

Exhibit 2

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

IN RE NEXCEN BRANDS, INC.
SECURITIES LITIGATION

Master File No. 1:08-cv-04906-AKH

This document relates to: all actions

**DECLARATION OF NICHOLAS H. POLITAN
IN SUPPORT OF FINAL APPROVAL OF CLASS ACTION SETTLEMENT**

I, Nicholas H. Politan, pursuant to 28 U.S.C. § 1746, declare as follows:

1. I submit this Declaration in support of the motion made by Lead Plaintiff Vincent J. Granatelli for final approval of the proposed settlement of this class action. I make this Declaration based on personal knowledge and upon information the parties provided to me that I believe to be truthful and reliable. If called as a witness, I could and would testify competently to the information described below.

2. Between 1987 and 2002, I served as a United States District Court Judge in the United States District Court for the District of New Jersey. Since then, I have maintained an active alternative dispute resolution practice for complex, legally-intensive disputes.

3. Since my retirement from the bench, I have successfully mediated in excess of 1,000 cases. I have also served as court-appointed Special Master, Discovery Master, Settlement Master, and Arbitrator.

4. I set forth my background, above, to provide context to the comments that follow, and to demonstrate that my perspective on this Settlement is underpinned by my extensive independent experience resolving complex litigations as a United States District Court Judge and as a mediator.

5. I was retained by the parties to this class action to mediate settlement efforts. At the same time, I was retained by the parties (including the same defendants) to mediate a settlement of a private litigation filed by the Willow Creek entities,¹ which was based on the same facts and allegations. In their discussions with me, the defendants noted that they (and their insurer) desired negotiation of settlements in both cases in order to proceed with either.

6. The parties of the class action and the defendants' insurer, through their respective counsel, attended an all-day mediation settlement conference with me on July 12, 2011 in New York City. Subsequent to the Mediation, I conferred with the parties and insurer and continued the parties' negotiations.

7. Pursuant to my custom and practice, the parties submitted detailed mediation statements prior to the mediation. These submissions contained extensive analyses of the factual and legal issues in this action and other issues material to a potential settlement.

8. There were a number of contentious issues in the mediation. These issues included disputes on (1) whether Lead Plaintiff would prevail on any claims; (2) the amount of damages suffered by Lead Plaintiff and the putative Class; and (3) the financial condition of NexCen Brands, Inc.

9. The merits of the two categories of claims in this lawsuit were of particular import in the mediation. The first claims involved the Company's various statements that it was on track and on plan to continue to execute its business plan. These statements began at the beginning of the class period. The second category of alleged misstatements concerned the fact

¹ "Willow Creek" includes all the entities that commenced an individual action against NexCen Brands, Inc. and its officers and directors for claims under, *inter alia*, the California state securities laws: Willow Creek Capital Partners, L.P., a Delaware limited partnership; Willow Creek Long Biased Fund, L.P., a Delaware limited partnership; Willow Creek Short Biased 30/130 Fund, L.P., a Delaware limited partnership; Willow Creek Offshore Fund, a Cayman Islands limited liability company; and Multi-Manager Investment Programmes PCC limited, a Guernsey Channel Islands protected cell company, acting relation to its cell, US Equity Master Fund

that the accelerated redemption feature of the Company's amended credit facility was not revealed in NexCen's January 29, 2008 statement about the new credit facility.

10. While both categories of misstatements would prove challenging to plead and eventually prove, both Lead Plaintiff and the Defendants correctly recognized the material risks involved in the first category of misstatements, relating to the Company's execution of its business plan. There was a question of whether these statements were forward-looking; whether they constituted immaterial puffery; and whether the statements were made with scienter. Scienter was of particular importance in discussions between the parties because there was no clear indication that Defendants knew or even could have known that the credit facility would be amended in January 2008, when they made their allegedly false statements in 2007. For similar reasons, loss causation as to these statements posed a material risk to Lead Plaintiff because the corrective disclosures concerned only the amendment of the credit facility.

11. During the negotiations, counsel for Lead Plaintiff continuously took the position that the Willow Creek entities could not participate in the class settlement since they could (and did) receive a settlement from their private litigation and therefore stood in a different position from the rest of the proposed Class. The negotiation of the class action settlement was based on this position and the settlement agreements for both cases made this term clear.

12. The settlement negotiated here satisfies all parties' concerns and appears in the range of reasonableness of other settlements I have mediated, and have seen courts approve.

13. If the settlement were not achieved, protracted litigation would have depleted all available insurance proceeds and jeopardized any substantial recovery for the Class. Indeed, NexCen Brands has dissolved and it is likely all the insurance proceeds would have been depleted by the time this case was tried and all appeals resolved.

14. The mediation consisted of, and the settlement was a product of, good faith, hard fought and protracted arm's-length negotiations on the part of all the parties, each of whom were well represented by highly-experienced counsel.

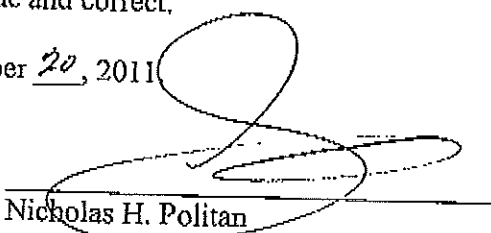
15. Counsel for each of the parties negotiated vigorously for their respective clients. Indeed, even at the end of the mediation, counsel for the Lead Plaintiff continued to press for a higher settlement amount, which was not available. I found that there were no conflicts of interests present that influenced counsel not to properly represent the respective parties who retained them.

16. I believe the agreed settlement is, in light of all of the circumstances, fair, reasonable, and adequate.

17. Given the results achieved, I believe that an award of legal fees to Lead Plaintiff's counsel of up to 30% of the recovery they obtained for the Class is fair and reasonable.

I declare under penalty of perjury, under the laws of the United States of America and the State of New Jersey, that the foregoing is true and correct.

Executed in Roseland, New Jersey on October 22, 2011



Nicholas H. Politan