

JS-6

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

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MARK HENNING, ROMAN ZARETSKI,  
AND CHRISTIAN STILLMARK, No. CV 10-5887-R (AJWx)  
INDIVIDUALLY AND ON BEHALF OF  
ALL OTHERS SIMILARLY SITUATED, CLASS ACTION

Plaintiffs,

ORDER AND FINAL  
JUDGMENT

vs.

Hon. Manuel L. Real

ORIENT PAPER, INC.; ZHENYONG LIU;  
WINSTON C. YEN; DAHONG ZHOU;  
JING HAO; DREW BERNSTEIN; DAVIS  
ACCOUNTING GROUP, P.C., and EDWIN  
REECE DAVIS

Defendants.

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1 On the 1st day of April, 2013, a hearing having been held before this Court  
2 to determine: (1) whether the terms and conditions of the Stipulation and  
3 Agreement of Settlement dated October 3, 2012 (the "Stipulation") are fair,  
4 reasonable and adequate for the settlement of all claims asserted by (i) the Class  
5 against (ii) defendants Orient Paper, Inc. ("ONP"), Zhenyong Liu, Winston C. Yen,  
6 Dahong Zhou, Jing Hao, Drew Bernstein (collectively, the "Orient Paper  
7 Defendants"), and (2) whether to approve the proposed Plan of Allocation as a fair  
8 and reasonable method to allocate the Net Settlement Fund among Class Members;  
9 and

10 The Court having considered all matters submitted to it at the hearing and  
11 otherwise; and

12 It appearing that the Notice substantially in the form approved by the Court  
13 in the Court's Order Preliminarily Approving Settlement and Providing For Notice  
14 ("Preliminary Approval Order") was mailed to all reasonably identifiable Class  
15 Members; and

16 It appearing that the Summary Notice substantially in the form approved by  
17 the Court in the Preliminary Approval Order was published in accordance with that  
18 Order and the specifications of the Court;

19 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND  
20 DECREED THAT:

21 1. All capitalized terms used herein have the same meanings as set forth  
22 and defined in the Stipulation.

23 2. The Court has jurisdiction over the subject matter of the Litigation,  
24 Lead Plaintiffs, all Class Members and the Defendants.

25 3. The District Court finds that the prerequisites for a class action under  
26 Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in  
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1 that: (a) the number of Class Members is so numerous that joinder of all members  
2 thereof is impracticable; (b) there are questions of law and fact common to the  
3 Class; (c) the claims of the Lead Plaintiffs are typical of the claims of the Class he  
4 seek to represents; (d) Lead Plaintiffs fairly and adequately represent the interests  
5 of the Class; (e) the questions of law and fact common to the members of the Class  
6 predominate over any questions affecting only individual members of the Class;  
7 and (f) a class action is superior to other available methods for the fair and efficient  
8 adjudication of this Litigation. The Class is being certified for settlement purposes  
9 only.

10 4. Pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil  
11 Procedure, the Court hereby certifies this action as a class action for settlement  
12 purposes only, and certifies as the Class all persons or entities who purchased the  
13 publicly-traded common stock of Orient Paper, Inc from March 27, 2009 through  
14 August 13, 2010, and who were damaged thereby. Excluded from the Class are:

- 15 a. Defendants, and the members of their immediate families and  
16 Defendants' heirs, successors and assigns, any entity in which  
17 any Defendant has or had a controlling interest, and Orient  
18 Paper, Inc's predecessors;  
19 b. Present and former officers and/or directors of Orient Paper;  
20 c. Those persons who excluded themselves by filing timely and  
21 valid requests for exclusion in accordance with the Preliminary  
22 Approval Order, a list of whom is attached to this Order as  
23 Exhibit A.

24 5. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Lead  
25 Plaintiffs are certified as the class representatives and the Lead Plaintiffs' Counsel  
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1 previously selected by Lead Plaintiffs and appointed by the Court is hereby  
2 appointed as Lead Counsel for the Class.

3         6. The Court hereby finds that the forms and methods of notifying the  
4 Class of the Settlement and its terms and conditions met the requirements of due  
5 process and Rule 23 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of  
6 the Exchange Act, 15 U.S.C. § 78u-4(a)(7), as amended by the Private Securities  
7 Litigation Reform Act of 1995; constituted the best notice practicable under the  
8 circumstances; and constituted due and sufficient notice to all persons and entities  
9 entitled thereto of these proceedings and the matters set forth herein, including the  
10 Settlement and Plan of Allocation, to all persons entitled to such notice. No Class  
11 Member is relieved from the terms of the Settlement, including the releases  
12 provided for therein, based upon the contention or proof that such Class Member  
13 failed to receive actual or adequate notice. A full opportunity has been offered to  
14 the Class Members to object to the proposed Settlement and to participate in the  
15 hearing thereon. The Court further finds that the notice provisions of the Class  
16 Action Fairness Act, 28 U.S.C. § 1715, were fully discharged. Thus, it is hereby  
17 determined that all members of the Class are bound by this Order and Final  
18 Judgment except those persons listed on Exhibit A to this Order and Final  
19 Judgment.

20         7. The Settlement is approved as fair, reasonable and adequate, and in  
21 the best interests of the Class. Lead Plaintiffs and the Orient Paper Defendants are  
22 directed to consummate the Settlement in accordance with the terms and provisions  
23 of the Stipulation.

24         8. The Litigation and the Complaint are hereby dismissed with prejudice  
25 and without costs.  
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1           9.     Lead Plaintiffs and the Class Members, on behalf of themselves, their  
2     current and former heirs, executors, administrators, successors, attorneys, legal  
3     representatives, and assigns, hereby release and forever discharge the Released  
4     Parties from any and all Settled Claims. Lead Plaintiffs and the Class Members,  
5     and anyone acting or purporting to act for any of them, are hereby permanently and  
6     forever enjoined from prosecuting, attempting to prosecute, or assisting others in  
7     the prosecution of the Settled Claims against the Orient Paper Defendants.

8           10.    Each of the Orient Paper Defendants, including any and all of their  
9     respective successors in interest or assigns, hereby releases and forever discharges  
10    any and all Orient Paper Defendants' Claims against the Lead Plaintiffs, any of the  
11    Class Members and any of their counsel, including Lead Counsel for the Class and  
12    any counsel working under Lead Counsel's direction.

13          11.    The Court hereby finds that the proposed Plan of Allocation is a fair  
14    and reasonable method to allocate the Net Settlement Fund among Class Members.

15          12.    In accordance with 15 U.S.C. § 78u-4(f)(7) and any other applicable  
16    law or regulation, any and all claims which are brought by any Person or entity  
17    against the Orient Paper Defendants (a) for contribution or indemnification arising  
18    out of any Settled Claim, or (b) where the damage to the claimant is measured by  
19    reference to the claimant's liability to the Lead Plaintiffs or the Class, are hereby  
20    permanently barred and discharged. Any such claims brought by the Orient Paper  
21    Defendants against any Person or entity (other than Persons or entities whose  
22    liability to Lead Plaintiffs or the Class is extinguished by this Judgment) are  
23    likewise permanently barred and discharged. Further, nothing in this Stipulation  
24    shall apply to bar or otherwise affect any claim for insurance coverage by any  
25    Orient Paper Defendant.  
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1           13. The Court finds that all parties and their counsel have complied with  
2 each requirement of Rule 11 of the Federal Rules of Civil Procedure as to all  
3 proceedings herein.

4           14. Neither this Order and Final Judgment, the Stipulation, nor any of the  
5 negotiations, documents or proceedings connected with them shall be:

- 6           (a) referred to or used against the Orient Paper Defendants or against the  
7 Lead Plaintiffs or the Class as evidence of wrongdoing by anyone;  
8           (b) construed against the Orient Paper Defendants or against the Lead  
9 Plaintiffs or the Class as an admission or concession that the  
10 consideration to be given hereunder represents the amount which  
11 could be or would have been recovered after trial;  
12           (c) construed as, or received in evidence as, an admission, concession or  
13 presumption against the Class or any of them, that any of their claims  
14 are without merit or that damages recoverable under the Complaint  
15 would not have exceeded the Settlement Fund; or  
16           (d) used or construed as an admission of any fault, liability or wrongdoing  
17 by any person or entity, or offered or received in evidence as an  
18 admission, concession, presumption or inference against any of the  
19 Orient Paper Defendants in any proceeding other than such  
20 proceedings as may be necessary to consummate or enforce the  
21 Stipulation.  
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23           15. Exclusive jurisdiction is hereby retained over the Orient Paper  
24 Defendants and the Class Members for all matters relating to the Litigation,  
25 including the administration, interpretation, effectuation or enforcement of the  
26 Stipulation or Settlement and this Order and Final Judgment, and including any  
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1 application for fees and expenses incurred in connection with administering and  
2 distributing the settlement proceeds to the Class Members.

3 16. Without further order of the Court, the Orient Paper Defendants and  
4 Lead Plaintiffs may agree to reasonable extensions of time to carry out any of the  
5 provisions of the Stipulation.

6 17. There is no just reason for delay in the entry of this Order and Final  
7 Judgment and immediate entry by the Clerk of the Court is directed pursuant to  
8 Rule 54(b) of the Federal Rules of Civil Procedure.

9 18. The finality of this Order and Final Judgment shall not be affected, in  
10 any manner, by rulings that the Court may make on Lead Plaintiffs' Counsel's  
11 application for an award of Attorneys' Fees and Expenses.

12 19. In the event that the Settlement does not become final and effective in  
13 accordance with the terms and conditions set forth in the Stipulation, then this  
14 Order and Final Judgment shall be rendered null and void and be vacated and the  
15 Settlement and all orders entered in connection therewith shall be rendered null and  
16 void (except as provided in paragraphs E.1-3., G, L.5-7., M.10-11., and M.13 in the  
17 Stipulation), and the parties shall be deemed to have reverted to their respective  
18 status prior to the execution of this Stipulation, and they shall proceed in all  
19 respects as if the Stipulation had not been executed and the related orders had not  
20 been entered, preserving in that event all of their respective claims and defenses in  
21 the Litigation, and shall revert to their respective positions in the Litigation.

22 **IT IS SO ORDERED.**

23 Dated: April 29, 2013

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25 HON. MANUEL L. REAL  
26 UNITED STATES DISTRICT JUDGE  
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