administrators, trustees and any firm, trust, corporation, or entity in which any of them has a controlling interest; for these entities (including all related parties, successor and predecessor entities), all shares of NexCen owned, legally or beneficially, or otherwise controlled by them, are excluded; or
- (iv) if you exclude yourself from the Class, as described below.

If you sold NexCen Stock during the Class Period, that does not make you a Class Member. You are a Class Member only if you purchased NexCen Stock from March 13, 2007 through May 18, 2008.

If one of your mutual funds purchased or owns shares of NexCen Stock, that alone does not make you a Class Member.

7. I am still not sure whether I am included.

If you are still not sure whether you are included, you can ask for free help. For more information, you can contact the Claims Administrator, Strategic Claims Services, by phone at (866) 274-4004, by facsimile at (610) 565-7985, visit the website at www.nexcensettlement.com, or you can fill out and return the claim form described in Question 9, to see if you qualify.

THE SETTLEMENT BENEFITS — WHAT YOU RECEIVE

8. What does the Settlement provide?

a. What is the Settlement Fund?

The proposed Settlement calls for the creation of a “Settlement Fund” in the amount of \$4,000,000 in cash. The Settlement will not become effective unless it is approved by the Court. Subject to the Court’s approval, a portion of the Settlement Fund will be used to pay Class Counsel’s attorneys’ fees and reasonable litigation expenses. A portion of the Settlement Fund will also be used to pay taxes due on interest earned by the Settlement Fund, if necessary, and any notice costs and claims administration expenses incurred in the case. After these deductions from the Settlement Fund have been made, the amount remaining (the “Net Settlement Fund”) will be distributed to Class Members who submit valid claim forms.

b. What can you expect to receive under the proposed Settlement?

If you are entitled to a payment, your share of the Net Settlement Fund will depend on the number of valid claim forms that Class Members submit, how many shares of NexCen Stock you purchased, and when you bought and sold your NexCen Stock. By following the Plan of Allocation described below, you can calculate your “Recognized Loss.” The Claims Administrator will distribute the Net Settlement Fund according to the Plan of Allocation after the deadline for submission of Proof of Claim forms has passed.

The Claims Administrator will determine each Class Member’s *pro rata* share of the Net Settlement Fund based upon each Class Member’s valid “Recognized Loss” from transactions in NexCen Stock during the entire class period. **The Recognized Loss formula is not intended to be an estimate of the amount that a Class Member might have been able to recover after a trial; it also is not an estimate of the amount that will be paid to Class Members pursuant to the Settlement.** The Recognized Loss formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Class Members with valid claims.

The Net Settlement Fund will be distributed to Class Members who submit valid, timely claim forms (“Authorized Claimants”) under the following Plan of Allocation, which reflects Lead Plaintiff’s contention that because of alleged misrepresentations and omissions contained in NexCen’s financial results and other public statements, the price of NexCen Stock was artificially inflated during the Class Period and that disclosures of the true facts caused changes in the inflated stock price.

PLAN OF ALLOCATION

1. For purposes of determining the amount an Authorized Claimant will recover from the Settlement, Lead Counsel has consulted with a damages consultant who has developed the Plan of Allocation. It is designed to fairly allocate the proceeds of the Net Settlement Fund to Authorized Claimants.
2. The Court has not made any finding that the Released Parties are liable to the Class or that the Class has suffered any compensable damages, nor has the Court made any finding that the payments allowed under this Plan of Allocation are an accurate measure of damages.
3. This Plan of Allocation reflects the declines in the prices of NexCen common stock during the entire Class Period, which Lead Plaintiff alleges are reasonably attributable to the misstatements alleged in the Complaint, and adjusted to reflect the strength of those allegations and the settlement negotiations.
4. The total number of damaged shares (shares purchased on or between March 13, 2007 through May 18, 2008, and held beyond May 18, 2008) is estimated to amount to 18.8 million shares. The Settlement of \$4,000,000 thus represents an estimated recovery of approximately \$0.2128 per share before deduction of Court-approved fees and expenses. **Please note that these amounts are only estimates.**
5. Estimated aggregate damages and the Plan of Allocation were developed based on accepted event study analysis and the use of a multi-trader model, to determine the amount of artificial inflation embedded in the stock price on each day during the Class Period, by measuring how much the stock price declined as a result of a single disclosure that corrected the alleged misrepresentations and omissions made by the Defendants. Over the course of the Class Period, one corrective disclosure caused the stock price to fall \$1.95 per share. The common stock of NexCen had \$1.95 of artificial inflation during the course of the Class Period. Therefore, the maximum damages per share of NexCen common stock are \$1.95. An Authorized Claimant's total "Recognized Loss" for NexCen Brands, Inc. common stock is:

For each share of NexCen Brands, Inc. common stock purchased or otherwise acquired during the period March 13, 2007 through May 18, 2008, and:

- i. sold prior to May 19, 2008, the Recognized Loss will be zero.¹
 - ii. retained beyond May 18, 2008, the Recognized Loss will be the lesser of:
 - a. \$1.95 per share; or
 - b. the difference between the purchase price per share and \$0.51.²
6. For Class Members who held shares of NexCen common stock at the beginning of the Class Period, or who made multiple purchases, acquisitions or sales during the Class Period, the first-in, first-out ("FIFO") method will be applied to such holdings, purchases, and sales for purposes of calculating a Recognized Claim. Under the FIFO method, shares of NexCen common stock sold during the Class Period will be matched first against shares held at the beginning of the Class Period. The sale of any remaining shares during the Class Period will then be matched in chronological order against shares purchased during the Class Period.
- c. Is there more information on how my claim will be calculated, or are there any further limitations on the amount I may receive?**

Yes.

- i) To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's Recognized Loss. If, however, *as expected*, the amount in the Net Settlement Fund is not sufficient to permit payment of the total Recognized Loss of each Authorized Claimant, then each Authorized Claimant will be paid the percentage of the Net Settlement Fund that each Authorized Claimant's Recognized Loss bears to the total of the Recognized Losses of all Authorized Claimants – thus, the Authorized Claimant's *pro rata* share of the Net Settlement Fund.
- ii) Transactions during the Class Period resulting in a gain will be netted against the Authorized Claimant's transactions resulting in a loss to arrive at the Recognized Loss.
- iii) If a Class Member acquired NexCen stock during the Class Period by way of gift, inheritance or operation of law, that claim will be computed by using the date and price of the original purchase and not the date and price of transfer. In such instances, the recipient must provide documentation of the original purchase in addition to the transfer.

¹ A purchase or sale of shares of NexCen Brands, Inc. common stock shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date.

² Pursuant to Section 21(D)(e)(1) of the Private Securities Litigation Reform Act of 1995, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90 day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated." \$0.51 was the mean (average) daily closing trading price of NexCen common stock during the 90-day period beginning on May 19, 2008 and ending on August 16, 2008.

- iv) For Class Members who acquired publicly-traded NexCen stock by exercising employee stock options granted to him or her by NexCen, the purchase price will be the exercise price or strike price that the Class Member actually paid.
- v) A payment to any Class Member that would amount to less than \$10.00 in total will not be included in the calculation of the Net Settlement Fund, and no payment will be distributed to these Class Members, because of the excessive administrative costs that would be incurred.
- vi) There will be no Recognized Loss attributable to short sales.
- vii) Any Class Members whose collective transactions in NexCen Stock during the Class Period resulted in a net gain will not be entitled to share in the Net Settlement Fund.
- viii) The purchase and sales prices used in the Plan of Allocation exclude any brokerage commissions, transfer taxes or other fees.

HOW YOU RECEIVE A PAYMENT — SUBMITTING A CLAIM

9. How can I get a payment?

To qualify for a payment, you must be an eligible Class Member and must send in a completed “Proof of Claim and Release.” This Claim Form was mailed with this Notice. You may also obtain a Claim Form at www.nexcensettlement.com. Read the instructions carefully, fill out the form, sign it in the location indicated, and mail the Claim Form together with all required documentation, postmarked no later than January 31, 2012, to:

NexCen Brands Securities Litigation
 Claims Administrator
 c/o Strategic Claims Services
 P.O. Box 230
 600 N. Jackson Street, Suite 3
 Media, PA 19063

The Claims Administrator will process your claim and determine whether you are an “Authorized Claimant.”

10. What am I giving up to get a payment or stay in the Class?

If you are a member of the Class, and do not exclude yourself, you will give up and release any claims you might have against the Defendants relating to the “Settled Claims,” as described more fully below. All of the Court’s orders will apply to you and legally bind you. ***If you are a Class Member, this will be true even if you do not submit or sign a Proof of Claim and Release form, unless you exclude yourself from the Class (in which case you will not receive any payment).***

If the proposed Settlement is approved, the Court will enter an Order and Final Judgment of Dismissal with prejudice. The Judgment will dismiss the “Settled Claims” with prejudice as to all “Released Parties.” The Judgment will provide that all Class Members on behalf of themselves, their current and former heirs, executors, administrators, successors, attorneys, legal representatives, and assigns, shall be deemed to have released and to have forever relinquished and discharged all Settled Claims against all Released Parties. Each of the Defendants will also release all claims they may have against any Class Member, to the extent set forth in the Stipulation of Settlement.

“Released Parties” means the Defendants, and any of their current, former or future parents, subsidiaries, affiliates, partners, joint venturers, officers, directors, principals, shareholders, members, agents (acting in their capacity as agents), employees, attorneys, insurers, reinsurers, advisors, accountants, associates and/or any other individual or entity in which any Defendant has a controlling interest or which is related to or affiliated with any of the Defendants and the current, former and future legal representatives, heirs, successors in interest or assigns of the Defendants.

“Settled Claims” means any and all claims, debts, demands, liabilities, rights and causes of action of every nature and description whatsoever (including but not limited to any claims for damages, interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liability whatsoever), whether based on federal, state, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, whether class or individual in nature, including both known claims and Unknown Claims, (i) that have been asserted in the Litigation by the Lead Plaintiff and/or Class Members or any of them against any of the Defendants; or (ii) that could have been alleged, asserted or contended in the Litigation, including but not limited to any claim arising out of or relating to any of the acts, omissions, misrepresentations, facts, events, matters, transactions or occurrences referred to in the

Litigation or otherwise alleged, asserted or contended in the Litigation; *provided, however*, that with respect to (ii), Settled Claims do not include those wholly unrelated to the purchase, acquisition or holding of NexCen common stock; and *provided, further*, that Settled Claims do not include any claims to enforce any of the terms of the Stipulation signed by the Settling Parties or of the Order and Final Judgment.

“Unknown Claims” means any Settled Claim which Lead Plaintiff or any member of the Class does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties, which if known by him, her or it, might have affected his, her or its decision with respect to the Settlement, including, but not limited to, the decision not to object to the Settlement, and any Settled Defendants’ Claims which any Defendant does not know or expect to exist in his or its favor, which if known by him or it might have affected his or its decision(s) with respect to the Settlement. With respect to any and all Settled Claims and Settled Defendants’ Claims, the Settling Parties have stipulated and agreed that upon the Effective Date, the Lead Plaintiff and Defendants will expressly waive, and each Class Member will be deemed to have and by operation of the Order and Final Judgment will have expressly waived, any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to Cal. Civ. Code § 1542, which provides: “A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.”

If you desire, please read the Stipulation of Settlement at the website (or call for a copy of it) for a fuller explanation of the definition of “Settled Claims,” all of which you will be deemed to release if the Settlement is approved by the Court.

If you do not exclude yourself, you may sign and submit a Claim Form to claim a share in the Net Settlement Fund and this will be the only compensation from the Settlement you will receive for any losses you may have incurred from purchases of NexCen Stock during the Class Period.

EXCLUDING YOURSELF FROM THE SETTLEMENT

11. How do I exclude myself from the Settlement?

If you do not want to receive a payment from this Settlement, and you want to keep the right to sue or continue to sue the Defendants with respect to the Settled Claims, then you must take steps to stay out of the Settlement. This is called excluding yourself from — or “opting out” of — the Settlement. To exclude yourself from the Settlement, you must mail a letter stating you want to be excluded as a Class Member from *In re NexCen Brands, Inc. Securities Litigation*, Case No. 08-CV-04906 (AKH). You must include your name, address, telephone number, e-mail address and your signature, along with an accurate list of all of your purchases and sales of NexCen Stock in the Class Period, including the dates of each purchase and sale, the number of shares in each transaction, and the amounts paid or received in each transaction (excluding commissions, taxes and other charges). You must mail your exclusion request, so that it is **received** no later than November 14, 2011, to the following three addresses:

NexCen Brands Securities Litigation
Claims Administrator
c/o Strategic Claims Services
P.O. Box 230
600 N. Jackson Street, Suite 3
Media, PA 19063

CLASS COUNSEL

Lisa M. Mezzetti, Esq.
Matthew B. Kaplan, Esq.
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1100 New York Avenue, NW
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Washington, DC 20005

DEFENSE COUNSEL

Lori A. Martin, Esq.
Jonathan A. Shapiro, Esq.
David F. Olsky, Esq.
David Burkoff, Esq.
WILMER CUTLER PICKERING HALE AND DORR LLP
399 Park Avenue
New York, NY 10022

You cannot exclude yourself by telephone or by e-mail or at the website.

If you properly exclude yourself, you will not receive a settlement payment, you cannot object to the Settlement, and you will not be legally bound by anything that happens in this case.

12. If I do not exclude myself, can I later sue Defendants on the same claims?

No. Unless you exclude yourself, you give up any right to sue Defendants or the Released Parties for the Settled Claims. If you have a pending lawsuit, speak to your lawyer in that case immediately, since you may have to exclude yourself from this Class to continue your own lawsuit.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court appointed the law firm of Cohen Milstein Sellers & Toll PLLC to represent you and the other Class Members. These lawyers are called Lead Counsel or Class Counsel. You will not be individually charged for the work of these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense. Contact information for Cohen Milstein is provided above.

14. How will the lawyers be paid?

Class Counsel and counsel working under their direction have expended considerable time litigating this action on a contingent fee basis, and have paid for the expenses of the litigation themselves. As is customary in this type of litigation, they did so with the expectation that if they were successful in recovering money for the Class, they would receive attorneys' fees and be reimbursed for their litigation expenses from the Settlement Fund. Class Counsel will not receive attorneys' fees or be reimbursed for their litigation expenses otherwise. Therefore, Class Counsel will file a motion asking the Court to make a payment of attorneys' fees in an amount up to 30% of the \$4,000,000 Settlement Amount and for reimbursement of their already paid or incurred litigation expenses not to exceed \$70,000. This request is in the range of fees awarded to counsel in other cases of this type. The Court may award less than these amounts. *Any amounts awarded by the Court will come out of the Settlement Fund.*

If the above amounts for fees and expenses are requested and approved by the Court, the average cost per share of NexCen Stock will be \$0.0676.

On or before November 2, 2011, the filed copy of Class Counsel's request for attorneys' fees and expenses will be available on the settlement website, www.nexcensettlement.com.

OBJECTING TO THE SETTLEMENT

15. How do I tell the Court that I do not like the Settlement or any part of it?

If you are a Class Member, you can tell the Court you do not agree with the Settlement or any part of it, including the proposed Plan of Allocation, or the request for attorneys' fees and expenses to Class Counsel. You must mail a letter stating that you object to the Settlement in *In re NexCen Brands, Inc. Securities Litigation*, Case No. 08-CV-04906 (AKH) and must include your name, address, telephone number, e-mail address, signature, a list of your purchases and sales of NexCen Stock in the Class Period in order to show your membership in the Class, and all of the reasons you object to the Settlement or any part of it or any request for payment. Be sure to mail the letter to the following three addresses, or otherwise file or deliver it so that it is **received** no later than November 14, 2011, so the Court will consider your views:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
Clerk of the Court United States District Court Southern District of New York 500 Pearl Street New York, New York 10007	Lisa M. Mezzetti, Esq. Matthew B. Kaplan, Esq. COHEN MILSTEIN SELLERS & TOLL PLLC 1100 New York Avenue, NW Suite 500 West Tower Washington, DC 20005	Lori A. Martin, Esq. Jonathan A. Shapiro, Esq. David F. Olsky, Esq. David Burkoff, Esq. WILMER CUTLER PICKERING HALE AND DORR LLP 399 Park Avenue New York, NY 10022

16. What is the difference between objecting and requesting exclusion?

Objecting is telling the Court you do not like something about the Settlement, the proposed Plan of Allocation, or the requests for attorneys' fees or expenses. You can object only if you stay in the Class. By contrast, requesting exclusion is telling the Court that you do not want to be part of the Class and Settlement. If you exclude yourself, you cannot object to the Settlement because it no longer affects you.

THE COURT'S FINAL SETTLEMENT HEARING

17. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Settlement Hearing on December 2, 2011, at 12:00 p.m., at the United States District Court for the Southern District of New York, Courtroom 14D, 500 Pearl Street, New York, New York 10007.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate and whether to approve the Settlement. If there are objections, the Court will consider them, and the Court will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay Class Counsel for attorneys' fees and expenses. The Court may adjourn or postpone the date of the hearing without further notice to the Class.

18. Do I have to come to the hearing?

No, although you are welcome to attend at your own expense. If you object to the Settlement in writing, and do so in compliance with the instructions set forth in this Notice, the Court will consider it, and you do not have to come to Court to talk about it. If, however, you, or an attorney you hire at your own cost, intend to appear and speak at the hearing, you must indicate that you will do so in the letter containing your objections or in a separate letter which must be sent to the same persons by the same deadline as noted in Question No. 15 above. You must indicate who will speak, any witnesses you will question and all evidence you will ask the Court to consider.

IF YOU DO NOTHING

19. What happens if I do nothing at all?

If you do nothing, you will not receive a payment from the Settlement. However, unless you exclude yourself, if the Settlement is approved, you or anyone acting or purporting to act on your behalf will be permanently and forever enjoined from prosecuting, attempting to prosecute, or assisting others in the prosecution of any Settled Claims against the Released Parties.

20. How can I get more information about the Settlement and Class Counsel's request for attorneys' fees and expenses?

This is only a summary of the Settlement and the other matters discussed here. You can get more information about the Settlement by contacting the Claims Administrator or Class Counsel at the addresses and numbers noted above. A copy of the full Stipulation and Agreement of Settlement, which has been filed with the Court, and all related documents can be found on the Claims Administrator's web site at www.nexcensettlement.com.

The papers submitted in support of the Settlement, and Class Counsel's request for the Court's approval of an award of fees and expenses, will be filed by November 2, 2011 and posted on this website.

PLEASE DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE

SPECIAL NOTICE TO NOMINEES

If you purchased or otherwise acquired NexCen Stock during the Class Period for the beneficial interest of a person or organization other than yourself, the Court has directed that within twelve (12) days after you receive this Notice, you must either: (1) send a copy of this Notice and the Proof of Claim form by first class mail to all such persons or entities, or (2) provide a list of the names and addresses of such persons or entities to the Claims Administrator.

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

In either case, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

DATED: JULY 5, 2011.

BY ORDER OF THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK