

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK: COMMERCIAL DIVISION

	X
MICHAEL PLUTTE, Individually and on Behalf of All Others Similarly Situated,	:
Plaintiff,	:
vs.	:
SEA LIMITED, FORREST XIAODONG LI, GANG YE, TONY TIANYU HOU, COLLEEN A. DE VRIES, YUXIN REN, NICHOLAS A. NASH, DAVID HENG CHEN SENG, KHOON HUA KUOK, GOLDMAN SACHS (ASIA) L.L.C., MORGAN STANLEY & CO. INTERNATIONAL PLC, CREDIT SUISSE SECURITIES (USA) L.L.C., CLSA LIMITED, CITIGROUP GLOBAL MARKETS INC., COWEN AND COMPANY, LLC, NOMURA SECURITIES INTERNATIONAL, INC., PIPER JAFFRAY & CO., STIFEL NICOLAUS & COMPANY, INCORPORATED, PT MADIRI SEKURITAS, TUDOR, PICKERING, HOLT & CO. SECURITIES, INC., BDO CAPITAL & INVESTMENT CORPORATION, CATHAY SECURITIES CORPORATION OFFSHORE SECURITIES UNIT, DBS BANK LTD., VIET CAPITAL SECURITIES JSC and COGENCY GLOBAL INC.,	:
Defendants.	:
	X

Index No. 655436/2018
The Honorable Jennifer G. Schechter, J.S.C.

PART 54

CLASS ACTION

IMPLEMENTING ORDER
PRELIMINARILY APPROVING
SETTLEMENT AND PROVIDING FOR
NOTICE

WHEREAS, on October 17, 2020, the Parties to the above-entitled action (the “Action”)¹ entered into a Stipulation of Settlement (the “Stipulation” or “Settlement”), which is subject to review by this Court and which, together with the exhibits thereto, sets forth the terms and conditions for the Settlement and dismissal of the claims alleged in the Action; and the Court having read and considered the Stipulation and the accompanying documents; and the Parties to the Stipulation having consented to the entry of this Notice Order; and all capitalized terms used herein having the meanings defined in the Stipulation;

NOW, THEREFORE, IT IS HEREBY ORDERED, this 8th day of December, 2020, that:

1. The Court preliminarily finds that:

(a) the Settlement resulted from informed, extensive arm’s-length negotiations, including mediation among Plaintiff and Defendants under the direction of a very experienced mediator, Michelle Yoshida, Esq. of Phillips ADR; and

(b) the Settlement is sufficiently fair, reasonable, and adequate to warrant providing notice of the Settlement to the Settlement Class.

2. For purposes of the Settlement only, and preliminarily, for purposes of this Order, the Action shall proceed as a class action, pursuant to CPLR §§901 and 902, on behalf of a settlement class (the “Settlement Class”) consisting of all persons who purchased or otherwise acquired Sea Ltd. American Depository Shares (“ADS”) pursuant or traceable to the Registration Statement and Prospectus issued in connection with Sea Ltd.’s October 2017 initial public offering. For purposes

¹ As used herein, the term “Parties” means Plaintiff Michael Plutte, on behalf of himself and the Settlement Class, and Defendants Sea Limited, Cogency Global Inc., Forrest Xiaodong Li, Gang Ye, Yuxin Ren, Tony Tianyu Hou, Nicholas A. Nash, David Heng Chen Seng, Khoon Hua Kuok, Colleen A. De Vries, Tao Zhang, BDO Capital & Investment Corp., Cathay Securities Corporation Offshore Securities Unit, CLSA Limited, Citigroup Global Markets Inc., Goldman Sachs (Asia) L.L.C., Morgan Stanley & Co. International PLC, Credit Suisse Securities (USA) L.L.C., Cowen and Company, LLC, Nomura Securities International, Inc., Piper Jaffray & Co., Stifel Nicolaus & Company, Incorporated, PT Madiri Sekuritas, Tudor, Pickering, Holt & Co. Securities, Inc., DBS Bank Ltd., and Viet Capital Securities JSC.

of the releases set forth herein, “Settlement Class” and “Settlement Class Members” shall include any Person purporting to assert a claim on behalf of any Settlement Class Member, or any Person asserting a claim based on a purchase or acquisition of Sea Ltd. ADS made by any Settlement Class Member. Excluded from the Settlement Class are Defendants, the officers and directors of Sea Ltd., Cogency and the Underwriter Defendants (at all relevant times), members of their immediate families, and their legal representatives, heirs, successors or assigns, and any entity in which any Defendant has a controlling interest; *provided, however*, that any Investment Vehicle shall not be excluded from the Settlement Class. Those persons (if any) who timely and validly request exclusion from the Settlement Class pursuant to the Notice to be sent shall also be excluded from the Settlement Class.

3. For purposes of the Settlement only, and preliminarily, for purposes of this Order, the Plaintiff is hereby certified as the Settlement Class Representative, and Lead Counsel is appointed as Lead Settlement Class Counsel.

4. A Settlement Fairness Hearing is hereby scheduled to be held before the Court via the Microsoft Teams platform on April 1, 2021, at 11:30 a.m., for the following purposes:

(a) to determine whether the proposed Settlement is fair, reasonable, and adequate, and should be approved by the Court;

(b) to determine whether the Judgment as provided under the Stipulation should be entered;

(c) to determine whether the proposed Plan of Allocation for the distribution of the Net Settlement Fund should be approved by the Court as fair, reasonable and adequate;

(d) to determine whether to grant final certification of a Settlement Class for purposes of the Settlement;

(e) to consider Plaintiff’s Counsel’s application for an award of attorneys’ fees and expenses;

(f) to consider Plaintiff's request for an award for his efforts in prosecuting this Action on behalf of the Settlement Class;

(g) to consider any objections or opt outs received by the Court; and

(h) to rule upon such other matters as the Court may deem appropriate.

5. The Court reserves the right to approve the Settlement with or without modification and with or without further notice to the Settlement Class and may adjourn the Settlement Fairness Hearing without further notice to the Settlement Class.² The Court reserves the right to enter the Judgment approving the Stipulation regardless of whether it has approved the Plan of Allocation, Plaintiff's Counsel's request for an award of attorneys' fees and expenses and Plaintiff's request for payment for his representation of the Settlement Class.

6. The Court approves the form, substance and requirements of the Notice of Pendency and Proposed Settlement of Class Action (the "Notice"), the Proof of Claim and Release (the "Proof of Claim"), and the Summary Notice of Proposed Settlement of Class Action (the "Summary Notice"), annexed hereto as Exhibits 1, 2 and 3, respectively.

7. The Court approves the appointment of Gilardi & Co. LLC as the Claims Administrator to supervise and administer the notice procedure in connection with the proposed Settlement as well as the processing of Proofs of Claim as more fully set forth below.

8. The Claims Administrator shall cause the Notice and the Proof of Claim, substantially in the forms annexed as Exhibits A-1 and A-2 to the Stipulation, to be mailed, by first class mail, postage prepaid, within twenty-one (21) calendar days of this Notice Order (the "Notice Date"), to all Settlement Class Members who can be identified with reasonable effort. Within ten (10) business days of this Notice Order, Sea Ltd., at its expense, shall make, or cause to be made, the last known

² In light of the outbreak of the Coronavirus (COVID-19), the Court will conduct the Settlement Fairness Hearing remotely via Microsoft Teams and permit Settlement Class Members to participate via that platform. The Court will provide information regarding how to attend the hearing at a later date. In order to determine whether the date and time of the Settlement Fairness Hearing have changed, and how Settlement Class Members may participate by Microsoft Teams, it is important that you monitor the Settlement website, www.sealimitedsecuritiessettlement.com. Any updates will be posted to the Settlement website.

addresses of Sea Ltd. record ADS holders to the Claims Administrator for the purpose of identifying and giving notice to the Settlement Class. The Claims Administrator shall use reasonable efforts to give notice to nominee purchasers such as brokerage firms and other persons or entities who purchased or otherwise acquired Sea Ltd. ADS pursuant or traceable to the Registration Statement and Prospectus issued in connection with Sea Ltd.'s October 2017 initial public offering as record owners but not as beneficial owners. Such nominee purchasers are directed, within fourteen (14) business days of their receipt of the Notice, to either forward copies of the Notice and Proof of Claim to their beneficial owners or to provide the Claims Administrator with lists of the names and addresses of the beneficial owners, and the Claims Administrator is ordered to send the Notice and Proof of Claim promptly to such identified beneficial owners. Nominee purchasers who elect to send the Notice and Proof of Claim to their beneficial owners shall send a statement to the Claims Administrator confirming that the mailing was made as directed. Additional copies of the Notice shall be made available to any record holder requesting such for the purpose of distribution to beneficial owners, and such record holders shall be reimbursed from the Settlement Fund, upon receipt by the Claims Administrator of proper documentation, for the reasonable expense of sending the Notice and Proof of Claim to beneficial owners.

9. The Claims Administrator shall cause the Summary Notice to be published once over a national newswire service, within ten (10) calendar days after the Notice Date.

10. Lead Counsel shall, at least seven (7) calendar days before the Settlement Fairness Hearing, file with the Court and serve on the Parties proof of mailing of the Notice and Proof of Claim and proof of publication of the Summary Notice.

11. The form and content of the Notice and the Summary Notice, and the method set forth herein of notifying the Settlement Class of the Settlement and its terms and conditions, meet the requirements of New York law, due process, and all other applicable laws and constitute the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons and entities entitled thereto and reasonably calculated under the circumstances to describe the terms and effect of the Settlement and to apprise the Settlement Class Members of their right to

object to the proposed Settlement and to exclude themselves from the Settlement Class. No Settlement Class Member will be relieved from the terms and conditions of the Settlement, including the releases provided pursuant thereto, based upon the contention or proof that such Settlement Class Member failed to receive actual or adequate notice.

12. In order to be entitled to participate in the Net Settlement Fund, in the event the Settlement is consummated in accordance with its terms set forth in the Stipulation, each Settlement Class Member shall take the following actions and be subject to the following conditions:

(a) Within ninety (90) calendar days after the Notice Date, each Person claiming to be an Authorized Claimant shall be required to submit to the Claims Administrator a completed Proof of Claim, substantially in a form contained in Exhibit A-2 attached to the Stipulation and as approved by the Court, signed under penalty of perjury and supported by such documents as are specified in the Proof of Claim and as are reasonably available to the Authorized Claimant.

(b) Except as otherwise ordered by the Court, all Settlement Class Members who fail to timely submit a Proof of Claim within such period, or such other period as may be ordered by the Court, shall be forever barred from receiving any payments pursuant to the Stipulation and the Settlement set forth therein, but will in all other respects be subject to and bound by the provisions of the Stipulation, the releases contained therein, and the Final Judgment. Notwithstanding the foregoing, Lead Counsel may, in its discretion, accept for processing late submitted claims so long as the distribution of the Net Settlement Fund to Authorized Claimants is not materially delayed. In connection with processing the Proofs of Claim, no discovery shall be allowed on the merits of the Action or the Settlement. No Person shall have any claim against Plaintiff, Plaintiff's Counsel or the Claims Administrator by reason of the decision to exercise such discretion whether to accept late-submitted claims.

(c) As part of the Proof of Claim, each Settlement Class Member shall submit to the jurisdiction of the Court with respect to the claim submitted, and shall (subject to effectuation of the Settlement) release all Released Claims as provided in the Stipulation.

13. Settlement Class Members shall be bound by all determinations and judgments in this Action, whether favorable or unfavorable, unless they request exclusion from the Settlement Class in a timely and proper manner, as hereinafter provided. A Settlement Class Member wishing to make such request shall, no later than twenty-one (21) calendar days before the date set for the Settlement Fairness Hearing, mail a request for exclusion in written form by first class mail postmarked to the address designated in the Notice. Such request for exclusion shall clearly indicate the name, address and telephone number of the person seeking exclusion, that the sender requests to be excluded from the Settlement Class, and must be signed by such person. Such persons requesting exclusion are also directed to state the date(s), price(s), and number of Sea Ltd. ADS they purchased or acquired pursuant or traceable to the Registration Statement issued in connection with Sea Ltd.'s IPO. Group opt-outs, including "mass" or "class" opt outs, are not permitted. The request for exclusion shall not be effective unless it is made in writing within the time stated above, and the exclusion is accepted by the Court. Settlement Class Members requesting exclusion from the Settlement Class shall not be entitled to receive any payment out of the Net Settlement Fund as described in the Stipulation and Notice.

14. The Court will consider objections to the Settlement, the Plan of Allocation, the award to Plaintiff, and/or the award of attorneys' fees and expenses. Any person wanting to object must do so in writing and may also appear at the Settlement Fairness Hearing. To the extent any person wants to object in writing, by no later than March 18, 2021, such objections and any supporting papers, accompanied by proof of Settlement Class membership, shall be e-filed and emailed to the court (to mrand@nycourts.gov), and copies of all such papers shall be served on each of the following: Ellen Gusikoff Stewart, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101 on behalf of the Plaintiff and the Settlement Class, and Robert A. Fumerton, Skadden, Arps, Slate, Meagher & Flom LLP, One Manhattan West, New York, NY 10001, on behalf of the Sea Limited Defendants. Persons who intend to object in writing to the Settlement, the Plan of Allocation, the request for an award of attorneys' fees and expenses and/or Plaintiff's request for payment for representing the Settlement Class and desire to present evidence

at the Settlement Fairness Hearing must include in their written objections copies of any exhibits they intend to introduce into evidence at the Settlement Fairness Hearing. If an objector hires an attorney for the purposes of making an objection, the attorney must e-file a notice of appearance by March 18, 2021. A Settlement Class Member who files a written objection does not have to appear at the Settlement Fairness Hearing for the Court to consider the objection. If the Settlement Class Member intends to appear at the Settlement Fairness Hearing, the Settlement Class Member shall identify any witnesses they may seek to call and exhibits they intend to offer at the Settlement Fairness Hearing in the papers served as set forth above no later than March 18, 2021. Members of the Settlement Class who do not make their objection in the manner provided shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness or adequacy of the Settlement set forth in the Stipulation, to the Plan of Allocation, and to the award of attorneys' fees and expenses to Plaintiff's Counsel and Plaintiff's request for an award, unless otherwise ordered by the Court.

15. Any Person that submits a request for exclusion may thereafter submit to the Claims Administrator and to Plaintiff's Counsel a written and signed revocation of that request for exclusion, provided that it is received no later than five (5) business days before the Settlement Fairness Hearing, in which event that Person will be included in the Settlement Class and which cannot be further revoked once submitted to the Claims Administrator and to Plaintiff's Counsel.

16. By February 25, 2021, all papers in support of the Settlement, the Plan of Allocation, and any application by Plaintiff's Counsel for attorneys' fees and expenses and an award to Plaintiff shall be e-filed by order to show cause. Opposition papers will be due by March 18, 2021. Reply papers will be due by March 25, 2021.

17. All funds held by the Escrow Agent shall be deemed and considered to be in *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

18. The Claims Administrator, Defendants' Counsel, and Plaintiff's Counsel shall promptly furnish each other with copies of any and all objections that come into their possession.

19. Pending final determination of whether the Settlement should be approved, the Plaintiff, all Settlement Class Members, and each of them, and anyone who acts or purports to act on their behalf, shall not institute, commence, maintain or prosecute, and are hereby barred and enjoined from instituting, continuing, commencing, maintaining or prosecuting any action in any court or tribunal that asserts Released Claims against any of the Released Parties. Unless and until the Stipulation is cancelled and terminated pursuant to its terms, all proceedings in the Action, other than such proceedings as may be necessary to carry out the terms and conditions of the Settlement, are hereby stayed and suspended until further order of the Court.

20. All reasonable expenses incurred in identifying and notifying Settlement Class Members, as well as administering the Settlement Fund, shall be paid as set forth in the Stipulation and herein. In the event the Settlement is not approved by the Court, or otherwise fails to become effective, neither Plaintiff nor any of his counsel shall have any obligation to repay any amounts actually and properly disbursed from the Settlement Fund, except as provided for in the Stipulation.

21. If any specified condition to the Settlement set forth in the Stipulation is not satisfied and Plaintiff or Defendants elect to terminate the Settlement, then, in any such event, the Stipulation, including any amendment(s) thereof, shall be null and void and of no further force or effect (except to the extent otherwise expressly provided in the Stipulation), without prejudice to any party, and may not be introduced as evidence or referred to in this Action, or any action or proceeding by any person or entity for any purpose, and each Party shall be restored to his, her or its respective position as it existed on July 15, 2020.

22. Neither the Stipulation nor the terms of the Settlement, nor any of the negotiations or proceedings connected with it, nor this Order, shall be construed as evidence of any presumption, admission or concession by any Defendants of the truth of any of the allegations in the Action or the validity of any claim that has been or could have been asserted in the Action, or the deficiency of any defense that has been or could have been asserted in the Action or in any other litigation.

23. The Court may adjourn or continue the Settlement Fairness Hearing without further written notice.

24. The Court retains exclusive jurisdiction over the Action to consider all further matters arising out of or connected with the Settlement. The Court may approve the Settlement, with such modifications as may be agreed to by the Parties, if appropriate, without further notice to the Settlement Class.

DATED: December 8, 2020



THE HONORABLE JENNIFER G. SCHECTER, J.S.C.