

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

_____ X
In re CAMELOT INFORMATION SYSTEMS INC. : Civil Action No. 1:12-cv-00086-PGG
SECURITIES LITIGATION :
_____ :
This Document Relates To: : CLASS ACTION
ALL ACTIONS. :
_____ :
_____ X

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

TO: ALL PERSONS THAT PURCHASED OR OTHERWISE ACQUIRED THE AMERICAN DEPOSITARY SHARES (“ADSs”) OF CAMELOT INFORMATION SYSTEMS INC. (“CAMELOT” OR THE “COMPANY”): (I) ISSUED PURSUANT OR TRACEABLE TO CAMELOT’S JULY 21, 2010 INITIAL PUBLIC OFFERING OF ITS ADSs; (II) ISSUED PURSUANT OR TRACEABLE TO CAMELOT’S DECEMBER 10, 2010 SECONDARY PUBLIC OFFERING OF ITS ADSs; AND/OR (III) ON THE OPEN MARKET DURING THE PERIOD FROM JULY 21, 2010 THROUGH SEPTEMBER 28, 2011, INCLUSIVE, AND WHO WERE ALLEGEDLY DAMAGED THEREBY (THE “CLASS”)

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS LITIGATION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THIS FUND, YOU MUST SUBMIT A VALID PROOF OF CLAIM FORM POSTMARKED ON OR BEFORE MARCH 31, 2015.

IF YOU DO NOT WISH TO BE INCLUDED IN THE CLASS AND YOU DO NOT WISH TO PARTICIPATE IN THE SETTLEMENT DESCRIBED IN THIS NOTICE, YOU MAY REQUEST TO BE EXCLUDED. TO DO SO, YOU MUST SUBMIT A WRITTEN REQUEST FOR EXCLUSION POSTMARKED ON OR BEFORE APRIL 21, 2015.

This Notice of Proposed Settlement of Class Action (“Notice”) has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York (the “Court”). The purpose of this Notice is to inform you of the proposed settlement of the class action *In re Camelot Information Systems Inc. Securities Litigation*, Civil Action No. 1:12-cv-00086-PGG (the “Litigation”) and of the hearing (the “Settlement Hearing”) to be held by the Court to consider the fairness, reasonableness, and adequacy of the settlement as set forth in the Settlement Agreement dated March 19, 2014 (the “Settlement Agreement”), on file with the Court. The Settlement Agreement can also be viewed and/or downloaded at www.camelotsecuritiessettlement.com.

This Notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the Litigation as to any of the Defendants or the merits of the claims or defenses asserted by or against Defendants. This Notice is solely to advise you of the proposed settlement of the Litigation and of your rights in connection therewith.

I. STATEMENT OF THE CLASS’ RECOVERY

The settlement will result in the creation of a cash settlement fund in the principal amount of \$2,750,000, plus any interest that may accrue thereon (the “Settlement Fund”) for the benefit of the Class.

The Settlement Fund, subject to deduction for, among other things, the expense of class notice and administration and taxes and tax-related expenses and for attorneys’ fees and expenses as approved by the Court, will be available for distribution to Class Members. Your recovery from this fund will depend on a number of variables, including the number of Camelot ADSs you purchased or otherwise acquired during the period from July 21, 2010 through September 28, 2011, inclusive (“Class Period”), and the timing of your purchases/acquisitions and any sales. In the unlikely event that 100% of the eligible Camelot ADSs purchased by Class Members and entitled to a distribution under the Plan of Allocation described below participate in the settlement, the estimated average distribution per Camelot ADS will be approximately \$0.09 before deduction of Court-approved fees and expenses. Historically, actual claim rates are lower than 100%, resulting in higher per share distributions.

II. STATEMENT OF THE POTENTIAL OUTCOME OF THE LITIGATION

Lead Plaintiffs, Michael Dochter and Raymond L. Walters, and Defendants do not agree on the average amount of damages per share, if any, that would have been recoverable if Lead Plaintiffs were to have prevailed on each claim alleged. Defendants deny that they are liable in any respect or that Lead Plaintiffs or the Class suffered any injury. The

issues on which the parties disagree are many, but include: (1) whether Defendants engaged in conduct that would give rise to any liability to the Class under the federal securities laws, or any other laws; (2) whether Defendants have valid defenses to any such claims of liability; (3) the appropriate economic model for determining the amount by which the price of Camelot ADSs were allegedly artificially inflated (if at all) during the Class Period; (4) the amount by which the price of Camelot ADSs was allegedly artificially inflated (if at all) during the Class Period; (5) the effect of various market forces on the price of Camelot ADSs at various times during the Class Period; (6) the extent to which external factors influenced the price of Camelot ADSs at various times during the Class Period; (7) the extent to which the various matters that Lead Plaintiffs alleged were materially false or misleading influenced (if at all) the price of Camelot ADSs at various times during the Class Period; and (8) the extent to which the various allegedly adverse material facts that Lead Plaintiffs alleged were omitted influenced (if at all) the price of Camelot ADSs at various times during the Class Period.

III. REASONS FOR SETTLEMENT

Lead Plaintiffs believe that the settlement is a good recovery and is in the best interests of the Class. Because of the risks associated with continuing to litigate and proceeding to trial, there was a danger that the Class would not have prevailed on any of its claims, in which case the Class would receive nothing. Also, the amount of damages recoverable by the Class was and is challenged by Defendants. Recoverable damages in this case are limited to losses caused by conduct actionable under the applicable law and, had the Litigation gone to trial, Defendants would have likely asserted that most, if not all, of any losses of Class Members were caused by non-actionable market, industry, or general economic factors. Defendants also would have asserted that throughout the Class Period the uncertainties and risks associated with the purchase of Camelot ADSs were fully and adequately disclosed and there was no motive for Defendants to commit fraud. The settlement provides an immediate benefit to Class Members and will avoid the years of delay that would likely occur if the Litigation proceeded to trial and then the likely appeals following trial.

IV. STATEMENT OF ATTORNEYS' FEES AND EXPENSES SOUGHT

Co-Lead Counsel have not received any payment for their services in conducting this Litigation on behalf of Lead Plaintiffs and the Members of the Class, nor have they been paid for their expenses. If the settlement is approved by the Court, Co-Lead Counsel will apply to the Court for attorneys' fees not to exceed 30% of the Settlement Fund and expenses not to exceed \$140,000, plus interest thereon, to be paid from the Settlement Fund. If the amounts requested are approved by the Court, the average cost per Camelot ADS will be \$0.03.

V. IDENTIFICATION OF ATTORNEYS' REPRESENTATIVES

For further information regarding this settlement, you may contact a representative of Co-Lead Counsel: Rick Nelson, c/o Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, Telephone: 1-800-449-4900.

VI. NOTICE OF HEARING ON PROPOSED SETTLEMENT

A Settlement Hearing will be held on **May 12, 2015, at 10:00 a.m.**, before the Honorable Paul G. Gardephe, at the United States District Court for the Southern District of New York, Thurgood Marshall United States Courthouse, 40 Foley Square, Courtroom 705, New York, NY 10007. The purpose of the Settlement Hearing will be to determine: (1) whether the proposed settlement should be approved by the Court as fair, reasonable, and adequate; (2) whether the Final Judgment and Order of Dismissal with Prejudice should be entered by the Court dismissing the Litigation with prejudice, and the releases specified and described in the Settlement Agreement dated March 19, 2014 should be granted; (3) whether the proposed Plan of Allocation is fair, reasonable, and adequate and should be approved; and (4) whether the application of Co-Lead Counsel for an award of attorneys' fees and expenses in connection with this Litigation should be approved. The Court may adjourn the Settlement Hearing from time to time and without further notice to the Class.

VII. THE LITIGATION

On January 5, 2012, a class action lawsuit was filed on behalf of the Class against Defendants (as defined herein) for violating §§11 and 15 of the Securities Act of 1933 ("Securities Act"), and §§10(b) and 20(a) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 promulgated thereunder. On June 6, 2012, the Court appointed Michael Dochter and Raymond L. Walters as "Lead Plaintiffs" and Robbins Geller Rudman & Dowd LLP and Kessler Topaz Meltzer & Check, LLP as "Co-Lead Counsel" pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA"). Thereafter, on September 6, 2012, Lead Plaintiffs filed their Amended Class Action Complaint for Violations of the Federal Securities Laws, in the United States District Court for the Southern District of New York (the "Court"). A Corrected Amended Class Action Complaint was filed on September 28, 2012 ("Amended Complaint"). The Amended Complaint alleges that Defendants made numerous positive statements during the Class Period regarding the growth and prospects of Camelot's Financial Industry IT Services ("FIS") operating segment. The Amended Complaint alleges that prior to and during the Class Period, however, and unbeknownst to investors, dissatisfied members of management

and key employees of one of Camelot's largest and most important FIS operating segment subsidiaries, Agree Technology, Ltd. ("Agree"), had left Camelot to form or join competing companies. The Amended Complaint alleges these defections from Agree impaired Camelot's prospects and performance, rendering Camelot's FIS operating segment unable to adequately perform and earn revenues under existing contracts with financial institutions or to obtain new contracts with financial institutions.

The Amended Complaint further alleges that the Company failed to disclose that it had been informed by the People's Bank of China that it was pushing back a deadline regarding a software solution sold by Camelot, and that this would cause a delay in Camelot's receipt of anticipated revenues from the software solution, which adversely impacted the Company's revenues in the near term. The Amended Complaint alleges that when disclosure of these two events came to light, the price of Camelot's ADSs declined and Lead Plaintiffs and the Class suffered harm.

The Defendants filed motions to dismiss the case and, as of March 11, 2013, the Camelot Defendants' and the Underwriter Defendants' respective motions to dismiss the Amended Complaint were fully briefed. The motions sought to dismiss the Amended Complaint pursuant to Fed. R. Civ. P. 12(b)(6) and 9(b), for failure to state a claim, failure to plead fraud with particularity, and failure to comply with the PSLRA.

Shortly thereafter, the parties agreed to negotiate in good faith with the assistance of a mediator. The parties took part in an all-day mediation session on September 16, 2013, during which the parties agreed in principle that Lead Plaintiffs and the Class would settle all claims in exchange for \$2.75 million.

VIII. DEFINITIONS USED IN THIS NOTICE

As used in this Notice, the following terms have the meanings specified below. Any capitalized terms not specifically defined in this Notice shall have the meanings set forth in the Settlement Agreement. In the event of any inconsistency between any definition set forth below or elsewhere in this Notice and any definition set forth in the Settlement Agreement, the definition set forth in the Settlement Agreement shall control.

Definition in Settlement Agreement is:

1. "Authorized Claimant" means any Class Member who submits a timely and valid Proof of Claim form, in accordance with the requirements established by the Court, that is approved for payment from the Net Settlement Fund pursuant to the Plan of Allocation.

2. "Claims Administrator" means the firm of Gilardi & Co. LLC.

3. "Class" means all Persons (other than those Persons and entities who timely and validly requested exclusion from the Class) that purchased or otherwise acquired the ADSs of Camelot: (i) issued pursuant or traceable to Camelot's July 21, 2010 initial public offering of its ADSs; (ii) issued pursuant or traceable to Camelot's December 10, 2010 secondary public offering of its ADSs; and/or (iii) on the open market during the period from July 21, 2010 through September 28, 2011, inclusive, and who were allegedly damaged thereby. Excluded from the Class are Defendants; the officers and directors of Camelot, at all relevant times; members of their immediate families; their legal representatives, heirs, successors or assigns; and any entity in which any Defendant (or any Person that is, was, or will be affiliated with any Defendant) has had, has, or will have a majority interest. Also excluded from the Class are all persons and entities who exclude themselves from the Class by timely requesting exclusion in accordance with the requirements set forth in this Notice.

4. "Class Member" or "Member of the Class" mean a Person who falls within the definition of the Class as set forth in paragraph 3 above.

5. "Class Period" means the period commencing on July 21, 2010 through September 28, 2011, inclusive.

6. "Co-Lead Counsel" means Robbins Geller Rudman & Dowd LLP, Samuel H. Rudman and David A. Rosenfeld, 58 South Service Road, Suite 200, Melville, NY 11747, and Kessler Topaz Meltzer & Check, LLP, Johnston de F. Whitman, Jr., 280 King of Prussia Road, Radnor, PA 19087.

7. "Defendants" means Camelot, Yiming Ma, Heidi Chou, Ajit Bhushan, Ching-Hua Ho, Shang-Wen Hsiao, Gordon Lau, Claude Leglise, Goldman Sachs (Asia) L.L.C., Goldman Sachs & Co., Barclays Capital Inc., William Blair & Company, L.L.C., Cowen & Company, LLC, and Oppenheimer & Co. Inc.

8. "Effective Date" means the date by which all of the events and conditions specified in paragraph 7.1 of the Settlement Agreement have occurred and been met.

9. "Escrow Agent" means the law firm of Robbins Geller Rudman & Dowd LLP or its successor(s).

10. "Final" means when the last of the following with respect to the Final Judgment and Order of Dismissal with Prejudice approving the Settlement Agreement, substantially in the form of Exhibit B attached to the Settlement

Agreement, shall have occurred: (i) the expiration of the time to file a motion to alter or amend the Judgment under Rule 59(e) of the Federal Rules of Civil Procedure without any such motion having been filed; (ii) the time in which to appeal the Judgment has passed without any appeal having been taken; and (iii) if a motion to alter or amend is filed or if an appeal is taken, immediately after the determination of that motion or appeal so that it is no longer subject to any further judicial review or appeal whatsoever, whether by reason of affirmance by a court of last resort, lapse of time, voluntary dismissal of the appeal or otherwise in such a manner as to permit the consummation of the Settlement substantially in accordance with the terms and conditions of the Settlement Agreement. For purposes of this paragraph, an “appeal” shall include any petition for a writ of certiorari or other writ that may be filed in connection with approval or disapproval of this Settlement, but shall not include any appeal that concerns only the issue of Co-Lead Counsel’s attorneys’ fees and expenses, the Plan of Allocation, as hereinafter defined, or the procedures for determining an Authorized Claimant’s recognized claim.

11. “Individual Defendants” means Yiming Ma, Heidi Chou, Ajit Bhushan, Ching-Hua Ho, Shang-Wen Hsiao, Gordon Lau, and Claude Leglise.

12. “Judgment” means the Final Judgment and Order of Dismissal with Prejudice to be rendered by the Court, substantially in the form attached to the Settlement Agreement as Exhibit B.

13. “Lead Plaintiffs” means Michael Dochter and Raymond L. Walters.

14. “Litigation” means the consolidated civil action *In re Camelot Information Systems Inc. Securities Litigation*, Civil Action No. 1:12-cv-00086-PGG, pending in the United States District Court for the Southern District of New York and all actions consolidated therewith.

15. “Net Settlement Fund” means the portion of the Settlement Fund to be distributed to Authorized Claimants after payment of or provision for any attorneys’ fees, costs, expenses, provided for herein or approved by the Court and less notice and administration costs, Taxes and Tax Expenses, and other Court-approved deductions.

16. “Notice” means this Notice of Proposed Settlement of Class Action.

17. “Notice Date” means the date on which the Claims Administrator commenced mailing of the Notice and Proof of Claim by First-Class Mail, to all Class Members who were identified with reasonable effort.

18. “Party” or “Parties” mean(s) the Plaintiffs and the Defendants to the Litigation.

19. “Person” means an individual, corporation, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and their spouses, heirs, predecessors, successors, representatives, or assignees.

20. “Plaintiff” means any plaintiff that filed a complaint in the Litigation.

21. “Plaintiffs’ Counsel” means any counsel that appeared for any Plaintiff.

22. “Plan of Allocation” means the plan or formula of allocation of the Net Settlement Fund whereby the Settlement Fund shall be distributed to Authorized Claimants, as approved by the Court. Released Persons shall have no responsibility or liability with respect to the Plan of Allocation. The Plan of Allocation that Lead Plaintiffs propose is set forth below.

23. “Preliminary Approval Order” means the Order Preliminarily Approving Settlement and Providing for Notice to be entered by the Court, substantially in the form attached to the Settlement Agreement as Exhibit A.

24. “Proof of Claim” means the Proof of Claim, substantially in the form attached to the Settlement Agreement as Exhibit A-2, which will be mailed to Members of the Class with the Notice, and which must be completed in order for the claimant or Class Member to be eligible to share in a distribution of the Net Settlement Fund.

25. “Released Claims” shall mean any and all claims, demands, rights, causes of action or liabilities 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 liabilities whatsoever), whether based on purchases, acquisitions, sales, exercises, and decisions to hold, whether based on federal, state, local, foreign, statutory or common law or any other law, rule, ordinance, administrative provision or regulation, including both known claims and Unknown Claims (as defined below), whether class or individual in nature, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, based on, arising from or relating to both the purchase or acquisition of Camelot ADSs during the Class Period, and the allegations, transactions, facts, matters, events, disclosures, registration statements, public filings, acts, occurrences, representations, statements, omissions or failures to act that were or could have been alleged by Plaintiffs in the Litigation against the Released Persons (as defined below). Released Claims shall

not include: (a) the right to enforce the Settlement Agreement; and (b) the right to enforce any confidentiality agreement to which the Settling Parties may enter into in connection with providing confirmatory discovery.

26. “Released Persons” means (i) Camelot and any and all of its past, current or future parents, affiliates, subsidiaries, or predecessors (together, the “Camelot Entities”), and any and all of the Camelot Entities’ respective past, current or future shareholders, officers, directors, agents, partners, principals, employees, insurers, reinsurers, attorneys, auditors, accountants, advisors, successors, assigns, creditors, administrators, heirs, and legal representatives, in their respective capacities as such, and any firm, trust, corporation or other entity in which Camelot has a controlling interest; (ii) any and all of the Individual Defendants and any and all of their respective past, current or future agents, insurers, reinsurers, attorneys, accountants, advisers, successors, assigns, creditors, administrators, heirs, and legal representatives, in their respective capacities as such, and any firm, trust, corporation or other entity in which any of the Individual Defendants has a controlling interest; and (iii) any and all of the Underwriter Defendants and any and all of their respective past, current or future parents, affiliates, subsidiaries, or predecessors (together, the “Underwriter Entities”), and any and all of the Underwriter Entities’ respective past, current or future shareholders, officers, directors, agents, partners, principals, employees, insurers, reinsurers, attorneys, auditors, accountants, advisors, successors, assigns, creditors, administrators, heirs, and legal representatives, in their respective capacities as such, and any firm, trust, corporation or other entity in which any of the Underwriters Defendants has a controlling interest.

27. “Released Persons’ Released Claims” shall collectively mean any and all claims, rights or causes of action or liabilities whatsoever, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, including both known claims and Unknown Claims (as defined below), that have been or could have been asserted in the Litigation or any forum by the Released Persons, or any of them or the successors and assigns of any of them, against any of the Plaintiffs, other Members of the Class or their attorneys, which arise out of or relate to the institution, prosecution, defense and the settlement of the Litigation, except for claims to enforce the Settlement.

28. “Settlement” means the compromise and settlement provided for in the Settlement Agreement.

29. “Settlement Account” means the escrow account (which shall be a qualified settlement fund with its own tax identification number) to hold the Settlement Amount, which account, subject to the Court’s supervisory authority, shall be under the control of the Escrow Agent.

30. “Settlement Amount” means \$2,750,000 in cash to be paid or caused to be paid by Camelot pursuant to paragraph 2.1 of the Settlement Agreement.

31. “Settlement Fund” means the Settlement Amount plus all interest and accretions thereto.

32. “Settlement Hearing” means the hearing to be held by the Court on notice to the Class, to consider approval of the Settlement, the Plan of Allocation and the Fee and Expense Application.

33. “Settling Parties” means, collectively, the Defendants (other than Gordon Lau), Lead Plaintiffs and the Class.

34. “Summary Notice” means the Summary Notice, which is to be published in substantially the form attached to the Settlement Agreement as Exhibit A-3.

35. “Unknown Claims” means any Released Claims that Plaintiffs or Class Members do not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons and any Released Persons’ Released Claims that any Released Person does not know or suspect to exist in his, her or its favor at the time of the release of the Plaintiffs and Class Members, which, if known by him, her or it, might have affected his, her or its decision(s) with respect to the Settlement. With respect to any and all Released Claims and Released Persons’ Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Plaintiffs and the Settling Defendants shall expressly waive and each of the Class Members and Released Persons shall be deemed to have, and by operation of the Judgment shall have, expressly waived the provisions, rights, and benefits of California Civil 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.

Plaintiffs and the Settling Defendants expressly waive and each of the Class Members and Released Persons shall be deemed to have, and by operation of the Judgment shall 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 California Civil Code §1542. Plaintiffs and Class Members may hereafter discover facts in addition to or different from those that he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Plaintiffs shall expressly settle and release and each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any

and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, that now exist, exist in the future, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Plaintiffs and the Settling Defendants acknowledge, and the Class Members and Released Persons shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the settlement of which this release is a part.

IX. LEAD PLAINTIFFS' CLAIMS AND THE BENEFITS OF SETTLEMENT

Lead Plaintiffs believe that the claims asserted in the Litigation have merit and that the evidence developed to date supports the claims. However, Lead Plaintiffs and Co-Lead Counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Litigation against Defendants through trial and through appeals. Lead Plaintiffs and Co-Lead Counsel also have taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as this Litigation, as well as the difficulties and delays inherent in such litigation. Lead Plaintiffs and Co-Lead Counsel also are mindful of the inherent problems of proof under and possible defenses to the securities law claims asserted in the Litigation. Lead Plaintiffs and Co-Lead Counsel believe that the settlement set forth in the Settlement Agreement confers substantial benefits upon the Class. Based on their evaluation, Lead Plaintiffs and Co-Lead Counsel have determined that the settlement set forth in the Settlement Agreement is in the best interests of the Class.

X. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY

Defendants have denied and continue to deny each and all of the claims and contentions alleged by Lead Plaintiffs in the Litigation. Defendants expressly have denied and continue to deny any improper conduct or violation of the federal securities laws or any other laws or regulations and are settling the Litigation solely to avoid the burden and expense of further litigation. In addition, Defendants have denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Litigation. Defendants also have denied and continue to deny, among other allegations, the allegations that Lead Plaintiffs or the Class have suffered any damage; that the price of Camelot ADSs was artificially inflated by reason of the alleged misrepresentations, non-disclosures or otherwise; that Lead Plaintiffs or the Class were harmed by the conduct alleged in the Litigation; or that Defendants knew or were reckless with respect to the alleged misconduct. Defendants maintain that they have meritorious defenses to all claims alleged in the Litigation and believe that the evidence developed to date supports their position that they acted properly at all times and that the Litigation is without merit.

Nonetheless, taking into account the uncertainty and risks inherent in any litigation, Defendants have concluded that further conduct of the Litigation would be protracted, burdensome and expensive, and that it is desirable that the Litigation be fully and finally settled and terminated in the manner and upon the terms and conditions set forth in the Settlement Agreement.

XI. TERMS OF THE SETTLEMENT

A settlement has been reached in the Litigation between the Settling Parties, the terms and conditions of which are set forth in the Settlement Agreement and the exhibits thereto which can be viewed and/or downloaded at www.camelotsecuritiessettlement.com. The following description of the proposed settlement is only a summary, and reference is made to the text of the Settlement Agreement, on file with the Court or accessible at www.camelotsecuritiessettlement.com, for a full statement of its provisions.

The settlement consists of the aggregate principal amount of \$2,750,000 in cash, plus any interest earned thereon after it is deposited ("Settlement Fund").

A portion of the settlement proceeds will be used to pay attorneys' fees and expenses to Co-Lead Counsel, to pay for this Notice and the processing of claims submitted by Class Members, and to pay Taxes and Tax Expenses. The balance of the Settlement Fund (the "Net Settlement Fund") will be distributed, according to the Plan of Allocation described below (if approved by the Court) to Class Members who submit valid and timely Proof of Claim forms.

The effectiveness of the settlement is subject to a number of conditions and reference to the Settlement Agreement is made for further particulars regarding these conditions.

XII. THE RIGHTS OF CLASS MEMBERS

If you are a Class Member, you may receive the benefit of, and you will be bound by the terms of, the settlement described in this Notice and set forth in more detail in the Settlement Agreement, upon approval of the proposed settlement by the Court.

If you are a Class Member, you have the following options:

1. You may file a Proof of Claim form as described below. If you choose this option, you will share in the proceeds of the settlement if your claim is timely, valid, and entitled to a distribution under the Plan of Allocation described below and if the settlement is finally approved by the Court, you will be bound by the Judgment and release to be entered by the Court as described below.

2. If you do not wish to be included in the Class and you do not wish to participate in the settlement described in this Notice, you may request to be excluded. To do so, you must submit a written request for exclusion that must be **postmarked on or before April 21, 2015**. You must set forth: (a) your name, address, and telephone number; (b) the number of Camelot ADSs purchased or acquired and sold during the Class Period and the dates of such purchase(s), acquisition(s) and/or sale(s); (c) proper evidence of your purchases, acquisitions, and sales of Camelot ADSs during the Class Period; and (d) your wish to be excluded from the Class. The exclusion request should be addressed as follows:

Camelot Securities Litigation
EXCLUSIONS
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 990
Corte Madera, CA 94976-0990

NO REQUEST FOR EXCLUSION WILL BE CONSIDERED VALID UNLESS ALL OF THE INFORMATION DESCRIBED ABOVE IS INCLUDED IN ANY SUCH REQUEST.

If you timely and validly request exclusion from the Class: (a) you are excluded from the Class, (b) you will not share in the proceeds of the settlement described herein, (c) you are not bound by any judgment entered in the Litigation, and (d) you are not precluded, by reason of your decision to request exclusion from the Class, from otherwise prosecuting an individual claim, if timely, against Defendants based on the matters complained of in the Litigation.

3. If you do not make a valid and timely request in writing to be excluded from the Class, you will be bound by any and all determinations or judgments in the Litigation in connection with the settlement approved by the Court, whether favorable or unfavorable to the Class, and you shall be deemed to have, and by operation of the Judgment shall have, fully released all of the Released Claims against the Released Persons, whether or not you submit a valid Proof of Claim form.

4. You may do nothing at all. If you choose this option, you will not share in the proceeds of the settlement, but you will be bound by any judgment entered by the Court, and you shall be deemed to have, and by operation of the Judgment shall have, fully released all of the Released Claims against the Released Persons.

5. You may object to the settlement, the Plan of Allocation, and/or the application for attorneys' fees and expenses in the manner described in Section XVIII below, if you have not excluded yourself from the Class.

6. If you are a Class Member, you may, but are not required to, enter an appearance through counsel of your own choosing and at your own expense, provided that such counsel must file an appearance on your behalf **on or before April 21, 2015**, and must serve copies of such appearance on the attorneys listed in Section XVIII below. If you do not enter an appearance through counsel of your own choosing, you will be represented by Co-Lead Counsel: Robbins Geller Rudman & Dowd LLP, Samuel H. Rudman and David A. Rosenfeld, 58 South Service Road, Suite 200, Melville, NY 11747, and Kessler Topaz Meltzer & Check, LLP, Johnston de F. Whitman, Jr., 280 King of Prussia Road, Radnor, PA 19087.

XIII. PLAN OF ALLOCATION

The Net Settlement Fund will be distributed to Class Members who, in accordance with the terms of the Settlement Agreement, are entitled to a distribution from the Net Settlement Fund pursuant to a Plan of Allocation or any order of the Court and who submit a valid and timely Proof of Claim form under the Plan of Allocation described below. The Plan of Allocation provides that you will be eligible to participate in the distribution of the Net Settlement Fund only if you have an overall net loss on all of your transactions in Camelot ADSs during the Class Period.

For purposes of determining the amount an Authorized Claimant may recover under the Plan of Allocation, Co-Lead Counsel have conferred with their economics and damages consultant who concluded that only the Camelot ADSs described below were damaged by the matters alleged by the Lead Plaintiffs in this Litigation, and the Plan of Allocation reflects an assessment of the damages that they believe could have been recovered by Class Members had Lead Plaintiffs fully prevailed on all issues at trial.

In the unlikely event there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, and as is more likely, the amount in the Net Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each

Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

The Plan of Allocation described below is based on the inflation per ADS amounts for Class Period purchases, acquisitions, and sales of Camelot ADSs set forth in Table A below as well as the statutory PSLRA 90-day look-back amount of \$2.69 set forth in Table B below:

Camelot Information Systems, Inc. Securities Litigation
CUSIP: 13322V105

The calculation of claims below is not an estimate of the amount you will receive. It is a formula for allocating the Net Settlement Fund among all Authorized Claimants. Please note that you may have a claim under both Sections 11 and 10(b) for the same transaction. The Claims Administrator will calculate your claim under the Section which yields the highest amount.

Section 11 Claims for the July 2010 Initial Public Offering

Initial Public Offering Price:	\$11.00 per ADS
Closing Price on the date the lawsuit was filed ¹ :	\$ 2.93 per ADS

For ADSs of Camelot purchased or acquired at \$11.00 per ADS *in the Company's July 2010 offering (i.e., the offering registered pursuant to the July 20, 2010 registration statement and prospectus) on or between July 20, 2010 and December 9, 2010, inclusive*, and

- 1) sold prior to the close of trading on January 5, 2012, the claim per ADS is the Purchase Price per ADS (not to exceed \$11.00) less the Sales Price per ADS.
- 2) retained at the close of trading on January 5, 2012, or, sold on or after January 6, 2012, the claim per ADS is the lesser of (i) the Purchase Price per ADS (not to exceed \$11.00) less the Sales Price per ADS, or (ii) the Purchase Price per ADS (not to exceed \$11.00) less \$2.93 (i.e., the closing price on the date the lawsuit was filed).

Section 11 Claims for the December 2010 Secondary Public Offering

Secondary Public Offering Price:	\$19.50 per ADS
Closing Price on the date the lawsuit was filed :	\$ 2.93 per ADS

For ADSs of Camelot purchased or acquired at \$19.50 per ADS *in the Company's December 2010 offering (i.e., the offering registered pursuant to the December 9, 2010 registration statement and prospectus)* and

- 1) sold prior to the close of trading on January 5, 2012, the claim per ADS is the Purchase Price per ADS (not to exceed \$19.50) less the Sales Price per ADS.
- 2) retained at the close of trading on January 5, 2012, or, sold on or after January 6, 2012, the claim per ADS is the lesser of (i) the Purchase Price per ADS (not to exceed \$19.50) less the Sales Price per ADS, or (ii) the Purchase Price per ADS (not to exceed \$19.50) less \$2.93 (i.e., the closing price on the date the lawsuit was filed).

Section 10(b) Claims for ADSs

Class Period: July 21, 2010 through September 28, 2011

Please note: Although the Class Period includes Camelot ADSs that were purchased or acquired on September 28, 2011, such ADSs are not eligible for a recovery under the Plan of Allocation because the disclosure made on September 28, 2011 that Plaintiffs allege corrected earlier misrepresentations and omissions was made before the opening of trading that day.

For ADSs of Camelot ***purchased or acquired on the open market on or between July 21, 2010 and September 27, 2011, inclusive***, the claim per ADS shall be as follows:

- 1) If sold on or between July 21, 2010 through September 28, 2011, the claim per ADS shall be the lesser of (i) the inflation in Table A at the time of purchase less the inflation in Table A at the time of sale; and (ii) the difference between the purchase price and the selling price.
- 2) If retained at the end of September 28, 2011 and sold before the close of trading on December 22, 2011, the claim per ADS shall be the lesser of (i) the inflation in Table A at the time of purchase; (ii) the difference between the

¹ The first Class Action Complaint was filed on January 5, 2012.

purchase price and the selling price; and (iii) the difference between the purchase price per ADS and the average closing price per ADS up through the date of sale as set forth in Table B below.

3) If retained at the close of trading on December 22, 2011, or sold thereafter, the claim per ADS shall be the lesser of (i) the inflation in Table A at the time of purchase; and (ii) the difference between the purchase price per ADS and \$2.69 per ADS (*i.e.*, the average closing price during the 90-day look-back period as set forth in Table B below).²

TABLE A

Time Period	Inflation
July 21, 2010 – August 17, 2011	\$2.99
August 18, 2011 – September 27, 2011	\$0.86
September 28, 2011	\$0.00

TABLE B

Date	Closing Price	Average Closing Price	Date	Closing Price	Average Closing Price
9/28/2011	\$3.30	\$3.30	11/10/2011	\$2.57	\$3.06
9/29/2011	\$3.13	\$3.22	11/11/2011	\$2.72	\$3.05
9/30/2011	\$2.68	\$3.04	11/14/2011	\$2.64	\$3.03
10/3/2011	\$2.56	\$2.92	11/15/2011	\$2.52	\$3.02
10/4/2011	\$2.77	\$2.89	11/16/2011	\$2.36	\$3.00
10/5/2011	\$3.01	\$2.91	11/17/2011	\$2.11	\$2.98
10/6/2011	\$2.97	\$2.92	11/18/2011	\$2.02	\$2.95
10/7/2011	\$2.96	\$2.92	11/21/2011	\$1.80	\$2.92
10/10/2011	\$3.17	\$2.95	11/22/2011	\$1.83	\$2.89
10/11/2011	\$3.16	\$2.97	11/23/2011	\$1.78	\$2.87
10/12/2011	\$3.29	\$3.00	11/25/2011	\$1.95	\$2.85
10/13/2011	\$3.22	\$3.02	11/28/2011	\$2.16	\$2.83
10/14/2011	\$3.15	\$3.03	11/29/2011	\$2.15	\$2.81
10/17/2011	\$2.99	\$3.03	11/30/2011	\$2.39	\$2.80
10/18/2011	\$3.03	\$3.03	12/1/2011	\$2.31	\$2.79
10/19/2011	\$2.97	\$3.02	12/2/2011	\$2.33	\$2.78
10/20/2011	\$2.96	\$3.02	12/5/2011	\$2.45	\$2.78
10/21/2011	\$3.04	\$3.02	12/6/2011	\$2.27	\$2.77
10/24/2011	\$3.39	\$3.04	12/7/2011	\$2.43	\$2.76
10/25/2011	\$3.20	\$3.05	12/8/2011	\$2.42	\$2.75
10/26/2011	\$3.22	\$3.06	12/9/2011	\$2.42	\$2.75
10/27/2011	\$3.69	\$3.08	12/12/2011	\$2.53	\$2.74
10/28/2011	\$3.66	\$3.11	12/13/2011	\$2.56	\$2.74
10/31/2011	\$3.26	\$3.12	12/14/2011	\$2.43	\$2.73
11/1/2011	\$3.00	\$3.11	12/15/2011	\$2.41	\$2.73
11/2/2011	\$3.22	\$3.12	12/16/2011	\$2.35	\$2.72
11/3/2011	\$2.92	\$3.11	12/19/2011	\$2.27	\$2.71
11/4/2011	\$2.88	\$3.10	12/20/2011	\$2.39	\$2.71
11/7/2011	\$2.89	\$3.09	12/21/2011	\$2.39	\$2.70
11/8/2011	\$2.73	\$3.08	12/22/2011	\$2.43	\$2.70
11/9/2011	\$2.78	\$3.07	12/23/2011	\$2.49	\$2.69

² Pursuant to Section 21(D)(e)(1) of the PSLRA, “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.” Consistent with the requirements of the PSLRA, claims are reduced to an appropriate extent by taking into account the closing prices of Camelot ADSs during the 90-day look-back period. The mean (average) daily closing price for Camelot ADSs during the 90-day look-back period was \$2.69.

The date of purchase or sale is the “contract” or “trade” date as distinguished from the “settlement” date.

For Class Members 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, acquisitions, and sales for purposes of calculating a claim. Under the FIFO method, sales of Camelot ADSs during the Class Period will be matched, in chronological order, against Camelot ADSs purchased or acquired during the Class Period.

A Class Member will be eligible to receive a distribution from the Net Settlement Fund only if a Class Member had a net overall loss, after all profits from transactions in all Camelot ADSs described above during the Class Period are subtracted from all losses. No distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

The Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Class Member on equitable grounds.

Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants. No Person shall have any claim against the Lead Plaintiffs, any Plaintiff, Plaintiffs’ Counsel, any claims administrator, or other Person designated by Lead Plaintiffs’ counsel, or Defendants or Defendants’ counsel based on distributions made substantially in accordance with the Settlement Agreement and the settlement contained therein, the Plan of Allocation, or further orders of the Court. All Class Members who fail to complete and file a valid and timely Proof of Claim form shall be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the Settlement Agreement, including the terms of the Judgment, any other order or judgment entered and the releases given.

XIV. PARTICIPATION IN THE SETTLEMENT

TO BE ELIGIBLE TO PARTICIPATE IN THE DISTRIBUTION OF THE NET SETTLEMENT FUND, YOU MUST TIMELY COMPLETE AND RETURN THE PROOF OF CLAIM FORM THAT ACCOMPANIES THIS NOTICE. The Proof of Claim form must be submitted online at www.camelotsecuritiessettlement.com, or mailed to the Claims Administrator at the address set forth in Section XIX below, **postmarked on or before March 31, 2015**. Unless the Court orders otherwise, if you do not timely submit a valid Proof of Claim form, you will be barred from receiving any payments from the Net Settlement Fund, but will in all other respects be bound by the provisions of the Settlement Agreement and the Judgment.

XV. DISMISSAL AND RELEASES

If the settlement is approved, the Court will enter the Judgment. In addition, upon the Effective Date, Lead Plaintiffs and each of the Class Members (except those who submit a valid and timely request for exclusion) shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against the Released Persons.

XVI. APPLICATION FOR FEES AND EXPENSES

At the Settlement Hearing, Co-Lead Counsel will request the Court to award attorneys’ fees not to exceed 30% of the Settlement Fund, plus expenses not to exceed \$140,000 plus interest thereon. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

To date, Co-Lead Counsel have not received any payment for their services in conducting this Litigation on behalf of Lead Plaintiffs and the Class, nor have counsel been paid their expenses. The fee requested will compensate Co-Lead Counsel for their efforts in achieving the Settlement Fund for the benefit of the Class, and for their risk in undertaking this representation on a wholly contingent basis. Co-Lead Counsel believe that the fee requested is well within the range of fees awarded to plaintiffs’ counsel under similar circumstances in other litigation of this type.

XVII. CONDITIONS FOR SETTLEMENT

The settlement is conditioned upon the occurrence of certain events described in the Settlement Agreement. Those events include, among other things: (1) entry of the Judgment by the Court, as provided for in the Settlement Agreement; and (2) expiration of the time to appeal from the Judgment or to move to alter or amend the Judgment, or the determination of any such appeal or motion in a manner to permit the consummation of the settlement substantially as provided for in the Settlement Agreement. If, for any reason, any one of the conditions described in the Settlement Agreement is not met, the Settlement Agreement might be terminated and, if terminated, will become null and void, and the parties to the Settlement Agreement will be restored to their respective positions as of September 15, 2013. In that event, the settlement will not proceed and no payments will be made to Class Members.

XVIII. THE RIGHT TO BE HEARD AT THE HEARING

Any Class Member who objects to any aspect of the settlement, the Plan of Allocation, or the application for attorneys' fees and expenses, may appear and be heard at the Settlement Hearing. Any such Person must submit a written notice of objection, such that it is **received on or before April 21, 2015**, by each of the following:

To the Court.

CLERK OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street
New York, NY 10007

To Co-Lead Counsel:

ROBBINS GELLER RUDMAN
& DOWD LLP
SAMUEL H. RUDMAN
DAVID A. ROSENFELD
58 South Service Road, Suite 200
Melville, NY 11747

KESSLER TOPAZ MELTZER
& CHECK, LLP
JOHNSTON de F. WHITMAN, JR.
JENNIFER L. ENCK
280 King of Prussia Road
Radnor, PA 19087

To Counsel for Defendants Camelot Information Systems Inc., Yiming Ma, Heidi Chou, Ajit Bhushan, Ching-Hua Ho, Shang-Wen Hsiao, and Claude Leglise:

SKADDEN, ARPS, SLATE, MEAGHER
& FLOM LLP
SCOTT D. MUSOFF
Four Times Square
New York, NY 10036

To Counsel for Defendant Goldman Sachs (Asia) L.L.C., Goldman Sachs & Co., Barclays Capital Inc., William Blair & Company, L.L.C., Cowen & Company, LLC, and Oppenheimer & Co. Inc.:

FRIED, FRANK, HARRIS, SHRIVER
& JACOBSON LLP
WILLIAM G. McGUINNESS
One New York Plaza
New York, NY 10004

The notice of objection must demonstrate the objecting Person's membership in the Class, including the number of Camelot ADSs purchased, acquired, and sold during the Class Period and contain a statement of the reasons for objection. Only Members of the Class who have submitted written notices of objection in this manner will be entitled to be heard at the Settlement Hearing, unless the Court orders otherwise.

XIX. SPECIAL NOTICE TO BANKS, BROKERS AND OTHER NOMINEES

Nominees who purchased the ADSs of Camelot for the beneficial interest of other Persons during the Class Period shall, within ten (10) calendar days after receipt of this Notice (1) provide the Claims Administrator with the names and addresses of such beneficial owners, or (2) forward a copy of this Notice and the Proof of Claim form by First-Class Mail to each such beneficial owner and, provide the Claims Administrator with written confirmation that the Notice and Proof of Claim form have been so forwarded. Upon submission of appropriate documentation, the Claims Administrator will reimburse your reasonable costs and expenses of complying with this provision out of the Settlement Fund. Additional copies of this Notice may be obtained from the Claims Administrator by writing to:

Camelot Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 990
Corte Madera, CA 94976-0990

XX. EXAMINATION OF PAPERS

This Notice contains only a summary of the terms of the proposed settlement and does not describe all of the details of the Settlement Agreement. For a more detailed statement of the matters involved in the Litigation, reference is made to the pleadings, to the Settlement Agreement, and to other papers filed in the Litigation, which may be inspected at the office of the Clerk of the Court, United States District Court, Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007. In addition, certain settlement-related documents, including the Settlement Agreement and all of its exhibits, may be viewed and/or downloaded at www.camelotsecuritiessettlement.com.

If you have any questions about the settlement of the Litigation, you may also contact Co-Lead Counsel at:

ROBBINS GELLER RUDMAN & DOWD LLP
Rick Nelson
c/o Shareholder Relations
655 West Broadway, Suite 1900
San Diego, CA 92101
1-800-449-4900

DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE.

DATED: December 11, 2014

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