

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE NQ MOBILE, INC. SECURITIES
LITIGATION

Case No. 1:13-cv-07608-WHP

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

A Federal Court Authorized This Notice. This is not a solicitation from a lawyer.

NOTICE OF PENDENCY OF CLASS ACTION: Please be advised that your rights may be affected by a class action lawsuit pending in this Court (the “Action”) if, during the period from March 6, 2013 and July 3, 2014, inclusive (the “Class Period”), you purchased or otherwise acquired American Depository Shares of NQ Mobile, Inc. (“NQ” or the “Company”). NQ’s American Depository shares are referred to in this notice as “NQ ADS shares”.¹

NOTICE OF SETTLEMENT: Please also be advised that the Court-appointed Lead Plaintiffs, the members of the Volin Group, on behalf of the Class (defined below) have reached a proposed settlement of the Action for a total of US \$5,100,000 in cash that will resolve all claims in the litigation (the “Settlement”).

This Notice explains important rights you may have, including your possible receipt of cash from the Settlement. Your legal rights will be affected whether or not you act. Please read this Notice carefully!

SUMMARY OF THIS NOTICE

I. Description of the Litigation and the Class

This Notice relates to the proposed Settlement of a class action lawsuit pending against NQ and certain of its current and former officers and/or directors² (the “Settling Defendants”). The proposed Settlement, if approved by the Court, will settle all claims of all persons and entities who purchased or otherwise acquired NQ ADS shares (New York Stock Exchange symbol “NQ”) between March 6, 2013 and July 3, 2014, inclusive (the “Class Period”), and were allegedly damaged thereby (the “Settlement Class” or “Class”).

II. Statement of Class’ Recovery

Subject to Court approval, and as described more fully in §III and ¶¶4-8 below, Lead Plaintiffs, on behalf of the Class, have agreed to settle all claims related to the purchase or sale of NQ ADSs during the Class Period that were or could have been asserted against the Settling Defendants and the other Released Parties in this Action in exchange for a settlement payment of US \$5,100,000 in cash (the “Settlement Amount”), which sum has been deposited into an interest-bearing escrow account (the “Settlement Fund”).³ Based on Lead Plaintiffs’ damages expert’s estimate of the number of NQ ADS shares that may have been damaged by the alleged fraud, and assuming that all of those shares participate in the Settlement, Lead Counsel’s damages expert estimates that the average recovery would be approximately \$0.08 per allegedly damaged share,⁴ before the deduction of Court-approved fees, expenses and costs as described herein. Class Members should note, however, that this is only an estimate based on the overall number of

¹ This Notice of Proposed Class Action Settlement (“Notice”) incorporates by reference the definitions in the Stipulation and Agreement of Settlement dated October 8, 2015 (the “Stipulation”). All capitalized terms used, but not defined herein, shall have the same meanings the terms defined as in the Stipulation. The Stipulation is posted on the Claims Administrator’s settlement website, www.nqsecuritieslitigation.com.

² These current or former NQ officers and/or directors are Henry Yu Lin, Omar Sharif Khan, Wenyong “Vincent” Shi, Suhai Ji and K.B. Teo (collectively, the “Individual Defendants”).

³ The Court-appointed Lead Plaintiffs consist of the Allene E. Mossman Trust, EJ Partners, HR Volin IRA, AM Volin IRA, EM Volin Roth IRA, JE Volin Roth IRA, EM Volin Trust, EM Volin IRA, and JE Volin IRA (collectively, the “Volin Group”).

⁴ An allegedly damaged share might have been traded more than once during the Class Period, and this average recovery would be the total for all purchasers of that share.

potentially damaged shares in the Class. Some Class Members may recover more or less than this estimated amount depending on, among other factors, how many Class Members file claims, and the timing and prices at which their NQ ADS shares were acquired or sold. Historically, actual claim rates in class actions are less than 100%, which results in higher distributions per share. The Net Settlement Fund (the Settlement Fund less taxes, notice and administration costs, and attorneys' fees and litigation expenses awarded to Lead Counsel) will be distributed in accordance with a plan of allocation (the "Plan of Allocation") that will be approved by the Court and will determine how the Net Settlement Fund shall be allocated to the members of the Class who submit a valid Proof of Claim and Release form ("Proof of Claim"). Lead Plaintiff's proposed Plan of Allocation is included in this Notice.

III. Reasons for Settlement

The Court has not reached any final decisions in connection with Lead Plaintiffs' claims against the Settling Defendants. Instead, Lead Plaintiffs and the Settling Defendants (collectively, the "Settling Parties") have agreed to this Settlement, which was reached with the substantial assistance of Robert Meyer, Esq., a well-respected mediator with extensive experience in the mediation of complex class actions (the "Mediator").

For Lead Plaintiffs, the principal reason for the Settlement is the immediate benefit of a substantial cash recovery for the Settlement Class. This benefit must be compared to the risk that no recovery or a smaller recovery might be achieved following the Court's decision on the Settling Defendants' pending motions to dismiss, the completion of fact and expert discovery if the case was not dismissed, and the briefing of summary judgment motions. In addition, even if the case advanced to trial, Plaintiffs faced the risk of losing at trial and the risk that a class might not be certified, as well as the risk of likely appeals which could last one or more additional years even if Plaintiffs prevailed at trial. For the Settling Defendants (who deny all allegations of liability and deny that any Class Members were damaged) the principal reason for the Settlement is to eliminate the burden, expense, uncertainty and risk of further litigation.

IV. Statement of Average Amount of Damages Per Share

The parties do not agree on the average amount of damages per share, if any, that would be recoverable if Lead Plaintiffs were to prevail. The issues on which the Settling Parties disagree include, but are not limited to: (1) whether the statements made or facts allegedly omitted were false, material, or otherwise actionable under the federal securities laws; (2) whether any of the allegedly false or misleading statements were made knowingly or recklessly; (3) the extent to which the various matters that Lead Plaintiffs alleged were materially false or misleadingly influenced (if at all) the trading price of NQ ADS shares at various times during the Class Period; (4) the extent to which external factors, such as general market conditions, influenced the trading price of NQ ADS shares at various times during the Class Period; (5) the appropriate economic model for determining the amount by which NQ ADS shares was allegedly artificially inflated (if at all) during the Class Period; and (6) the extent to which Class Members were damaged (if at all).

The Settling Defendants deny that they did anything wrong, deny any liability to Lead Plaintiffs, and deny that Lead Plaintiffs and the Class Members have suffered any damages attributable to the Settling Defendants' actions. Contrary to the Settling Defendants' assertions, Lead Plaintiffs believe that they and the Class suffered damages as a result of the Settling Defendants' actions.

V. Statement of Attorneys' Fees and Expenses Sought

Court-appointed Lead Counsel (as defined in ¶VI below) will apply to the Court for an award of attorneys' fees in an amount not to exceed 30% of the Settlement Fund. In addition, Lead Counsel will also apply for the reimbursement of litigation expenses paid or incurred in connection with the prosecution and resolution of this action, in the amount of approximately \$185,000, plus interest. Lead Counsel's overall request for reimbursement of litigation expenses may include a request for an award to Lead Plaintiffs of up to \$3,000 for time and expenses (including lost wages) they incurred in representing the Class and expenses directly related to their representation of the Settlement Class. If the Court approves the fee and expense application in full, the average amount of fees and expenses per allegedly damaged NQ ADS share

will be approximately \$0.027. Lead Counsel have not received any payment for their work investigating the facts, prosecuting this Action, and negotiating this Settlement on behalf of the Lead Plaintiffs and the Class. The Court will decide what constitutes a reasonable fee award and may award less than the amounts requested by Lead Counsel and Lead Plaintiffs. Class Members are not personally liable for any such fees or expenses. Rather, they will be paid from the Settlement Fund.

VI. Identification of Attorney’s Representatives

Lead Plaintiffs and the Settlement Class are being represented by William C. Fredericks, Esq., of Scott + Scott, Attorneys at Law, LLP (“Scott + Scott”), the Court-appointed Lead Counsel. Any questions regarding the Settlement may be addressed to Mr. Fredericks at Scott + Scott LLP, 405 Lexington Avenue, New York, NY 10174 (212) 223-6444. Class Members may also obtain additional information on the Settlement Website (www.nqsecuritieslitigation.com), or by contacting the Settlement Administrator at

Settlement Claims Administrator:
NQ Mobile Securities Litigation
 c/o Gilardi & Co. LLC
 P.O. Box 8040
 San Rafael, CA 94912-8040
 Toll Free Number: (844) 899-6216

VII. Your Legal Rights and Options in this Settlement, and Important Deadlines	
REMAIN A MEMBER OF THE SETTLEMENT CLASS AND SUBMIT A CLAIM FORM	This is the only way to get a payment. If you wish to be eligible to obtain a payment as a Class Member, you will need to file a Claim Form (which is included with this Notice) postmarked no later than March 31, 2016 .
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS POSTMARKED NO LATER THAN FEBRUARY 10, 2016.	Get no payment. This is the only option that allows you to ever participate in another lawsuit against any of the Settling Defendants or other Released Parties relating to the legal claims that were, or could have been, asserted in this case. This is the only option for Class Members to remove themselves from the Settlement Class.
OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN FEBRUARY 10, 2016.	You may write to the Court and object if you do not like the Settlement, the Plan of Allocation or the request for attorneys’ fees and reimbursement of expenses. You cannot object unless you are a Class Member and do not exclude yourself.
GO TO THE HEARING ON MARCH 11, 2016 at 2:00 P.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN FEBRUARY 10, 2016.	You may ask to speak in Court about the fairness of the settlement, the proposed Plan of Allocation, or the request for attorneys’ fees and reimbursement of expenses.
DO NOTHING	Get no payment. Remain a Class Member. Give up your rights.

These rights and options, and the deadlines to exercise them, are further explained in this Notice.

BASIC INFORMATION

1. Why did I get this notice package?

You or someone in your family may have purchased or otherwise acquired NQ ADS shares between March 6, 2013 and July 3, 2014, inclusive, and may be a Class Member in this Action. This package explains the lawsuit, the Settlement, Class Members’ legal rights, what benefits are available, who is eligible for them and how to get them.

If approved, the Settlement will end all of the Settlement Class claims against the Settling Defendants. The Court will consider whether to approve the Settlement at a Settlement Hearing on March 11, 2016 at 2:00 p.m. If the Court approves the Settlement, and after any appeals are resolved and the Settlement administration is completed, the Claims Administrator appointed by the Court will make the payments that the Settlement allows.

The Court in charge of the case is the United States District Court for the Southern District of New York, and the case is known as *In re NQ Mobile, Inc. Securities Litigation*, No. 1:13-cv-07608-WHP. This case was assigned to United States District Judge William H. Pauley III. The persons who are suing are called “plaintiffs” and the company and the persons being sued are called “defendants.”

2. What is this lawsuit about and what has happened so far?

Defendant NQ is a Cayman Islands corporation that maintains its primary headquarters in Beijing, China. During the Class Period, NQ purported to be primarily engaged in the business of providing mobile phone security, privacy and productivity software and related services. NQ conducts most of its operations through Beijing NQ Technology Co. Ltd., a Chinese company that was founded by defendants Lin, Shi and another Chinese citizen, and which is a so-called “variable interest entity” affiliate of NQ under Chinese law.

On October 28, 2013, the first of a series of class action complaints was filed against NQ and various other defendants alleging that they had violated the federal securities laws by disseminating materially false or misleading information about the Company, its products and performance. Pursuant to the Private Securities Litigation Reform Act of 1995, on April 9, 2014, the Court appointed the members of the Volin Group as Lead Plaintiffs, and Scott + Scott as Lead Counsel, to represent the proposed class. The Court also consolidated the various related class actions that had been brought and renamed the consolidated action “*In re NQ Mobile, Inc. Securities Litigation*, Case No. 1:13-cv-07608-WHP”.

On July 21, 2014, Lead Plaintiffs filed their Consolidated Class Action Complaint (“Amended Complaint”) against defendants NQ, Henry Yu Lin, Omar Sharif Khan, Wenyong “Vincent” Shi, Suhai Ji, and K.B. Teo (collectively referred to herein as the “Settling Defendants” or “NQ Defendants”). Also named as defendants were PricewaterhouseCoopers Zhong Tian LLP (“PwC-ZT”) and PricewaterhouseCoopers International Limited (“PwC-IL,” which, together with PwC-ZT, are collectively referred to herein as the “Auditor Defendants”). The Amended Complaint asserted claims pursuant to §§10(b) and 20(a) of the Securities Exchange Act of 1934, and Rule 10b-5 promulgated thereunder (17 C.F.R. §240.10b-5), on behalf of a class of all persons or entities that purchased or otherwise acquired NQ ADS shares during the Class Period. Lead Plaintiffs alleged, *inter alia*, that the Settling Defendants participated in a fraudulent scheme whereby they caused NQ to report: (a) inflated revenue from within China; (b) inflated revenue from its international (non-Chinese) operations; (c) inflated market share data; and (d) inflated cash and cash equivalent balances; and had also (e) fraudulently failed to disclose material vulnerabilities and defects in NQ’s security software product offerings. PwC-ZT was alleged to have issued misleading audit reports on NQ’s financial statements, and PwC-IL was alleged to be liable as a “control person” of PwC-ZT.

On September 19, 2014, Lead Plaintiffs filed a motion to authorize alternative service on certain Individual Defendants located in China, and to permit limited discovery to facilitate Lead Plaintiffs’ ability to effect service on those defendants in China. On October 3, 2014, counsel for the Individual Defendants filed a letter informing the Court that it would accept service on behalf of all Individual Defendants located in China. Also on October 3, 2014, all Defendants (other than PwC-ZT, which had not been served) filed a separate letter informing the Court that they intended to file motions to dismiss the claims asserted against them. On October 10, 2014, Lead Plaintiffs filed letters in response. Thereafter, on October 30, 2014, the Court held a pre-motion conference and set a schedule for the briefing on the Settling Defendants’ and PwC-IL’s proposed motions to dismiss.

On December 16, 2014, the Settling Defendants and defendant PwC-IL filed their respective motions to dismiss, together with supporting memoranda, declarations and annexed exhibits. Defendants argued, among other things, that the Amended Complaint (1) failed to plead loss causation, (2) failed to meet pleading requirements by pleading a fraud claim “on information and belief,” and (3) failed to adequately allege a strong inference that any defendant had acted with scienter (*i.e.*, with intent to defraud). Lead

Plaintiffs filed their memoranda of law in opposition to the motions to dismiss, together with supporting declarations and annexed exhibits, on February 6, 2015. The Settling Defendants and PwC-IL filed their respective reply briefs on February 18, 2015.

In the meantime, the Settling Defendants and Lead Plaintiffs had agreed to enter into a mediation process under the auspices of a highly experienced and respected mediator, Robert Meyer, Esq., of Loeb & Loeb LLP. In connection with that mediation process, the Settling Defendants and Lead Plaintiffs exchanged mediation briefs and certain other materials in mid-February 2015, and shortly thereafter engaged in a full day, face-to-face mediation in New York that was conducted by the Mediator. At the end of this full day mediation session, Lead Plaintiffs and the Settling Defendants were able to reach an agreement to settle the claims asserted against the Settling Defendants for \$5.1 million in cash. The Court was informed of the Settlement on March 3, 2015. The Court has adjourned further proceedings relating to the Settling Defendants' motions to dismiss in light of the proposed Settlement.

On March 27, 2015, the Court granted the motion that PwC-IL had filed to dismiss all claims that had been asserted against it. Because of the difficulties Lead Plaintiffs experienced in trying to effect service of the Amended Complaint on PwC-ZT in China, and based on Lead Plaintiffs' assessment that the marginal costs of seeking to continue this case against PwC-ZT alone would likely outweigh any possible benefits, by Order dated October 30, 2015 the Court approved the entry of a notice of dismissal (without prejudice) of all claims asserted against PwC-ZT.⁵ Accordingly, neither of the two Auditor Defendants, PwC-IL and PwC-ZT, are parties to the Settlement.

The Settling Parties subsequently negotiated and entered into the formal Stipulation of Settlement, which was signed on October 8, 2015. On November 17, 2015, the Court preliminarily approved the Settlement, authorized the dissemination of this Notice to potential Class Members, and scheduled the upcoming Settlement Fairness Hearing to consider whether to grant final approval to the Settlement.

3. Why is this a class action?

In a class action, one or more people called class representatives (in this case, the Court-appointed Lead Plaintiff members of the Volin Group) sue on behalf of people or entities, known as "class members," who have similar claims. A class action allows one court to resolve in a single case many similar claims that, if brought separately by individuals, might be economically so small that they would never be brought. One court resolves the issues for all class members, except for those who exclude themselves, or "opt out," from the Class (discussed below). United States District Court Judge William H. Pauley III is in charge of this case.

4. Why is there a settlement?

The Court did not decide in favor of the Lead Plaintiffs or Settling Defendants. Instead, the lawyers for both sides of the lawsuit, with the help of the Mediator, negotiated a settlement, which they believe is in the best interests of their respective clients. The Settlement allows both sides to avoid the risks and cost of lengthy and uncertain litigation, including the uncertainty of a trial and appeals, and permits Class Members to be compensated without further delay. Lead Plaintiffs and their attorneys think the settlement is best for all Class Members.

WHO GETS MONEY FROM THE SETTLEMENT?

To see if you will get money from the Settlement, you first have to determine if you are a Class Member.

⁵ During the pendency of PwC-IL's motion, Lead Plaintiffs had translated the Amended Complaint into Chinese and submitted a certified copy of that translated complaint to the relevant authorities in the People's Republic of China so that it could be served by Chinese authorities on PwC-ZT in China under the Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters (the "Hague Convention"). As of November 2015, it appears that the Chinese authorities had still not yet effected service of the Amended Complaint on PwC-ZT.

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

The Court determined, for the purposes of the proposed Settlement only, that everyone who fits the following description and is not excluded by definition from the class (see question 6 below) is a member of the Class, or a “Class Member,” unless they take steps to exclude themselves:

All persons or entities that purchased or otherwise acquired NQ ADS shares between March 6, 2013 and July 3, 2014, inclusive (the “Class Period”), and that were allegedly damaged thereby.

Receipt of this Notice does not mean that you are a Class Member. Please check your records or contact your broker to see if you purchased or otherwise acquired NQ ADS shares during the Class Period.

6. Are there exceptions to being included in the Class?

There are some people and entities that are excluded from the Class by definition. The excluded Persons are: all Defendants; all current or former officers, directors or partners of NQ, its affiliates, parents or subsidiaries; any corporation, trust or other entity in which any Defendant has or had a controlling interest; the members of the immediate families of the Individual Defendants; the parents, subsidiaries and affiliates of NQ; and the legal representatives, heirs, successors, or assigns of any excluded Person. Also excluded from the Class will be any Person who timely and validly seeks exclusion from the Class in accordance with the requirements of this Notice.

If you do not want to be a Class Member – for example if you want to bring your own lawsuit against the Settling Defendants at your own expense for the claims that are being released as part of the Settlement – you must exclude yourself by filing a request for exclusion in accordance with the requirements explained below.

If one of your mutual funds purchased or otherwise acquired NQ ADS shares during the Class Period, that alone does not make you a Class Member. You are a Class Member only if you (or your broker on your behalf) directly purchased or otherwise acquired NQ ADS shares during the Class Period. If you are still not sure whether you are included, you can ask for free help by writing to or calling the Claims Administrator: *NQ Mobile Securities Litigation*, c/o Gilardi & Co. LLC, P.O. Box 8040, San Rafael, CA 94912-8040, (844) 899-6216, www.nqsecuritieslitigation.com. Or you can fill out and return the Proof of Claim and Release form described on page 7, in Question 9, to see if you qualify.

THE SETTLEMENT BENEFITS – WHAT YOU MAY RECEIVE

7. What does the settlement provide?

In the Settlement, NQ has agreed to pay US \$5,100,000 in cash, which will be deposited in an interest-bearing escrow account for the benefit of the Class (the “Settlement Fund”). The Settlement Fund will be divided, after deduction of court-awarded attorneys’ fees and expenses, settlement administration costs and any applicable taxes, among all Class Members who timely submit valid proofs of claim that are accepted for payment by the Court (“Authorized Claimants”).

8. How much will my payment be?

The Plan of Allocation discussed on pages 11-16 below explains how claimants’ “Recognized Claims” will be calculated. Your share of the Net Settlement Fund will depend on several things, including: (a) how many NQ ADS shares you bought; (b) how much you paid for the NQ ADS shares; (c) when you bought them; (d) whether or when you sold them (and, if so, for how much you sold them); and (e) the amount of Recognized Claims of other Authorized Claimants.

It is unlikely that you will get a payment for your entire Recognized Claim, given the number of potential Class Members. After all Class Members have sent in their Proofs of Claim, the payment any Authorized Claimant will get will be their *pro rata* share of the Net Settlement Fund. An Authorized Claimant’s share will be his, her or its Recognized Claim divided by the total of all Authorized Claimants’ Recognized Claims and then multiplied by the total amount in the Net Settlement Fund. See the Plan of Allocation beginning on page 11 for more information.

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

9. How can I get a payment?

To qualify for a payment, you must timely send in a valid Proof of Claim with supporting documents (***DO NOT SEND ORIGINALS*** of your supporting documents). A Proof of Claim is enclosed with this Notice. You may also get copies of the Proof of Claim on the Internet at the Claims Administrator's website: www.nqsecuritieslitigation.com. Please read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and mail it to the Claims Administrator by First-Class Mail, postmarked on or before March 31, 2016. The Claims Administrator needs all of the information requested in the Proof of Claim in order to determine if you are eligible to receive a distribution from the Net Settlement Fund.

If the Court approves the Settlement, there may still be appeals which would delay payment, perhaps for more than a year. It also takes time for all the Proofs of Claim to be processed. Please be patient.

10. What am I giving up by staying in the Class?

Unless you exclude yourself, you will stay in the Class, which means that as of the date that the Settlement becomes effective under the terms of the Stipulation (the "Effective Date"), you will forever give up and release all "Settled Claims" (as defined below). You will not in the future be able to bring a case asserting any Released Claim.

"Settled Claims" means any and all claims, debts, demands, rights, liabilities, 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 known or "Unknown" (as defined in the Stipulation), whether based on federal, state, local, statutory, common or foreign law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, and whether matured or un-matured, that (i) have been asserted in this Action or in the Amended Complaint, or (ii) could have been asserted in the Action or any other forum by the Releasing Parties against any of the Released Parties, which arise out of, or are based upon or related in any way to, the allegations, transactions, facts, reports, communications, matters or occurrences, representations or omissions involved in the Action or set forth or referred to in the Amended Complaint, and that relate to the purchase or acquisition of NQ ADS shares during the Class Period. Excluded from Settled Claims are claims based upon, relating to, or arising out of the interpretation or enforcement of the Settlement.

"Released Parties" means the Settling Defendants; each and all of their past, present or future directors, officers, employees, partners, insurers, co-insurers, reinsurers, attorneys, advisors, investment advisors, personal or legal representatives, agents, assigns, executors, estates, administrators, related or affiliated persons or entities, predecessors, successors, parents, subsidiaries, affiliated variable interest entities, divisions and joint ventures; any entity in which any Settling Defendant has a controlling interest; the Individual Defendants' immediate family members, spouses and marital communities; and any trust of which any Individual Defendant is the settlor or which is for the benefit of any of their immediate family members. Released Parties do not include the Auditor Defendants. Settled Claims includes "Unknown Claims" as defined in the Stipulation.

The above description of the proposed Settlement is only a summary. The complete terms may be obtained at www.nqsecuritieslitigation.com. The Court may not approve the settlement or it may be terminated as outlined in the Stipulation. If the Settlement is not approved, or is terminated, the certification of the Class for settlement purposes will be vacated, and the Action will proceed as if the Stipulation had not been entered into.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you want to keep any right you may have to sue or continue to sue the Released Parties on your own about the Settled Claims, then you must take steps to exclude yourself from the Class. Excluding

yourself is also known as “opting out” of the Class. The Settling Defendants may withdraw from and terminate the Settlement if potential Class Members who purchased in excess of a certain amount of NQ ADS shares during the Class Period opt out of the Class.

11. How do I “opt out” (exclude myself) from the proposed Settlement?

To “opt out” (exclude yourself) from the Class, you must send a signed letter by First-Class Mail stating that you “request exclusion from the Class in *In re NQ Mobile, Inc. Securities Litigation*, No. 1:13-cv-07608-WHP.” Your letter must state the date(s), price(s) and number of NQ ADS shares you purchase, acquired and sold during the Class Period. You must also include documents evidencing such purchases, acquisitions and sales, such as brokerage statements or confirmation slips. This information is needed to determine whether you are a Class Member. In addition, you must include your name, address, telephone number, and your signature. You must mail your exclusion request by First-Class Mail, addressed to *NQ Mobile Securities Litigation*, No. 1:13-cv-07608-WHP – EXCLUSIONS, c/o Gilardi & Co. LLC, P.O Box 8040, San Rafael, CA 94912-8040. The exclusion request must be postmarked no later than February 10, 2016. **You cannot exclude yourself or opt out by telephone or by e-mail.** Your exclusion request must comply with these requirements in order to be valid. If you are excluded, you will not be eligible to get any payment from the Settlement proceeds and you cannot object to the Settlement, the proposed Plan of Allocation or the application for attorneys’ fees and reimbursement of expenses.

12. If I do not exclude myself, can I sue the Settling Defendants and the other Released Parties for the same thing later?

No. Unless you exclude yourself, you give up any rights to sue the Settling Defendants and the other Released Parties for all Settled Claims. If you have a pending lawsuit, speak to your lawyer in that case **immediately**. You must exclude yourself from the Class in this case to continue your own lawsuit. Remember, the exclusion deadline is February 10, 2016.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court appointed the law firm of Scott + Scott, Attorneys at Law, LLP to represent you and other Class Members. These lawyers are called Lead Counsel. You will not be separately charged for these lawyers. The Court will determine the amount of Lead Counsel’s fees and expenses. Any fees and expenses awarded by the Court will be paid from the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

14. How will the lawyers be paid?

Lead Counsel have not received any payment for their services in pursuing the claims against the Settling Defendants on behalf of the Class, nor have they been reimbursed for their litigation expenses. At the Settlement Hearing described below, or at such other time as the Court may order, Lead Counsel will ask the Court for an award of attorneys’ fees of no more than 30% of the Settlement Fund, and to reimburse them for their litigation expenses, such as the cost of experts, that they have incurred in pursuing the Action. The request for reimbursement of expenses will be no more than \$185,000, plus interest on the expenses from the date of funding at the same rate as may be earned by the Settlement Fund. In addition, Lead Plaintiffs may seek reimbursement from the Settlement Fund of up to \$3,000 for time and expenses (including lost wages) incurred in representing the Class.

Court approved attorneys’ fees, costs and expenses will be paid from the Settlement Fund. Class Members are not personally liable for any such fees, costs or expenses. The requested attorneys’ fees will compensate Lead Counsel for their work in achieving the Settlement Fund and is within the range of fees awarded to class counsel under similar circumstances in other cases of this type. The Court may award less than the requested amount.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or some part of it.

15. How do I tell the Court that I do not like the proposed Settlement, the proposed Plan of Allocation, and/or the application by Lead Counsel for attorneys’ fees and reimbursement of expenses?

If you are a Class Member (and you have not excluded yourself), you can object to the Settlement, the request for attorneys’ fees, costs and expenses, or the Plan of Allocation if you do not like any part of them. You can give reasons why you think the Court should not approve the settlement, the request for attorneys’ fees, costs and expenses, or the Plan of Allocation. The Court will consider your views.

To object, you must send to Lead Counsel and Settling Defendants’ Counsel, and file with the Court, a signed notice of objection saying that you object to the proposed settlement in *In re NQ Mobile, Inc. Securities Litigation*, No. 1:13-cv-07608-WHP. Be sure to include your name, address, telephone number, your signature, the date(s), price(s) and number of all NQ ADS shares purchased, acquired and sold by you during the Class Period, documents evidencing your purchase(s), acquisition(s) and sale(s) of NQ ADS shares, such as brokerage statements or confirmation slips, and the reasons you object to the Settlement, the requested attorneys’ fees, costs and expenses, or the Plan of Allocation. This information is needed to demonstrate your membership in the Class. Your objection, and all supporting papers and briefs, must be mailed or delivered such that it is **received** by each of the following no later than February 10, 2016:

Lead Counsel for Lead Plaintiff: William C. Fredericks, Esq. SCOTT + SCOTT, ATTORNEYS AT LAW, LLP The Chrysler Building 405 Lexington Avenue, 40th Floor New York, NY 10174	Settling Defendants’ Counsel: Robert A. Fumerton, Esq. SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP Four Times Square New York, NY 10036
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Your objection, and all supporting papers and briefs, must also be filed with the Court at the address below no later than February 10, 2016:

Clerk of the Court
U.S. District Court for the Southern District of N.Y.
500 Pearl Street
New York, NY 10007

Attendance at the Settlement Fairness Hearing discussed below is not necessary; however, persons wishing to be heard orally at the hearing are required to indicate in their objection their intention to appear at the hearing and identify any witnesses they may call to testify and/or exhibits they intend to introduce into evidence. Unless otherwise ordered by the Court, any Class Member who does not object in the manner described in this Notice will be deemed to have waived any objection and will not be able to make any objection to the Settlement, the proposed Plan of Allocation, and/or the application for attorneys’ fees and reimbursement of expenses in the future.

THE COURT’S SETTLEMENT FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the proposed settlement. You may attend, but you do not have to.

16. When and where will the Court decide whether to approve the settlement?

The Court will hold a Settlement Fairness Hearing on March 11, 2016, at 2:00 p.m., in Courtroom 20B of the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, New York 10007. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court may listen to people who have asked to speak at the hearing. The Court will also decide

whether to: (a) award Lead Counsel attorneys' fees and expenses; (b) reimburse Lead Plaintiffs the costs and expenses (including lost wages) they incurred in prosecuting this Action on behalf of the Class; and (c) approve the Plan of Allocation as fair, reasonable and adequate. We do not know how long the hearing will take or whether the Court will make its decision on the day of the hearing or sometime later. The Court may adjourn or continue the hearing without further notice to Class Members. If you want to come to the hearing, you should check with Lead Counsel before coming to be sure that the date and/or time has not changed.

17. Do I have to come to the hearing?

No. Lead Counsel will answer any questions the Court may have. However, you are welcome to come at your own expense. If you validly submit an objection, it will be considered by the Court and you do not have to come to Court to talk about it. You may also pay your own lawyer to attend, but you are not required to do so.

18. May I speak at the hearing and submit additional evidence?

You may ask the Court for permission to speak at the hearing. To do so, you must include with your objection (see Question 15 above) a statement that it is your "intention to appear in the *In re NQ Mobile, Inc. Securities Litigation*, No. 1:13-cv-07608-WHP." Be sure to include your name, address, telephone number, your signature, the date(s), price(s) and number of all NQ ADS purchased, acquired and sold by you during the Class Period, and documents evidencing your purchase(s), acquisition(s) and sale(s) of NQ ADS shares, such as brokerage statements or confirmation slips. Your notice of intention to appear must be **received** by Lead Counsel and Settling Defendants' Counsel, and filed with the Clerk of Court, at the addresses listed in Question 15 no later than February 10, 2016.

Persons who object and want to present evidence at the Settlement Hearing must also include in their written objection the identity of any witness they may call to testify and exhibits they intend to introduce at the Settlement Fairness Hearing. You cannot speak at the hearing if you excluded yourself from the Class or if you have not provided written notice of your intention to speak at the Settlement Fairness Hearing according to the procedures described above and in the answer to Question 15.

IF YOU DO NOTHING

If you do nothing, you will get no money from this Settlement and you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Settling Defendants and the other Released Parties about the Settled Claims in this case. To be eligible to share in the Net Settlement Fund you must submit a Proof of Claim (see Question 9). To start, continue or be a part of any other lawsuit against the Settling Defendants and the other Released Defendant Parties about the Settled Claims in this case you must exclude yourself from the Settlement Class (see Questions 11-12).

GETTING MORE INFORMATION

This Notice summarizes the proposed Settlement. More details are in the Stipulation, which can be obtained from the Claims Administrator or from the Settlement Website, www.nqsecuritieslitigation.com, where you can also download copies of this Notice, the Proof of Claim form, and the Stipulation, and also locate other information to help you determine whether you are a Class Member and whether you may be eligible for a payment. ***Please do not call the Court or the Clerk of the Court for additional information about the Settlement.***

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased or otherwise acquired NQ ADS shares (NYSE ticker: NQ) between March 6, 2013 and July 3, 2014, inclusive, for the beneficial interest of a person or organization other than yourself, the Court has directed that, ***WITHIN SEVEN (7) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE***, you either: (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased or otherwise acquired NQ ADS shares during such time period (preferably in an MS Excel data table, setting forth (i) title/registration, (ii) street address, (iii) city/state/zip; or electronically in MS Word files; or on computer-generated mailing labels) or; (b) request

additional copies of this Notice and the Proof of Claim form, which will be provided to you free of charge, and within seven (7) calendar days of receipt of such copies, send them by First-Class directly to the beneficial owners of those NQ ADS shares.

If you choose to follow alternative procedure (b), the Court has directed that, upon such mailing, you send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid after request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator at: *NQ Mobile Securities Litigation*, c/o Gilardi & Co. LLC, P.O. Box 8040, San Rafael, CA 94912-8040, (844) 899-6216.

INJUNCTION

The Court has issued an order enjoining Lead Plaintiff and all Class Members, either directly, representatively, or in any other capacity, from instituting, commencing, assisting, maintaining or prosecuting any action in any court that asserts Settled Claims, pending final determination by the Court of whether the Settlement should be approved.

PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONGST CLASS MEMBERS

The Plan of Allocation (the “Plan of Allocation”) is the plan by which the Net Settlement Fund is distributed to Class Members. The Plan of Allocation set forth herein is being proposed by Lead Plaintiffs and Lead Counsel to the Court for approval. The Court may approve this plan as proposed or it may modify the Plan of Allocation without further notice to the Class. All Orders regarding a modification of the Plan of Allocation will be posted on the settlement website, www.nqsecuritieslitigation.com.

I. General Provisions

The \$5.1 million Settlement Amount plus any earnings thereon is referred to as the “Settlement Fund.” The “Net Settlement Fund” means the Settlement Fund less (i) all taxes on the income of the Settlement Fund and expenses and costs incurred in connection with the taxation of the Settlement Fund (including, without limitation, interest, penalties and the expenses of tax attorneys and accountants); (ii) all fees, costs and expenses paid or incurred in connection with the notice and administration of the Settlement; (iii) any attorneys’ fees and expenses awarded by the Court to Lead Counsel; and (iv) any award by the Court to Lead Plaintiffs for reimbursement of their reasonable costs and expenses directly related to their representation of the Class.

The Net Settlement Fund shall be distributed to each Class Member who timely submits a valid Proof of Claim to the Claims Administrator that is accepted for payment by the Court (“Authorized Claimant”). The Net Settlement Fund will not be distributed to Authorized Claimants until the Court has approved a plan of allocation, and the time for any petition for rehearing, appeal or review, whether by certiorari or otherwise, of the order approving the plan of allocation has expired.

The Settling Defendants are not entitled to get back any portion of the Settlement Fund once the Effective Date of the Settlement has occurred. The Settling Defendants shall not have any liability, obligation or responsibility for the administration of the Settlement or disbursement of the Net Settlement Fund or the Plan of Allocation.

Approval of the Settlement is independent from approval of the Plan of Allocation. Any determination with respect to the Plan of Allocation will not affect the Settlement, if approved.

Only those persons and entities that purchased or otherwise acquired NQ ADS shares during the Class Period **AND WERE DAMAGED AS A RESULT OF SUCH PURCHASES OR ACQUISITIONS**, will be eligible to share in the distribution of the Net Settlement Fund. Each person or entity wishing to participate in the distribution must timely submit a valid Proof of Claim form establishing membership in the Class, including all required documentation, postmarked no later than March 31, 2016, to the address set forth in

the Proof of Claim form that accompanies this Notice. Unless the Court otherwise orders, any Class Member who fails to submit a Proof of Claim form postmarked no later than March 31, 2016, shall be forever barred from receiving payments pursuant to the Settlement set forth in the Stipulation but will in all other respects remain a Class Member and be subject to the provisions of the Stipulation, including the terms of any judgment entered and releases given. This means that each Class Member releases the Settled Claims (as defined above) against the Released Parties (as defined above) and is barred and enjoined from commencing, instituting, assisting, prosecuting or maintaining any of the Settled Claims, regardless of whether or not such Class Member submits a Proof of Claim form. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the claim of any Class Member.

Payment pursuant to the Plan of Allocation approved by the Court shall be conclusive against all Authorized Claimants. No person shall have any claim against Lead Plaintiffs, Lead Counsel, or the Claims Administrator or other agent designated by Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the Plan of Allocation, or further orders of the Court. Lead Plaintiffs, Settling Defendants, their respective counsel, Lead Plaintiffs' damages experts, and all other Released Parties shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, the Plan of Allocation, or the determination, administration, calculation, or payment of any Proof of Claim or nonperformance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Fund, or any losses incurred in connection therewith.

A "Recognized Loss Amount" will be calculated for each purchase or other acquisition of NQ ADS shares that is listed in the Proof of Claim form, and for which adequate documentation is provided. The calculation of the Recognized Loss Amount will depend upon several factors, including: (i) when the NQ ADS shares were purchased or otherwise acquired; and (ii) whether they were held until the conclusion of the Class Period or sold during the Class Period and, if so, when they were sold.

The Recognized Loss Amount formula set forth below is not intended to be an estimate of the amount that a Class Member might have been able to recover after a trial, nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Loss Amount formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants.

II. Information Required on the Proof of Claim Form:

Each Proof of Claim form must state and provide sufficient documentation for each Authorized Claimant's position in NQ ADS shares as of the close of trading on March 5, 2013, the day before the first day of the Class Period, and the closing position in NQ ADS shares as of the close of trading on July 3, 2014, the last day of the Class Period. Each Claim Form also must list and provide sufficient documentation for all transactions in NQ ADS shares, including all purchases or other acquisitions and sales, made during the Class Period.

The objective of the Plan of Allocation is to equitably distribute the settlement proceeds to those Class Members who suffered economic losses as a result of the alleged fraud, as opposed to losses caused by market or industry factors or other non-fraud-related, Company-specific factors. The Plan of Allocation reflects Lead Plaintiffs' determination of potentially recoverable losses based on an analysis undertaken by Lead Plaintiffs' damages expert. Lead Plaintiffs' damages expert's analysis included a review of publicly available information regarding NQ and statistical analyses of the price movements of NQ ADS shares during the Class Period.

Recognized Loss Amounts are based on the level of alleged artificial inflation in the price of NQ ADS shares at the time of purchase or other acquisition. For market losses to be compensable damages under the federal securities laws, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of the stock. In this case, Lead Plaintiffs allege that Defendants made false statements and omitted material facts from March 6, 2013 through and including July 3, 2014, which were allegedly corrected, in whole or in part, by subsequent disclosures. The various Recognized Loss Amounts described below are based on the timing of trades in NQ ADS shares relative to these alleged "corrective disclosure" dates.

III. Specific Loss Amounts

The Recognized Loss Amount per share, which is based on the daily per share amount of alleged artificial inflation present in the price of NQ ADS shares set forth below, shall be calculated as follows, and cannot be less than zero:

Calculation of Recognized Loss Amount for NQ ADS Purchases

Only NQ ADS purchased on exchanges in the United States on or between March 7, 2013 and July 2, 2014 and sold at a loss on or after October 24, 2013 are eligible for damages. For ADS purchased on or between March 7, 2013 and July 2, 2014, such NQ ADS shall be eligible for damages if sold on or after October 24, 2013 or continued to be held. The following summarizes the method for determining Recognized Loss Amount for damage claims per NQ ADS:

A. For each NQ ADS purchased on or between March 7, 2013 and July 2, 2014, and sold on or after October 24, 2013 and on or before July 2, 2014, the Recognized Loss Amount for each such NQ ADS shall be ***the lesser of***:

(i) the dollar inflation applicable to each NQ ADS purchased on the date of purchase (trade date, not settlement date) as set forth in Table 1 minus the dollar inflation on the date of sale (trade date, not settlement date) as set forth in Table 1, or

(ii) the actual purchase price of each such NQ ADS (excluding all fees and commissions) minus the actual sale price (excluding all fees and commissions).

B. For each NQ ADS purchased on or between March 7, 2013 and July 2, 2014, and then sold on or after July 3, 2014 but before September 30, 2014, the Recognized Loss Amount for each such NQ ADS shall be ***the lesser of***:

(i) the dollar inflation applicable to each NQ ADS purchased on the date of purchase (trade date, not settlement date) as set forth in Table 1, or

(ii) the actual purchase price of each such NQ ADS (excluding all fees and commissions) minus the actual sale price (excluding all fees and commissions).

C. For each NQ ADS purchased on or between March 7, 2013 and July 2, 2014, and then sold or held on or after September 30, 2014, the Recognized Loss Amount for each such NQ ADS shall be ***the lesser of***:

(i) the dollar inflation applicable to each NQ ADS purchased on the date of purchase (trade date, not settlement date) as set forth in Table 1, or

(ii) the actual purchase price of each such NQ ADS (excluding all fees and commissions) minus the statutory 90-day “look back” price of \$6.11 per NQ ADS under 15 U.S.C. §78u-4(e).

For all purposes the transaction date and not the settlement date shall be used as the date for determining inflation per NQ ADS, eligibility to file a claim, and the calculation of Recognized Loss Amounts. All purchases and sales of NQ ADS shall be accounted for and matched using the first-in, first-out (“FIFO”) method of accounting and sales of NQ ADS in periods of inflation will be used to offset losses.

Table 1: Inflation per NQ ADS Table

Begin Date	End Date	Inflation Per NQ ADS
3/7/2013	3/7/2013	\$ 4.68
3/8/2013	3/10/2013	\$ 4.61
3/11/2013	3/11/2013	\$ 4.48
3/12/2013	3/12/2013	\$ 4.46
3/13/2013	3/13/2013	\$ 4.32
3/14/2013	3/14/2013	\$ 3.89
3/15/2013	3/17/2013	\$ 3.84

Begin Date	End Date	Inflation Per NQ ADS
5/31/2013	6/2/2013	\$ 3.80
6/3/2013	6/3/2013	\$ 3.73
6/4/2013	6/4/2013	\$ 3.73
6/5/2013	6/5/2013	\$ 3.65
6/6/2013	6/6/2013	\$ 3.71
6/7/2013	6/9/2013	\$ 3.78
6/10/2013	6/10/2013	\$ 3.82

3/18/2013	3/18/2013	\$ 4.10
3/19/2013	3/19/2013	\$ 4.21
3/20/2013	3/20/2013	\$ 4.29
3/21/2013	3/21/2013	\$ 4.31
3/22/2013	3/24/2013	\$ 4.48
3/25/2013	3/25/2013	\$ 4.30
3/26/2013	3/26/2013	\$ 4.23
3/27/2013	3/27/2013	\$ 4.08
3/28/2013	3/31/2013	\$ 4.21
4/1/2013	4/1/2013	\$ 4.13
4/2/2013	4/2/2013	\$ 4.04
4/3/2013	4/3/2013	\$ 3.84
4/4/2013	4/4/2013	\$ 4.02
4/5/2013	4/7/2013	\$ 4.00
4/8/2013	4/8/2013	\$ 3.93
4/9/2013	4/9/2013	\$ 3.96
4/10/2013	4/10/2013	\$ 3.86
4/11/2013	4/11/2013	\$ 3.87
4/12/2013	4/14/2013	\$ 4.01
4/15/2013	4/15/2013	\$ 3.87
4/16/2013	4/16/2013	\$ 3.89
4/17/2013	4/17/2013	\$ 3.89
4/18/2013	4/18/2013	\$ 3.77
4/19/2013	4/21/2013	\$ 3.79
4/22/2013	4/22/2013	\$ 3.81
4/23/2013	4/23/2013	\$ 3.76
4/24/2013	4/24/2013	\$ 3.74
4/25/2013	4/25/2013	\$ 3.76
4/26/2013	4/28/2013	\$ 3.95
4/29/2013	4/29/2013	\$ 4.09
4/30/2013	4/30/2013	\$ 4.03
5/1/2013	5/1/2013	\$ 4.00
5/2/2013	5/2/2013	\$ 4.20
5/3/2013	5/5/2013	\$ 4.29
5/6/2013	5/6/2013	\$ 4.29
5/7/2013	5/7/2013	\$ 4.12
5/8/2013	5/8/2013	\$ 4.25
5/9/2013	5/9/2013	\$ 4.36
5/10/2013	5/12/2013	\$ 4.47
5/13/2013	5/13/2013	\$ 4.49
5/14/2013	5/14/2013	\$ 4.53
5/15/2013	5/15/2013	\$ 4.49
5/16/2013	5/16/2013	\$ 4.15
5/17/2013	5/19/2013	\$ 3.86
5/20/2013	5/20/2013	\$ 4.16
5/21/2013	5/21/2013	\$ 4.18
5/22/2013	5/22/2013	\$ 3.97
5/23/2013	5/23/2013	\$ 3.97
5/24/2013	5/27/2013	\$ 3.90
5/28/2013	5/28/2013	\$ 3.83
5/29/2013	5/29/2013	\$ 3.74
5/30/2013	5/30/2013	\$ 3.91

6/11/2013	6/11/2013	\$ 3.75
6/12/2013	6/12/2013	\$ 3.75
6/13/2013	6/13/2013	\$ 3.92
6/14/2013	6/16/2013	\$ 3.76
6/17/2013	6/17/2013	\$ 3.75
6/18/2013	6/18/2013	\$ 3.86
6/19/2013	6/19/2013	\$ 3.76
6/20/2013	6/20/2013	\$ 3.68
6/21/2013	6/23/2013	\$ 3.66
6/24/2013	6/24/2013	\$ 3.45
6/25/2013	6/25/2013	\$ 3.60
6/26/2013	6/26/2013	\$ 3.89
6/27/2013	6/27/2013	\$ 3.91
6/28/2013	6/30/2013	\$ 3.78
7/1/2013	7/1/2013	\$ 3.90
7/2/2013	7/2/2013	\$ 4.10
7/3/2013	7/4/2013	\$ 3.98
7/5/2013	7/7/2013	\$ 4.16
7/8/2013	7/8/2013	\$ 4.44
7/9/2013	7/9/2013	\$ 4.26
7/10/2013	7/10/2013	\$ 4.42
7/11/2013	7/11/2013	\$ 4.33
7/12/2013	7/14/2013	\$ 4.48
7/15/2013	7/15/2013	\$ 4.58
7/16/2013	7/16/2013	\$ 4.60
7/17/2013	7/17/2013	\$ 4.79
7/18/2013	7/18/2013	\$ 4.86
7/19/2013	7/21/2013	\$ 5.13
7/22/2013	7/22/2013	\$ 5.25
7/23/2013	7/23/2013	\$ 5.65
7/24/2013	7/24/2013	\$ 5.97
7/25/2013	7/25/2013	\$ 6.38
7/26/2013	7/28/2013	\$ 6.49
7/29/2013	7/29/2013	\$ 6.52
7/30/2013	7/30/2013	\$ 7.09
7/31/2013	7/31/2013	\$ 7.55
8/1/2013	8/1/2013	\$ 7.37
8/2/2013	8/4/2013	\$ 7.44
8/5/2013	8/5/2013	\$ 8.39
8/6/2013	8/6/2013	\$ 8.13
8/7/2013	8/7/2013	\$ 8.08
8/8/2013	8/8/2013	\$ 7.75
8/9/2013	8/11/2013	\$ 7.29
8/12/2013	8/12/2013	\$ 7.43
8/13/2013	10/23/2013	\$ 11.60
10/24/2013	11/10/2013	\$ 0
11/11/2013	4/13/2014	\$ 1.39
4/14/2014	5/14/2014	\$ 0.52
5/15/2014	6/3/2014	\$ 0
6/4/2014	7/2/2014	\$ 0.61
7/3/2014	Present	\$ 0

Each Authorized Claimant's "Recognized Claim" shall be the total of his, her or its Recognized Loss Amounts. As indicated above, an Authorized Claimant who did not hold shares over an alleged "Corrective Disclosure" date will have no Recognized Loss Amount with respect to those shares.

IV. Additional Provisions

The Net Settlement Fund will be distributed to Authorized Claimants who have a Recognized Claim greater than \$0, subject to the \$10.00 threshold for payments set forth below. Each Authorized Claimant shall recover his, her, or its *pro rata* share of the Net Settlement Fund. The *pro rata* share shall be the Authorized Claimant's Recognized Claim divided by the total of all Recognized Claims to be paid from the Net Settlement Fund, multiplied by the total amount in the Net Settlement Fund. If the prorated payment calculates to less than \$10.00, it will be removed from the calculations and it will not be distributed.

Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement. All checks shall become stale one hundred and twenty (120) calendar days from the date of issuance, at which time all funds remaining for such stale checks shall be irrevocably forfeited and such funds shall be made available to be redistributed if economically feasible. Subsequent to the passage of six (6) months from the distribution, if Lead Counsel, in consultation with the Claims Administrator, determines that it is cost-effective to do so, the Claims Administrator will conduct a redistribution of any funds remaining in the Net Settlement Fund by reason of tax refunds, uncashed checks or otherwise, to Authorized Claimants who have cashed their initial distribution checks and who would receive at least \$10.00 on such re-distribution based on their Recognized Claims, after payment from the Net Settlement Fund of any unpaid costs or fees incurred in administering the funds, including for such re-distribution. After any redistribution, or if a redistribution is not undertaken, any balance that still remains in the Settlement Fund shall, subject to the approval of the Court, be donated to a non-sectarian, §501(c)(3) non-profit organization.

If a Class Member has more than one purchase/acquisition or sale of NQ ADS shares during the Class Period, all purchases/acquisitions and sales shall be matched on a first-in, first-out ("FIFO") basis. Class Period sales will be matched first against any NQ ADS shares held at the beginning of the Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period. Class Period Sales matched to NQ ADS shares held at the beginning of the Class Period shall be excluded from the calculation of Recognized Claims. Purchases or acquisitions and sales of NQ ADS shares shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. The receipt or grant by gift, inheritance or operation of law of NQ ADS shares during the Class Period shall not be deemed a purchase, acquisition or sale of these NQ ADS shares for the calculation of an Authorized Claimant's Recognized Loss Amount for these shares, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such NQ ADS shares unless: (i) the donor or decedent purchased or otherwise acquired such NQ ADS shares during the Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such NQ ADS shares; and (iii) the assignment is specifically provided for in the instrument of gift or assignment.

The date of covering a "short sale" is deemed to be the date of purchase or other acquisition of NQ ADS shares. The date of a "short sale" is deemed to be the date of sale of NQ ADS shares. The Recognized Loss Amount for "short sales" is zero. In the event that there is an opening short position in NQ ADS shares, the earliest Class Period purchases shall be matched against such opening short position, and not be matched against sales, until that short position is fully covered. To the extent an Authorized Claimant had a market gain from his, her, or its overall transactions in NQ ADS shares during the Class Period, the value of the Recognized Claim will be zero. Such Authorized Claimants will in any event be bound by the Settlement. To the extent that an Authorized Claimant suffered an overall market loss on his, her, or its overall transactions in NQ ADS shares during the Class Period, but that market loss was less than the total Recognized Claim calculated above, then the Authorized Claimant's Recognized Claim shall be limited to the amount of the actual market loss.

For purposes of determining whether an Authorized Claimant had a market gain from his, her, or its overall transactions in NQ ADS shares during the Class Period or suffered a market loss, the Claims

Administrator shall determine the difference between: (i) the Total Purchase Amount⁶; and (ii) the sum of the Sales Proceeds⁷ and the Holding Value.⁸ This difference will be deemed an Authorized Claimant's market gain or loss on his, her, or its overall transactions in NQ ADS shares during the Class Period.

Option contracts are not securities eligible to participate in the Settlement. With respect to shares of NQ ADS shares purchased or sold through the exercise of an option, the purchase/sale date is the date of the exercise of the option and the purchase/sale price of the share is the exercise price of the option.

THE COURT IN CHARGE OF THIS CASE MUST DECIDE WHETHER TO APPROVE THE SETTLEMENT. PAYMENTS WILL BE MADE IF THE COURT APPROVES THE SETTLEMENT AND, IF THERE ARE ANY APPEALS, AFTER APPEALS ARE RESOLVED. PLEASE BE PATIENT.

Each Authorized Claimant shall be deemed to have submitted to the jurisdiction of the United States District Court for the Southern District of New York with respect to his, her or its Claim Form.

PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE.

Dated: November 17, 2015

BY ORDER OF THE COURT

HON. WILLIAM H. PAULEY III, U.S.D.J.
UNITED STATES DISTRICT COURT FOR
THE SOUTHERN DISTRICT OF NEW YORK

⁶ The "Total Purchase Amount" is the total the amount the Claimant paid for all of the NQ ADS shares purchased or acquired during the Class Period.

⁷ The Claims Administrator shall match any sales of NQ ADS shares during the Class Period, first against the Authorized Claimant's opening position in ADS shares (the proceeds of those sales will not be considered for purposes of calculating market gains or losses). The total amount received for sales of the remaining NQ ADS shares sold during the Class Period is the "Sales Proceeds."

⁸ The Claims Administrator shall ascribe a \$6.11 per share holding value for the number of NQ ADS shares purchased or acquired during the Class Period and still held as of the close of business on July 3, 2014 ("Holding Value").