

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE PUDA COAL SECURITIES INC.
et al. LITIGATION

CASE NO: 1:11-CV-2598 (DLC)

STIPULATION AND AGREEMENT OF SETTLEMENT

This Stipulation and Agreement of Settlement, dated September 16, 2016 (the “Stipulation”), is made and entered into, through their counsel, by and between Lead Plaintiffs Salomón Querub, Howard Pritchard and Hotel Ventures LLC (collectively, “Lead Plaintiffs”), on behalf of themselves, the Additional Named Plaintiffs and the class of Persons defined below, and Defendant MSPC Certified Public Accountants and Advisors, P.C. sued as Moore Stephens, P.C. (“MSPC” or “Defendant”). Subject to the terms and conditions set forth herein and the Court’s approval pursuant to Rule 23 of the Federal Rules of Civil Procedure, the settlement embodied in this Stipulation is intended by the Settling Parties to: (a) be in full and final disposition of the Action with respect to the claims asserted against MSPC; and (b) fully, finally and forever resolve, discharge, dismiss and settle each and every one of the Released Claims against each and every one of the Released Persons.

WHEREAS,

A. Beginning on April 14, 2011, eleven putative class action lawsuits were filed in this Court against Puda as well as certain other Persons, captioned, *Goldstein v. Puda Coal, Inc.*, No. 11 Civ. 2598; *Tallant v. Puda Coal, Inc.*, No. 11 Civ. 2608; *Weissmann v. Puda Coal, Inc.*, No. 11 Civ. 2609; *Alexander v. Zhao*, No. 11 Civ. 2657; *Rosenberger v. Puda Coal, Inc.*, No. 11 Civ. 2660; *Korach v. Puda Coal, Inc.*, No. 11 Civ. 2666; *Kendall v. Puda Coal, Inc.*, No. 11 Civ. 2695; *LaDuca v. Puda Coal, Inc.*, No. 11 Civ. 4266; *Burquist v. Puda Coal, Inc.*, No. 11 Civ.

5189; *Thumith v. Puda Coal, Inc.*, No. 11 Civ. 5190; and *Lin v. Puda Coal, Inc.*, No. 11 Civ. 5259 (these actions are collectively referred to herein as the “Individual Actions”). Although each of the Individual Actions was brought against Puda, they varied with respect to the other named defendants.

B. All of the Individual Actions alleged a fraudulent scheme orchestrated by Puda’s former Chairman, Ming Zhao (“Zhao”), to mislead investors as to the true ownership of Puda’s primary operating subsidiary, Shanxi Puda Coal Group Co., Ltd. (“Shanxi Coal”), which was revealed in April 2011. Although Puda represented in public filings throughout the relevant period that it owned 90% of Shanxi Coal, the complaints in the Individual Actions alleged that Zhao had secretly transferred Puda’s interest in Shanxi Coal first to himself and then to an unrelated private equity fund with no consideration to the Company. There were no allegations in any of the Individual Actions, or in the currently-operative Complaint, that MSPC played any role in Zhao’s actions.

C. By Memorandum and Order dated December 6, 2011, the Court consolidated the Individual Actions, captioned *In re Puda Coal Securities, Inc. et al. Litigation*, No. 11 Civ. 2598 (BSJ). The Court appointed Salomón Querub, Howard Pritchard and Hotel Ventures LLC as Lead Plaintiffs, and approved the selection of The Rosen Law Firm, P.A. and Glancy Binkow & Goldberg LLP as Co-Lead Counsel.

D. On January 27, 2012, Lead Plaintiffs filed a consolidated class action complaint, subsequently corrected on February 9, 2012, adding Steven Weissman, Thomas Rosenberger, and Sal LaDuca as named plaintiffs. This complaint, among other things, asserted a Section 11 claim under the Securities Act of 1933 (the “1933 Act Claims”) against MSPC arising out of a follow-on public offering of Puda common stock conducted in December 2010 (the “December

Offering”), and a Section 10(b) claim against MSPC under the Securities Exchange Act of 1934 (“1934 Act”). Claims were also asserted against: (a) Macquarie Capital (USA) Inc. (“Macquarie”) and Brean Murray, Carret & Co. LLC (“Brean,” and together with Macquarie, the “Underwriters”); (b) Moore Stephens Hong Kong (“MSHK” and together with MSPC, the “Auditor Defendants”), and Moore Stephens International Ltd.; (c) Jianfei Ni, Zhao, Qiong Laby Wu and Liping Zhu; and (d) Defendants Lawrence S. Wizel and C. Mark Tang (the “U.S. Directors”).

E. On June 1, 2012, MSPC moved to dismiss the February 9, 2012 complaint. On August 8, 2012, Plaintiffs filed opposition papers and, on September 14, 2012, MSPC filed reply papers. On October 3, 2012, the litigation was reassigned to Judge Katherine Forrest. On March 18, 2013, the Court denied MSPC’s motion to dismiss.

F. On March 15, 2013, the clerk of the Court entered certificates as to Puda and Zhao (collectively, the “Defaulted Defendants”), certifying that the Defaulted Defendants had been served copies of the summons and complaint and had not filed an answer or otherwise moved with respect to the complaint. Plaintiffs subsequently moved for default judgment as to these two defendants.

G. On May 13, 2013, Plaintiffs and Trellus Management Company LLC (“Trellus”) moved for Trellus to intervene as an additional named plaintiff in the Action. On May 29 and 30, 2013, certain of the defendants, including MSPC, moved for summary judgment on the ground that Mr. Rosenberger lacked standing to bring the 1933 Act Claims against them. Discovery relating to these motions was conducted between May 15, 2013 and September 17, 2013.

H. On August 8, 2013, the U.S. Directors produced approximately 14,000 pages of documents.

I. On June 26, 2013, certain of the defendants filed their papers in opposition to the motion to intervene. The Auditor Defendants joined in the opposition. Plaintiffs and Trellus filed reply papers on July 12, 2013. On September 27, 2013, the Court heard oral argument on both the summary judgment and intervention motions. The Court, in an Opinion and Order dated October 1, 2013, denied the motion to intervene and granted the motions for summary judgment, dismissing all claims against the U.S. Directors and the Underwriters, leaving the Defaulted Defendants and the Auditor Defendants as the only remaining defendants in the Action. On October 28, 2013, Trellus filed an appeal from the Court's order to the United States Court of Appeals for the Second Circuit.

J. On October 22, 2013, in connection with their claims against the remaining defendants, Plaintiffs issued a non-party subpoena to Macquarie seeking documents relating to the December Offering. Macquarie produced documents responsive to the subpoena; included in the production was a report prepared by Kroll for Macquarie in connection with the due diligence on the December Offering, that Plaintiffs subsequently alleged contained information that contradicted Puda's public statements (including those made in connection with the December Offering) that Puda owned 90% of Shanxi Coal.

K. On January 6, 2014, Plaintiffs filed a motion to amend the then-operative complaint to add a Section 10(b) claim against the Underwriters (but not against the U.S. Directors). On February 4, 2014, Trellus filed a motion pursuant to Fed. R. Civ. P. 62.1(a)(3), seeking an indicative ruling from the Court prior to the Court of Appeals' hearing of the appeal

of the October 1, 2013 decision. On February 21, 2014, the Court granted Trellus's motion, signaling that it would permit Trellus to join the litigation.

L. On April 7, 2014, the Court "deem[ed] Trellus's motion for an indicative ruling to be a motion to vacate pursuant to Rule 60(b)" and granted that motion. The Court also vacated the portion of its October 1, 2013 opinion denying Trellus's motion for intervention and granted Trellus's motion to become a party plaintiff "pursuant to several Federal Rules of Civil Procedure, including Rules 15, 17, 19, and 21."

M. On April 21, 2014, Plaintiffs filed a second consolidated amended and supplemental complaint (the "Complaint"), which remains the operative pleading in the Action. The Complaint asserts claims under Section 11 (against all Defendants, including MSPC); Section 12 (against Puda and the Underwriters); control person claims under Sections 15 against the U.S. Directors and other Puda former officers and directors; control person claims under Section 20(a) (against certain of Puda's former officers but not against the U.S. Directors); as well as claims under Section 10(b) (against Puda, Wu, Zhu, Zhao, the Auditor Defendants and the Underwriters).

N. Following the completion of fact and expert discovery pertaining to the claims asserted by Plaintiffs against the Auditor Defendants—which included the production of over 40,000 pages of documents, ten fact depositions and six expert depositions—the Auditor Defendants filed motions for summary judgment. On July 26, 2014, the Court granted the Auditor Defendants' motions for summary judgment dismissing all claims brought against them.

O. On June 2, 2014, the U.S. Directors filed their answer to the Complaint asserting various defenses, including the statutory defenses of due diligence and reasonable reliance

contained in the 1933 Act. On August 8, 2014, the U.S. Directors produced approximately 800 pages of additional documents to the Plaintiffs.

P. On November 7, 2014, Quinn Emanuel Urquhart & Sullivan, LLP (“Quinn Emanuel”) entered a formal appearance as counsel for Zhao and notified the Court of Zhao’s intent to contest the motion for a default judgment against him. By orders dated November 17, 2014, and November 20, 2014, respectively, the Court entered a default judgment against Puda, and denied Plaintiffs’ motion for a default judgment against Zhao insofar as Zhao complied with certain enumerated conditions, including various discovery obligations. Zhao subsequently produced documents relating to Puda and the allegations in the Complaint concerning his transactions involving Shanxi Coal.

Q. On January 12, 2015, the Court entered an Order Regarding Class Certification, based upon a stipulation of the parties, that, among other things: (i) certified a Section 11 class against Puda, Zhao, Brean, Macquarie, and the U.S. Directors; (ii) certified a Section 12 class against Puda, Zhao, and the Underwriters; (iii) certified a Section 10(b) class against the Underwriters, consisting of those persons or entities who purchased Puda common stock (or call options) or sellers of put options on Puda common stock between December 8, 2010 through the market close on April 7, 2011 “who did not sell those securities prior to April 8, 2011” and who “were damaged thereby”; and (iv) excluded from each class “all defendants, other officers and directors of Puda (past and present) and members of all of their immediate families, entities in which any and all such excluded persons hold any ownership interest, and all heirs, successors or assigns of any of the foregoing.” In connection with the Settlement, the Settling Parties agree that the Settlement Class definition set forth herein should be employed in its stead.

R. On February 17, 2015, Quinn Emanuel moved to withdraw as Zhao's attorney, and Zhao subsequently filed an affidavit indicating that that he would "not participate in or otherwise continue the defense of" the claims against him. On April 1, 2015, the Court granted Quinn Emanuel's motion to withdraw (conditioned on its continuing to serve as agent for service) and entered a default judgment against Zhao.

S. Between January 22, 2015 and September 9, 2015 the remaining parties engaged in merits discovery. Macquarie cumulatively produced approximately 59,000 pages of documents and Brean approximately 72,000 pages, including documents relating to the due diligence conducted in connection with the December Offering. In addition, third parties who were retained in connection with the December Offering were subpoenaed by Plaintiffs and also provided documents: (i) Kroll (which had prepared the report discussed above); and (ii) Morrison & Foerster (which had served as Underwriters' counsel in the December Offering). Several other third parties were also subpoenaed. In total, third parties produced approximately 83,000 pages of documents.

T. As part of fact discovery, Plaintiffs took the depositions of six former or current Macquarie personnel who had worked on the December Offering, including those who led the due diligence effort, as well as the deposition of the individual who led Brean's involvement in the December Offering. In addition, Plaintiffs took the depositions of three Morrison & Foerster attorneys who had worked with the Underwriters on the December Offering as well as a representative of Kroll concerning the preparation of the report it provided Macquarie. Plaintiffs also re-took the depositions of the U.S. Directors.

U. In April 2015, Plaintiffs reached a resolution with Brean that resolved all claims against Brean in the Action on the terms and conditions set forth in the Stipulation of Settlement

entered into by and between Plaintiffs and Brean, dated July 20, 2015, as amended on October 16, 2015 (the “Brean Settlement”).

V. On May 6, 2015, the Auditor Defendants moved pursuant to Fed. R. Civ. P. 54(b) for entry of final judgment dismissing all claims against them. On June 8, 2015, the Court granted the Auditor Defendants’ motion and entered a final order of dismissal as to the Auditor Defendants. On June 30, 2015, Plaintiffs filed a Notice of Appeal to the United States Court of Appeals for the Second Circuit (the “Auditor Appeal”).

W. Following the close of fact discovery through September 9, 2015, the parties engaged in expert discovery. Plaintiffs proffered expert reports on: (i) underwriter due diligence; (ii) materiality, loss causation, and per share damages for purchasers of Puda common stock; and (iii) aggregate damages. The U.S. Directors submitted an expert report on due diligence, and Macquarie submitted expert reports on both underwriter due diligence and damages. The parties took a total of five expert depositions in connection with these reports.

X. On July 29, 2015, Macquarie moved for partial summary judgment on the Section 10(b) claim, arguing that no finder of fact could reasonably conclude that Macquarie was the “maker” of the allegedly false statements at issue. On August 4, 2015, the U.S. Directors moved for summary judgment on all claims against them, arguing that they had conducted adequate due diligence, they had reasonably relied on auditors’ and Chinese counsel’s representations that Puda maintained a 90% ownership interest in Shanxi Coal, they had never seen the Kroll Report, and they did not know about Zhao’s fraud until Alfred Little’s April 8, 2011 article. On September 3, 2015, Plaintiffs filed papers in opposition to both motions. The U.S. Directors filed a reply on September 9, 2015 and Macquarie filed a reply on September 23, 2015.

Y. Meanwhile, the Securities and Exchange Commission (the “SEC”) engaged in its own investigation of Puda. On February 22, 2012, the SEC filed an action against Zhao and Zhu, asserting claims, among others, for violations of Sections 10(b), 14(a) and 13(b)(5) of the 1934 Act arising from Zhao’s and Zhu’s “fraudulent scheme to deceive public investors” that continued even after the April 2011 internet reports.

Z. As part of its investigation, the SEC subpoenaed documents from Macquarie and took depositions and/or conducted interviews of twelve current or former employees of Macquarie. Plaintiffs were provided with copies of these transcripts as well as many of the documents Macquarie provided the SEC relating to the due diligence for the December Offering.

AA. On March 27, 2015, the SEC announced that it had filed a complaint against Macquarie (and one current and one former employee of the firm) arising out of its work on the December Offering, asserting claims under the 1933 Act, captioned *SEC v. Macquarie Capital (USA) Inc., et al.*, No. 15cv2304 (S.D.N.Y.) (DLC). In addition, the SEC announced that Macquarie had agreed to settle the SEC’s charges by paying \$15,000,000 (consisting of \$10,728,525 in disgorgement and \$1,271,475 in prejudgment interest thereon, and a civil penalty in the amount of \$3,000,000) and further agreeing to cover the costs of “setting up a Fair Fund to compensate investors who suffered losses after purchasing shares in the public offering by Puda Coal” that Macquarie had underwritten in December 2010 (the “Fair Fund”). In settling the matter, Macquarie did not admit or deny the SEC’s allegations. On August 12, 2015, the Court granted the SEC’s motion to establish a Fair Fund for those investors from the amounts deposited with the SEC by Macquarie and appointed a tax administrator for that fund. The SEC subsequently moved for the appointment of a distribution agent to facilitate the development and administration of a distribution plan for payments to investors.

BB. On September 30, 2015, Plaintiffs reached a resolution with Macquarie that resolved all claims against Macquarie in the Action on the terms and conditions set forth in the Stipulation of Settlement entered into by and between Plaintiffs and Macquarie, dated October 16, 2015 (the “Macquarie Settlement”). On October 16, 2015, Plaintiffs moved for preliminary approval of the Brean Settlement and the Macquarie Settlement.

CC. On October 13, 2015, Plaintiffs filed their Opening Brief with the United States Court of Appeals for the Second Circuit, seeking reversal of the Court’s Order granting the Auditor Defendants’ motion for summary judgment on the grounds that, *inter alia*, Plaintiffs failed to raise a triable issue as to the Auditor Defendants’ scienter. MSPC filed a brief in opposition on January 12, 2016, and Plaintiffs filed a reply on January 29, 2016.

DD. On October 20, 2015, the Court dismissed all claims against Defendants Liping Zhu, Qiong Laby Wu, and Jianfei Ni for lack of service.

EE. On December 1, 2015, Plaintiffs reached a resolution with the U.S. Directors that resolved all claims against the U.S. Directors in the Action on the terms and conditions set forth in the Stipulation of Settlement entered into by and between Plaintiffs and the U.S. Directors, dated December 1, 2015 (the “U.S. Directors Settlement”). On December 1, 2015, Plaintiffs moved for preliminary approval of the U.S. Directors Settlement.

FF. On February 5, 2016, Plaintiffs filed a Renewed Motion for Preliminary Approval of the Brean, Macquarie, and U.S. Directors Settlements, which, *inter alia*, requested that the Court approve Joint Notice to potential Class Members advising them of both the Fair Fund and the Brean, Macquarie, and U.S. Directors Settlements. On February 19, 2016, the Court granted Plaintiffs’ motion for preliminary approval of the Brean, Macquarie, and U.S. Directors Settlements and approved the Joint Notice to potential Class Members.

GG. Following preliminary approval of the Brean, Macquarie, and U.S. Directors Settlements and while the Auditor Appeal was pending, Co-Lead Counsel and the Auditor Defendants' Counsel engaged in discussions concerning a potential resolution of the claims asserted against the Auditor Defendants in the Action.

HH. As a result of their ongoing arm's-length negotiations, on April 7, 2016, while the Auditor Appeal remained *sub judice* with the Second Circuit, Lead Plaintiffs and MSPC agreed in principle to a resolution of Plaintiffs' claims against MSPC in this Action, subject to Court approval and the execution of customary settlement documentation, which agreement of settlement is memorialized in this Stipulation.

II. Thereafter, on May 20, 2016, the Second Circuit issued a Summary Order and Judgment, affirming the Court's grant of summary judgment and dismissal of all claims against the Auditor Defendants. As a result, there are no remaining claims against MSPC and no basis for further appeals. However, MSPC has agreed that the Settling Parties should proceed with the negotiated resolution of Plaintiffs' claims on the terms and conditions set forth herein.

JJ. Following a fairness hearing, on June 22, 2016, the Court granted final approval of the Brean, Macquarie, and U.S. Directors Settlements.

Lead Plaintiffs, through their counsel, have conducted an investigation into the merits of the claims and defenses asserted by the Settling Parties in this Action as well as the underlying events surrounding the December Offering. Co-Lead Counsel has analyzed the evidence obtained through the extensive party and non-party discovery in this Action described above, consulted with experts (both as to the merits and potential damages recovery), reviewed and assessed publicly-available records and researched the applicable law. This investigation has provided Lead Plaintiffs and Co-Lead Counsel with an informed and detailed basis upon which

to assess the relative strengths and weaknesses of the Settling Parties' respective positions in the Action.

Based on their direct oversight of the prosecution of this Action since inception, their extensive factual investigation and their legal analysis of the claims against the Auditor Defendants in the Action and the Auditor Defendants' defenses to those claims, as well as the fact that dismissal of the claims against the Auditor Defendants has now been affirmed on appeal, making it highly unlikely that any damages could ever be recovered from the Auditor Defendants, Lead Plaintiffs and Co-Lead Counsel have concluded that the terms and conditions of the Settlement and this Stipulation are fair, reasonable and adequate to Plaintiffs and the other Settlement Class Members and are in each of those Person's best interests. In making this determination, Lead Plaintiffs and Co-Lead Counsel have considered, among other things, the following: (a) the substantial benefits that Settlement Class Members will receive from the resolution of the Action against MSPC; and (b) the uncertainty that any claims survived or that damages could be recovered by Plaintiffs from MSPC in light of the Second Circuit's May 20, 2016 Order affirming the judgment of this Court, which granted MSPC's motion for summary judgment. The Settlement and this Stipulation shall in no event be construed as, or deemed to be, evidence of or a concession by Plaintiffs or any other Settlement Class Member of any infirmity in the claims asserted in the Action.

MSPC has denied Plaintiffs' allegations and is not admitting any wrongdoing in connection with the Settlement. MSPC is entering into this Settlement and Stipulation to avoid the substantial burden, expense, inconvenience and distraction of continued litigation and to resolve each of the Released Plaintiff Claims as against each of the Released Defendant Persons. The Settlement and this Stipulation shall in no event be construed as, or deemed to be, evidence

of an admission or concession on the part of MSPC with respect to any claim or factual allegation or of any fault, liability, wrongdoing, or damage whatsoever made in the Action or of any infirmity in the defenses that they have or could have asserted in the Action.

The Settling Parties recognize that the Action has been filed and prosecuted by Plaintiffs in good faith and defended by MSPC in good faith and further that the Settlement Amount paid and the other terms of the Settlement set forth herein were negotiated at arm's-length and in good faith and reflect a settlement that was reached voluntarily after consultation with experienced legal counsel.

This Stipulation (together with the exhibits hereto) has been duly executed by the undersigned signatories on behalf of their respective clients and reflects the final and binding agreement between the Settling Parties.

NOW THEREFORE, without any concession by Plaintiffs that the claims being resolved herein lack merit, and without any concession by MSPC of any liability or wrongdoing or the lack of merit of any of its defenses as asserted in this Action, it is hereby

STIPULATED AND AGREED by and between Lead Plaintiffs (on behalf of themselves, the Additional Named Plaintiffs and the other Settlement Class Members) and MSPC, through its respective attorneys, that, in consideration of the benefits flowing to the Settling Parties by the Settlement, all claims asserted in the Action by Plaintiffs and all other Settlement Class Members against MSPC shall be finally and fully settled, compromised, discharged, released and dismissed with prejudice, and further that each and every one of the Released Claims shall be finally and fully settled, compromised, discharged, released and dismissed with prejudice as to each and every one of the Released Persons, in the manner and on

the terms and conditions stated below, subject to Court approval following a Settlement Hearing to be held pursuant to Rule 23 of the Federal Rules of Civil Procedure.

1. Definitions

The following terms shall have the following meanings for the purpose of this Stipulation, the exhibits to this Stipulation and the Supplemental Agreement (in the event of any inconsistency between the definitions set forth below and any definitions contained in any other document related to the Settlement, the definitions set forth below shall control):

1.1 “Action” means the consolidated action captioned *In re Puda Coal Sec. Inc. et al. Litig.*, No. 11 Civ. 2598 (DLC), pending in the United States District Court for the Southern District of New York.

1.2 “Additional Named Plaintiffs” means, collectively, Steven Weissmann and Trellus Management Company LLC.

1.3 “Additional Plaintiffs’ Counsel” means, collectively, Pomerantz LLP, Kaplan Fox and Kilsheimer LLP and Kirby McInerney LLP.

1.4 “Auditor Appeal” means the appeal before the United States Court of Appeals for the Second Circuit, captioned *In re Puda Coal Sec. Inc., et al. Litigation*, Case No. 15-2100-cv.

1.5 “Authorized Claimant” means any Settlement Class Member who submitted a timely and valid Proof of Claim Form to the Claims Administrator in the Brean, Macquarie and U.S. Directors Settlements.

1.6 “CAFA Notice” means a notice of the proposed Settlement in compliance with the requirements of the Class Action Fairness Act, 28 U.S.C. § 1711, *et seq.* (“CAFA”), to be served upon the appropriate State official of each State in which a Settlement Class Member resides and the Attorney General of the United States.

1.7 “Claims Administrator” means Epiq Systems, Inc., the firm retained by Co-Lead Counsel and approved by the Court, which to date, has provided all notices approved by the Court in connection with the prior settlements, processed Proof of Claim Forms, and administered the Settlement Fund and the preparation of the distributions of the Net Settlement Fund to Authorized Claimants in accordance with the terms and conditions set forth in prior stipulations of settlement, the Plan of Allocation, the Class Distribution Order and any other orders of the Court relating thereto.

1.8 “Class Distribution Order” means an order of the Court approving the Claims Administrator’s administrative determinations concerning the acceptance and rejection of the claims submitted in the Brean, Macquarie, and U.S. Directors Settlements and approving any fees and expenses not previously applied for, including Litigation Expenses and fees and expenses of the Claims Administrator, in accordance with this Stipulation and, if the Effective Date has occurred, directing payment of the Net Settlement Fund to approved Authorized Claimants.

1.9 “Co-Lead Counsel” means, collectively, The Rosen Law Firm, P.A. and Glancy Prongay & Murray LLP (the successor firm to Glancy Binkow & Goldberg LLP).

1.10 “Controlling Interest” means an interest in a Person where such interest is sufficient to allow the interest holder directly or indirectly to direct or cause the direction of the management and policies of the Person, whether through ownership of the voting shares, by contract or otherwise.

1.11 “Court” means the United States District Court for the Southern District of New York in which the Action is pending.

1.12 “Defaulted Defendants” means, collectively, Puda and Zhao.

1.13 “Defendants” means, collectively, MSPC, MSHK, Brean, Macquarie, the U.S. Directors, and the Defaulted Defendants.

1.14 “Effective Date” with respect to the Settlement means the first date upon which all of the events and conditions specified in ¶ 8.1 of this Stipulation have occurred and been met (or have been waived in a writing signed by the party that is waiving the event and condition).

1.15 “Escrow Account” means the interest-bearing account maintained by the Escrow Agent to hold the Settlement Fund, which account, subject to the Court’s supervisory authority, shall be under the control of Co-Lead Counsel and which is to be managed consistent with the provisions of this Stipulation and any orders of the Court relating thereto.

1.16 “Escrow Agent” means The Huntington National Bank, the financial institution designated by Co-Lead Counsel to receive, hold, invest and disburse the Settlement Amount pursuant to the terms of this Stipulation and the Escrow Agreement.

1.17 “Escrow Agreement” means the agreement between Co-Lead Counsel and the Escrow Agent setting forth the terms under which the Escrow Agent shall maintain the Escrow Account in accordance with the terms and conditions of the Stipulation, the Escrow Agreement and any orders of the Court relating thereto.

1.18 “Final Order and Judgment” means the order to be entered in the Action if the Court approves the Settlement, and which shall be substantially in the form attached hereto as Exhibit B.

1.19 “Joint Notice” means the Joint Notice of Funds to Compensate Certain Investors of Puda Coal Common Stock and Options, which was approved by the Court and previously mailed to Settlement Class Members.

1.20 “Litigation Expenses” means costs and expenses incurred by Plaintiffs’ Counsel in connection with commencing, prosecuting and resolving the Action for which Co-Lead Counsel intends to apply to the Court for reimbursement and which are to be paid from the Settlement Fund, and not by any of the Released Defendant Persons.

1.21 “MSPC Counsel” means the law firms of Baratta, Baratta & Aidala LLP and the Law Offices of Michael V. Cibella, LLC.

1.22 “Net Settlement Fund” means the Settlement Fund less: (a) any Court approved attorneys’ fees and Litigation Expenses to Plaintiffs’ Counsel; (b) Notice and Administration Expenses; (c) any required Taxes; (d) any Court approved Reimbursement Award to Lead Plaintiffs; and (e) any other fees or expenses that are allowed under this Stipulation and approved by the Court incurred in connection with the administration of the Settlement.

1.23 “Non-Settling Defendants” means any Person, other than MSPC, who: (a) currently is a named defendant in the Action; and/or (b) was previously a named defendant in the Action but was dismissed, or is in the process of being dismissed, for any reason, whether by settlement, judgment or otherwise. “Non-Settling Defendants” specifically includes, without limitation, Puda and the Defaulted Defendants.

1.24 “Notice and Administration Expenses” means all costs, fees and expenses incurred by the Claims Administrator in connection with: (a) the preparation, printing and mailing of the Notice, publishing the Summary Notice; and (b) administering the Settlement including administering the claims process, reviewing and processing claims, managing the Escrow Account, allocating and distributing the Net Settlement Fund to Authorized Claimants, applying the Court-approved plan of allocation, corresponding with Settlement Class Members and the fees and costs of the Claims Administrator and the Escrow Agent.

1.25 “Notice” means the Notice of (a) Proposed Settlement of Claims against MSPC, and (b) Hearing on Proposed Settlement with MSPC, that is to be sent to Authorized Claimants, and which shall be substantially in the form attached hereto as Exhibit A-1.

1.26 “Person” means a natural person, individual, corporation, limited liability corporation, professional corporation, limited liability partnership, partnership, limited partnership, limited liability company, 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 all of their respective spouses, heirs, beneficiaries, executors, administrators, predecessors, successors, representatives, or assignees.

1.27 “Plaintiffs’ Counsel” means, collectively, Co-Lead Counsel and Additional Plaintiffs’ Counsel.

1.28 “Plaintiffs” means, collectively, Lead Plaintiffs and the Additional Named Plaintiffs.

1.29 “Plan of Allocation” means the plan described in the Joint Notice and previously approved by the Court to be utilized for distribution of the Net Settlement Fund to Authorized Claimants in a manner consistent with the terms of this Stipulation and prior stipulations in connection with the Brean, Macquarie, and U.S. Directors Settlements.

1.30 “Preliminary Approval Order” means the proposed order to be entered by the Court preliminarily approving the Settlement and directing notice thereof to Authorized Claimants, and which shall be substantially in the form attached hereto as Exhibit A.

1.31 “Proof of Claim Form” or “Claim Form” means the proof of claim form and release previously mailed to Settlement Class Members, as approved by the Court, which

Settlement Class Members were required to complete and return to the Claims Administrator in order to substantiate their entitlement to a share of the Net Settlement Fund.

1.32 “Puda” means Puda Coal, Inc. and its predecessors and subsidiaries, including, but not limited to, Shanxi Puda Coal Group Co., Ltd. (“Shanxi Coal”).

1.33 “Released Claims” means, collectively, all of the Released Plaintiff Claims and all of the Released Defendant Claims.

1.34 “Released Defendant Claims” means any and all claims and causes of action of every nature and description, whether such are known or Unknown (as that term is employed and defined in ¶ 5.4 below), whether arising under federal, state, common or foreign law, that were or could have been asserted by any or all of the Releasing Defendant Persons against any or all of the Released Plaintiff Persons and that arise out of or relate in any way to the institution, prosecution or settlement of the Action, except for claims relating to the enforcement of the Settlement. Nothing in this definition of “Released Defendant Claims” is intended to, or should be construed as prohibiting or limiting MSPC from: (a) asserting against a Person other than a Released Plaintiff Person a claim relating to, or arising out of, the December Offering or Puda that is not precluded by ¶ 7.3(b) hereof, and/or (b) from taking any action to enforce or effectuate the terms and provisions of this Stipulation, the Settlement, the Preliminary Approval Order and/or the Final Order and Judgment.

1.35 “Released Defendant Persons” means each and all of the following: (a) MSPC and each of their respective past and/or present general partners, limited partners, and any Person in which any of these Persons has a Controlling Interest (the “Defendant Releasees”) and MSPC’s Counsel; and (b) each and every one of the Defendant Releasees’ respective past and/or present employees, partners, representatives, agents, consultants, counsel, insurers, reinsurers,

families, heirs, executors, trustees, personal representatives, estates, administrators, predecessors, and assigns in their capacities as such. Nothing in this definition of “Released Defendant Persons” is intended to release any claims asserted in the Action by Plaintiffs (or any other Settlement Class Member) against any Non-Settling Defendant.

1.36 “Released Persons” means, collectively, all of the Released Plaintiff Persons and all of the Released Defendant Persons.

1.37 “Released Plaintiff Claims” means: (a) any and all claims, demands, rights, liabilities, losses, duties, damages, suits, actions, causes of action, potential actions, obligations, interests, debts, judgments, penalties, sanctions, fees, decrees, matters, issues and controversies of any kind, nature and description whatsoever; (b) whether disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, perfected or not perfected, choate or inchoate, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, ripened or unripened, including both known claims and any Unknown Claims (as that term is employed and defined in ¶ 5.4 below); (c) whether direct or derivative, whether at law or in equity, based upon any legal or equitable theory, whether contractual, common law or statutory, whether arising under federal, state, common or foreign law, whether based on allegedly intentional, negligent, reckless or otherwise improper conduct; (d) that previously existed, currently exist, exist as of the date of the Court’s approval of the Settlement or that may arise in the future; (e) that are, were or could have been asserted by any of the Releasing Plaintiff Persons against any or all of the Released Defendant Persons in the Action, in any other federal or state court, tribunal, arbitration, proceeding, administrative agency or other forum in the United States or elsewhere, whether asserted as claims, cross-claims, counterclaims or third-party claims; (f) that are, in any way, based upon, arise out of, relate to, concern, implicate or

involve (in whole or in part) either: (i) any of the facts, matters, occurrences, conduct, activities, securities offerings (including the December Offering), behavior, allegations, representations, omissions, events, transactions, decisions, actions (or failures to act) or any series thereof, that were alleged, asserted, raised, set forth, referred to, made, mentioned, claimed, embraced, involved in, referred to, in whole or in part, in the Action (including, without limitation, in the Complaint or in any of the complaints filed in the Individual Actions), or (ii) the purchase, acquisition, disposition or sale of, or other transaction in, any and all publicly-traded Puda common stock (including, but not limited to, Puda call options or Puda put options), including without limitation, claims that arise out of or relate to any disclosures, SEC filings, press releases, registration statements, offering memoranda, other public statements by Puda or its Auditors or otherwise made in connection with the purchase or sale of Puda securities; provided, however, that nothing in this definition or Stipulation shall prevent any Person from seeking to obtain a recovery through the Fair Fund established in connection with the separate proceeding by the SEC captioned *SEC v. Macquarie Capital (USA) Inc.*, C.A. No. 15-CV-02304 (S.D.N.Y.). For avoidance of doubt, nothing in this definition of “Released Plaintiff Claims” is intended to release any of the claims that have already been asserted against the already named defendants in the action captioned *In re Puda Coal, Inc. Stockholders Litigation*, C.A. 6476-CB, currently pending in the Delaware Court of Chancery.

1.38 “Released Plaintiff Persons” means, collectively, Plaintiffs, Plaintiffs’ Counsel, each and every Settlement Class Member, any other counsel any Settlement Class Member retained or employed in this Action (including those prior to the consolidation of the individual cases) and each of their past and/or present employees, officers, partners, directors, managing directors, representatives, affiliates, agents, attorneys, insurers, reinsurers, principals, members,

managers, families, stockholders, heirs, executors, trustees, personal representatives, estates, administrators, predecessors, divisions, successors and assigns in their capacities as such.

1.39 “Releases” means all of the releases and liability protections set forth in Section 5 of the Stipulation, as well as those set forth in ¶¶ 7.2, 7.4, 7.5 and 7.6.

1.40 “Releasing Defendant Persons” means MSPC and each of their agents, executors, and successors;

1.41 “Releasing Persons” means, collectively, all of the Releasing Plaintiff Persons and all of the Releasing Defendant Persons.

1.42 “Releasing Plaintiff Persons” means Plaintiffs and each and every Settlement Class Member, on behalf of themselves and each and all of their respective successors in interest, predecessors, representatives, trustees, counsel, executors, affiliates, subsidiaries, immediate family, administrators, agents, heirs, estates, assigns or transferees, immediate and remote, in their capacities as such, and any other Person who has the right, ability, standing or capacity to assert, prosecute or maintain on behalf of any Settlement Class Member any of the Released Plaintiff Claims (or to obtain the proceeds of any recovery therefrom), whether in whole or in part. A Person is a “Releasing Plaintiff Person” regardless of whether or not that Person: (a) actually submits a Claim Form; (b) seeks or obtains a distribution from the Net Settlement Fund; (c) is entitled to receive such a distribution or payment under the Plan of Allocation; and/or (d) has objected to the Settlement, the Plan of Allocation, the application for an award of attorneys’ fees and reimbursement of Litigation Expenses to Plaintiffs’ Counsel or the application for a Reimbursement Award to Lead Plaintiffs.

1.43 “Settlement” means the settlement between the Settling Parties contemplated by, and memorialized in, this Stipulation on the terms and conditions contained herein.

1.44 “Settlement Amount” means the sum of one hundred twenty five thousand dollars (\$125,000.00) in cash as set forth in paragraphs 2.1–2.2 herein.

1.45 “Settlement Class” or “Class” means those Persons who during the Settlement Class Period: (a) purchased or otherwise acquired Puda common stock, (b) purchased or otherwise acquired call options on Puda common stock, and/or (c) sold or otherwise disposed of put options on Puda common stock. Excluded from the Settlement Class are: (a) the Defendants; (b) any Person who was a partner, executive officer, director, controlling person, subsidiary, or affiliate of any Defendant during the Settlement Class Period; (c) members of the Defendants’ immediate families; (d) any Person in which any Defendant has a Controlling Interest; and (e) the legal representatives, heirs, estates, administrators, predecessors, successors or assigns of any of the foregoing excluded Persons. Also excluded from the Settlement Class is any Person who or which properly excluded himself, herself or itself by filing a valid and timely request for exclusion in accordance with the requirements set forth herein and in the Joint Notice. The Settling Parties have agreed to request that the Court use this definition consistent with the Court’s certification of the Settlement Class as set forth in its June 22, 2016 Orders approving the Brean, Macquarie, and U.S. Directors Settlements.

1.46 “Settlement Class Member” or “Class Member” means any Person that falls within the definition of the Settlement Class as defined in ¶ 1.45 and who or which is not excluded therefrom.

1.47 “Settlement Class Period” or “Class Period” means the period beginning on December 8, 2010 through and including April 11, 2011.

1.48 “Settlement Fund” means the Settlement Amount (together with all interest earned thereon) held in the Escrow Account pursuant to, and in accordance with, the provisions

of this Stipulation and the prior Stipulations related to the Brean, Macquarie, and U.S. Directors Settlements and any orders of the Court relating thereto.

1.49 “Settlement Hearing” means the final hearing to be held by the Court to determine, among other things, whether the Settlement is fair, reasonable and adequate and in the best interests of the Settlement Class and should be approved as described in the Notice and the Preliminary Approval Order.

1.50 “Settling Parties” means, collectively, MSPC and the Plaintiffs on behalf of themselves and each of the other Settlement Class Members.

1.51 “Summary Notice” means the summary notice of the proposed Settlement to be published as set forth in the Preliminary Approval Order and which shall be substantially in the form attached hereto as Exhibit A-3.

1.52 “Taxes” means all taxes (including any estimated taxes, interest or penalties) arising with respect to the income earned by the Settlement Fund. For purposes of ¶ 2.8, Taxes includes the expenses and costs incurred in connection with the calculation and payment of taxes or the preparation of tax returns and related documents including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs relating to filing (or failing to file) the returns described therein.

1.53 “Unknown Claims” shall have the meaning as set forth in ¶ 5.4 of this Stipulation.

2. **Payment Of The Settlement Amount And The Obligations Of The Released Defendant Persons**

2.1 In consideration of the full and complete settlement of all claims asserted against it in this Action and in consideration of the Releases provided for herein, MSPC through its insurance company shall pay one hundred twenty five thousand dollars (\$125,000) by check or wire transfer into the Escrow Account no later than thirty (30) calendar days after the later of: (i)

the entry of the Preliminary Approval Order and (ii) Co-Lead Counsel's provision to MSPC of wire transfer, check mailing instructions and such other account information necessary for this payment to be made.

2.2 Other than the obligations of MSPC set forth in paragraph 2.1 herein and as otherwise expressly set forth in this Stipulation, the Released Defendant Persons shall have no further or other responsibility, liability or obligations to Plaintiffs or any other Released Plaintiff Person (including any of their counsel) with respect to the Released Plaintiff Claims. Except as otherwise expressly provided herein, the Released Defendant Persons shall have no obligation to pay for, responsibility of any kind for, or any liability whatsoever to any Person in connection with, any of the following: (a) the administration of the Settlement; (b) the Plan of Allocation and its interpretation, administration and implementation; (c) the allocation, disbursement, administration or distribution of the Net Settlement Fund; (d) the publication of Notice and Summary Notice to the Settlement Class Members; (e) the processing, reviewing, challenging or determination of claims; (f) any payment of attorneys' fees or Litigation Expenses to Plaintiffs' Counsel that have been or may be awarded by the Court; (g) any fee and/or expense allocation among Plaintiffs' Counsel and/or any other Person who may assert a claim thereto; (h) paying any Taxes due; (i) investing the Settlement Amount; (j) the Settlement Fund, including its management and administration; (k) establishing, administering or maintaining the Escrow Account; (l) filing elections or other required statements or tax returns (or paying or withholding the costs associated herewith) with respect to any Taxes; (m) any tax liability that a Settlement Class Member may incur as a result of the Settlement; and (n) any Reimbursement Award that may be ordered by the Court.

2.3 The Settlement Fund shall be applied as follows and only as follows and then only in accordance with the provisions of this Stipulation and any orders of the Court:

(a) to pay the Notice and Administration Expenses pursuant to, and in accordance with, the terms and conditions of this Stipulation and any orders of the Court relating thereto;

(b) to pay any attorneys' fees and Litigation Expenses awarded by the Court to Plaintiffs' Counsel pursuant to, and in accordance with, the terms and conditions set forth in Section 6 herein;

(c) to pay any other fees, costs and expenses approved by the Court;

(d) to pay the Taxes pursuant to, and in accordance with, the terms and conditions set forth in ¶ 2.8 herein; and

(e) to distribute the balance of the Settlement Fund (the "Net Settlement Fund") to Authorized Claimants following the Effective Date pursuant to, and in accordance with, the terms and conditions set forth in this Stipulation (as provided in the Court-approved Plan of Allocation) and the Class Distribution Order.

2.4 Except as otherwise provided, the Settlement Fund and Net Settlement Fund shall remain in the Escrow Account until the Effective Date unless the Stipulation is terminated pursuant to Section 9 herein, the Settlement is not approved and/or the Effective Date otherwise does not occur. After the Effective Date, the Net Settlement Fund shall be distributed to Authorized Claimants by the Claims Administrator pursuant to, and in accordance with, the Class Distribution Order after all claims have been processed and all claimants whose claims have been rejected or disallowed, in whole or in part, have been notified and provided the

opportunity to communicate with the Claims Administrator concerning such rejection or disallowance as provided for herein.

2.5 After the Effective Date, Co-Lead Counsel may pay from the Settlement Fund, at the appropriate time and only as expressly permitted herein, all reasonable costs and expenses associated with the administration of the Settlement, including, without limitation, the actual costs of identifying and notifying Settlement Class Members, printing and mailing the Notice, publishing the Summary Notice, reimbursing nominee owners for forwarding the Notice to their beneficial owners, the administration expenses incurred and fees charged by the Claims Administrator and any other Notice and Administration Expenses. Notwithstanding the fact that the Effective Date has not yet occurred, Co-Lead Counsel may pay from the Escrow Account the Notice and Administration Expenses reasonably necessary and actually incurred in connection with this Settlement, up to \$10,000.00 as well as Taxes without further order of the Court. No other amounts shall be disbursed from the Escrow Fund prior to the Effective Date, except upon written order of the Court following notice to MSPC's Counsel.

2.6 All funds held by the Escrow Agent shall be deemed and considered to be in the custody of the Court and shall remain subject to the jurisdiction of the Court until such time as the funds are distributed or returned pursuant to this Stipulation and/or further orders of the Court. Subject to the Court's jurisdiction, the Settlement Fund shall be maintained by the Escrow Agent in a manner consistent with the provisions of this Stipulation and the Escrow Agreement. All interest earned on the Settlement Fund shall be for the benefit of the Settlement Class if the Effective Date occurs.

2.7 The following provisions shall govern the administration of the Escrow Account:

(a) The Escrow Agent shall maintain the Settlement Fund in a segregated escrow account not available to creditors of the Escrow Agent or with respect to residual amounts of less than \$100,000 in an account as set forth in subparagraph (b) below and shall not disburse any amounts therefrom except as authorized by this Stipulation and/or any orders of the Court;

(b) The Escrow Agent will invest the Settlement Fund only in instruments backed by the full faith and credit of the United States Government or fully insured by the United States Government or an agency thereof. The Escrow Agent shall collect and reinvest all interest and proceeds accrued thereon and will reinvest the proceeds as they mature in similar instruments at their then-current market rates. Any interest that accrues on the amount held in escrow will become part of the Settlement Fund. Any residual cash balances of less than \$100,000 may be invested, without further approval from Lead Plaintiffs and Co-Lead Counsel, in an interest-bearing account insured by the FDIC or money market mutual funds comprised exclusively of investments secured by the full faith and credit of the United States Government or fully insured by the United States Government;

(c) all payments for Notice and Administration Expenses, Taxes, and any attorneys' fees and Litigation Expenses awarded by the Court shall be paid, only at the appropriate time and as permitted herein and/or by Order of the Court, from the Settlement Fund and not by Plaintiffs, Plaintiffs' Counsel, the Settlement Class Members, MSPC, the other Released Defendant Persons or MSPC's Counsel. There shall be no liability on the part of any Settlement Class Member or Released Defendant Persons (or any of their counsel) for any such fees, costs and/or expenses;

(d) Lead Plaintiffs intend to structure the Escrow Account so that it will qualify as a “Qualified Settlement Fund” within the meaning of Section 468B of the Internal Revenue Code and the Regulations promulgated thereunder, including Treasury Regulation § 1.468B-1. Co-Lead Counsel shall act as administrators of the Qualified Settlement Fund within the meaning of Treasury Regulation § 1.468B-2(k)(3). Co-Lead Counsel, as administrators of the Settlement Fund within the meaning of Treasury Regulation § 1.468B-2(k)(3), shall timely make such elections as are necessary or advisable to carry out this subparagraph, including the relation-back election (as defined in Treasury Regulation § 1.468B-1(j)) to cause the Qualified Settlement Fund to come into existence at the earliest permitted date.

(e) All Taxes shall be paid out of the Settlement Fund. Co-Lead Counsel or its agents, as administrators of the Settlement Fund within the meaning of Treasury Regulation § 1.468B-2(k)(3), shall be responsible for timely filing tax returns and any relevant tax filings and documentation relating thereto for the Settlement Fund and timely paying from the Settlement Fund any Taxes owed with respect to the Settlement Fund. Notwithstanding anything in this Stipulation to the contrary, the Claims Administrator is to withhold from distribution to Settlement Class Members any funds necessary to pay such amounts, including the establishment of adequate reserves for any Taxes, and any amounts required to be withheld under Treasury Regulation § 1.468B-2(1)(2);

(f) Any tax returns prepared for the Settlement Fund (as well as the election set forth therein) shall be consistent with the previous subparagraph, and in all events shall reflect that all Taxes (including any interest or penalties) on the income earned by the Settlement Fund shall be paid out of the Settlement Fund as provided herein. MSPC (and the other Released Defendant Persons) shall have no liability or responsibility for any Taxes. MSPC (and the other

Released Defendant Persons) shall notify Co-Lead Counsel promptly if it receives any notice of any claim for Taxes relating to the Settlement Fund; and

(g) The Settling Parties hereto agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this Paragraph.

3. **Preliminary Court Approval And Notice To Settlement Class Members**

3.1 As soon as practicable following execution of this Stipulation, Lead Plaintiffs shall apply to the Court for entry of the Preliminary Approval Order (which shall be substantially in the form attached as Exhibit A to this Stipulation), *inter alia*: (a) requesting preliminary approval of the Settlement as set forth in this Stipulation; (b) requesting approval for the publication of the Notice and the Summary Notice; and (c) setting a date for the Settlement Hearing, to be held after the Notice and the Summary Notice are published, to consider whether to approve the Settlement and whether the Final Order and Judgment (substantially in the form of Exhibit B attached hereto) should be entered into, *inter alia*, containing the Releases set forth herein. MSPC's Counsel shall not oppose the application, provided it is otherwise consistent with the terms of this Stipulation, and shall cooperate in good faith with the Lead Plaintiffs in connection therewith (Co-Lead Counsel shall provide drafts of the Notice and Summary Notice to MSPC's Counsel for its review five (5) business days prior to their dissemination).

3.2 If the Preliminary Approval Order is granted by the Court, Co-Lead Counsel will cause the Claims Administrator, on a schedule to be set by the Court, to: (a) post the Notice to the Claims Administrator's website; (b) mail the Notice to Authorized Claimants; (c) publish the Summary Notice on one occasion in the national edition of *Investors' Business Daily* and via PR Newswire within ten (10) days of publication of the Notice on the Claims Administrator's

website; and (d) otherwise provide such notice in the form or manner as may be ordered by the Court.

3.3 From the date of this Stipulation through and including final approval of the Settlement by the Court, including the final dismissal of the Action, Plaintiffs and their counsel agree that, other than for those matters necessary to implement and effectuate the Settlement itself: (a) not to take any steps to prosecute any of the Released Plaintiff Claims against any of the Released Defendant Persons; and/or (b) not to initiate or participate in any proceedings arising out of, based upon or concerning any of the Released Plaintiff Claims against any of the Released Defendant Persons. Lead Plaintiffs, and their counsel, shall also cooperate, to the extent reasonably necessary, with any efforts by MSPC to prevent, stay, seek dismissal of, or oppose entry of any interim or final relief in favor of any Settlement Class Member in any litigation or proceeding that asserts any of the Released Plaintiff Claims against any of the Released Defendant Persons or which challenges the Settlement (whether or not such matter has previously been filed). If any action is filed or prosecuted in any court asserting any of the Released Plaintiff Claims against any of the Released Defendant Person, Plaintiffs and their counsel shall cooperate, to the extent reasonably necessary, with MSPC's efforts to obtain the dismissal or withdrawal of such litigation, including where appropriate joining in any motion to dismiss or demurrer to such litigation; provided, however, that Plaintiffs' obligations under this Paragraph shall end if the Court does not approve the Settlement or if the Effective Date otherwise does not occur.

4. **Administration Of The Settlement Fund And Distribution Of The Settlement Fund To Authorized Claimants**

4.1 Co-Lead Counsel is responsible for disseminating Notice of the Settlement and supervising the administration of the Settlement and the distribution of the Net Settlement Fund,

subject to the jurisdiction of the Court and in the manner provided for herein. The Claims Administrator shall assist Co-Lead Counsel in connection with the administration of the Settlement, including: (a) the printing, labeling and mailing of the Notice and the publication of the Summary Notice; (b) the administration, processing and determination of claims; (c) the distribution of the Net Settlement Fund; and (d) all other appropriate tasks to be performed to effectuate the Settlement as directed by Co-Lead Counsel.

4.2 The distribution of the Net Settlement Fund to Settlement Class Members shall be subject to the Plan of Allocation, which was approved by the Court following notice to the Settlement Class Members. MSPC takes no position on the Plan of Allocation, provided it is not inconsistent with the terms of this Stipulation.

5. Any Authorized Claimant that has filed a proof of claim with the Claims Administrator in the related Brean, Macquarie, and U.S. Directors Settlements need not file a Proof of Claim in this Settlement, but may rely on their previously filed proof of claim for this Settlement.

5.1 The Plan of Allocation is not a necessary term or part of the Settlement or this Stipulation and it is not a condition of this Stipulation (or to entry of the Final Order and Judgment) that any particular plan of allocation be approved by the Court. The Court's prior approval of the Plan of Allocation is separate from, and independent of, the Court's consideration of the question of whether the proposed Settlement is fair, reasonable and adequate and in the best interests of the Settlement Class. Any orders or proceedings relating to the Plan of Allocation (or any other such plan of allocation as may be approved by the Court) as well as any appeal therefrom (or appellate ruling) shall not: (a) operate to modify, terminate or cancel this Settlement; (b) affect or delay the validity or finality of the Final Order and Judgment or any

other orders entered by the Court giving effect to this Stipulation; (c) affect or delay the Effective Date; (d) provide any ground or otherwise permit any Person (including Plaintiffs and the other Settlement Class Members), or any of their counsel, to cancel, terminate or withdraw from the Stipulation or the Settlement; and/or (e) affect or delay the validity of the Settlement.

5.2 Each Settlement Class Member who desires to share in the Net Settlement Fund is a “Claimant” and must have submitted a fully completed and signed Proof of Claim Form together with the documentation required thereby to the Claims Administrator in the manner, at the address and by the deadline stated on the Proof of Claim Form as set forth in the Joint Notice in connection with the Brean, Macquarie and U.S. Directors Settlements. Each Settlement Class Member who submitted a valid, timely Proof of Claim Form that was accepted in whole or in connection with the Brean, Macquarie and U.S. Director Settlements is an “Authorized Claimant.” Each Authorized Claimant that is determined to have a “Recognized Loss” (as that term will be defined in the Plan of Allocation) shall be allocated a *pro rata* share of the Net Settlement Fund based on the amount of his, her or its “Recognized Loss” in accordance with the Court-approved Plan of Allocation if their claim is accepted for payment by the Court.

5.3 For purposes of determining the extent, if any, to which a Settlement Class Member shall be entitled to be treated as an Authorized Claimant, the conditions set forth in the Joint Notice in connection with the Brean, Macquarie, and U.S. Directors Settlements shall apply.

5.4 Co-Lead Counsel will apply to the Court for a Class Distribution Order approving the Claims Administrator’s administrative determinations concerning the acceptance and rejection of the claims submitted and approving any fees and expenses not previously applied for (including the fees and expenses of the Claims Administrator) and, if the Effective Date has occurred, directing distribution of the Net Settlement Fund to Authorized Claimants. If any funds

remain in the Net Settlement Fund by reason of uncashed distribution checks or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Settlement Class Members who are entitled to participate in the distribution of the Net Settlement Fund cash their distributions, any balance remaining in the Net Settlement Fund shall be distributed as set forth in the Plan of Allocation.

5.5 This is not a claims-made settlement. As of the Effective Date, MSPC shall not have any right to the return of the Settlement Fund or any portion thereof irrespective of the number of Proof of Claim Forms filed, and/or the amounts to be paid to Authorized Claimants from the Net Settlement Fund.

5.6 By submitting a Proof of Claim Form in the related Brean, Macquarie, and U.S. Directors Settlements, each Settlement Class Member is deemed to have submitted to the jurisdiction of the Court with respect to his, her or its claim and this Settlement, and the claim will be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to that Claimant's status as a Settlement Class Member and the validity and amount of the claim. In connection with the processing of the Proof of Claim Forms, no discovery shall be allowed on the merits of the Action or of the Settlement.

5.7 Payment pursuant to the terms of this Stipulation shall be deemed final and conclusive against Plaintiffs and all other Settlement Class Members. Regardless of whether such person submits a Proof of Claim Form, seeks or obtains a payment or distribution from the Settlement Fund or is entitled to a payment under the Plan of Allocation): any Settlement Class Member: (a) who does not timely submit a valid Proof of Claim Form or has its claim rejected or not otherwise approved by the Court, (b) shall be deemed to have waived its right to share in the

Settlement Fund, and shall forever be barred from participating in distributions therefrom, but (c) otherwise shall be bound by all of the terms of the Settlement and this Stipulation and all determinations, judgments and orders in the Action relating thereto, including the terms of the Final Order and Judgment to be entered in the Action (including the Releases provided for therein, whether favorable or unfavorable to the Settlement Class), and will be barred from bringing any action against the Released Defendant Persons concerning the Released Plaintiff Claims. Any Person that is not a Settlement Class Member (including, without limitation, those who validly exclude themselves from the Settlement Class) shall not have any right to any share of the Net Settlement Fund or to receive distributions therefrom.

5.8 No Person shall have any claim against Plaintiffs, Plaintiffs' Counsel, MSPC, the other Released Defendant Persons, or MSPC's Counsel based on the administration of the Settlement, including without limitation the processing of claims and distributions made in accordance with this Stipulation, the Settlement, the Plan of Allocation and/or the implementation of the Class Distribution Order.

5.9 All proceedings with respect to the administration, processing and determination of claims described in this Stipulation and the determination of all controversies relating thereto, including disputed questions of law and fact with respect to the validity of claims, shall be subject to the jurisdiction of the Court.

6. **The Releases**

6.1 The obligations incurred pursuant to this Stipulation shall be in full and final dismissal, discharge, settlement and disposition of: (a) the Action with respect to MSPC; and (b) each and every one of the Released Claims by each and every one of the Releasing Persons against each and every one of the Released Persons.

6.2 As of the Effective Date, each and every one of the Releasing Plaintiff Persons (regardless of whether or not that Person actually submits a Claim Form, seeks or obtains a distribution from the Net Settlement Fund, is entitled to receive such a distribution under the Plan of Allocation or has objected to the Settlement, the Plan of Allocation, the application for an award of attorneys' fees and Litigation Expenses to Plaintiffs' Counsel) shall: (a) have, and by operation of law and the Final Order and Judgment be deemed to have, completely, fully, finally, and forever dismissed, released, relinquished and discharged with prejudice each and every one of the Released Defendant Persons from each and every one of the Released Plaintiff Claims; (b) forever and permanently be barred and enjoined by operation of law and the Final Order and Judgment from filing, commencing, intervening in, participating in (as a class member or otherwise), instituting, maintaining, prosecuting, seeking relief in (including filing an application or motion for preliminary or permanent injunctive relief) or receiving any recovery, remedy, benefits or other relief from any other lawsuit, action, arbitration, other proceeding or order in any jurisdiction that asserts, is based on, arises from or relates in any way to any or all of the Released Plaintiff Claims against any or all of the Released Defendant Persons; and (c) have, and by operation of law and the Final Order and Judgment be deemed to have, covenanted not to sue any or all of the Released Defendant Persons with respect to each and every one of the Released Plaintiff Claims. Nothing in this Paragraph (or any other provision of this Stipulation) however: (a) is intended to release any claims asserted by Plaintiffs (or any other Settlement Class Member) against any of the Non-Settling Defendants in the Action; (b) is intended to release any claims asserted by Plaintiffs (or any other Settlement Class Member) in the action captioned *In re Puda Coal, Inc. Stockholders Litigation*, C.A. 6476-CB, currently pending in the Delaware Court of Chancery; or (c) shall prohibit an eligible Settlement Class Member from seeking to

obtain a recovery through the Fair Fund established in connection with the separate proceeding by the SEC captioned *SEC v. Macquarie Capital (USA) Inc.*, C.A. No. 15-CV-02304 (S.D.N.Y.).

6.3 As of the Effective Date, each and every one of the Releasing Defendant Persons shall: (a) have, and by operation of law and the Final Order and Judgment be deemed to have, completely, fully, finally, and forever dismissed, released, relinquished and discharged with prejudice each and every one of the Released Plaintiff Persons from each and every one of the Released Defendant Claims; (b) forever and permanently be barred and enjoined by operation of law and the Final Order and Judgment from filing, commencing, intervening in, participating in (as a class member or otherwise), instituting, maintaining, prosecuting, seeking relief in (including filing an application or motion for preliminary or permanent injunctive relief) or receiving any recovery, remedy, benefits or other relief from any other lawsuit, action, arbitration, other proceeding or order in any jurisdiction that asserts, is based on, arises from or relates in any way to any or all of the Released Defendant Claims against any or all of the Released Plaintiff Persons; and (c) have, and by operation of law and the Final Order and Judgment be deemed to have, covenanted not to sue any or all of the Released Plaintiff Persons with respect to each and every one of the Released Defendant Claims.

6.4 With respect of the use of the term “Unknown” in connection with the Released Claims:

(a) Plaintiffs specifically acknowledge (and the other Releasing Plaintiff Persons shall be deemed by operation of law and the Final Order and Judgment to have acknowledged) that the term “Unknown Claims” in the definition of Released Plaintiff Claims shall mean all claims that each of the Releasing Plaintiff Persons does not know or suspect to exist at the time of the release of the Released Plaintiff Claims against the Released Defendant

Persons, but which, if known by it/her/him, might affect its/her/his decision with respect to the Settlement (including the decision to object or not to object to the Settlement); and (ii) MSPC specifically acknowledges (and the other Releasing Defendant Persons shall be deemed by operation of law and the Final Order and Judgment to have acknowledged) that the term “Unknown Claims” in the definition of Released Defendant Claims shall mean all claims that each of the Releasing Defendant Persons does not know or suspect to exist at the time of the release of the Released Defendant Claims against the Released Plaintiff Persons, but which, if known by it/her/him, might affect its/her/his decision with respect to the Settlement;

(b) Plaintiffs expressly acknowledge (and the other Releasing Plaintiff Persons shall be deemed by operation of law and the Final Order and Judgment to have acknowledged) that they may hereafter discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of the Released Plaintiff Claims but that it is nevertheless their intention to fully, finally and forever settle and release the Released Plaintiff Claims without regard to the subsequent discovery of any such additional or different facts; and (ii) MSPC expressly acknowledges (and the other Releasing Defendant Persons shall be deemed by operation of law and the Final Order and Judgment to have acknowledged) that they may hereafter discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of the Released Defendant Claims but that it is nevertheless their intention to fully, finally and forever settle and release the Released Defendant Claims without regard to the subsequent discovery of any such additional or different facts; and

(c) the Settling Parties expressly acknowledge (and the other Releasing Persons shall be deemed by operation of law and the Final Order and Judgment to have

acknowledged) that the inclusion of “Unknown Claims” in the definition of the Released Claims was separately bargained for and was a key element of the Settlement, and with respect to the Released Claims the Settling Parties expressly waive and relinquish, and the other Releasing Persons shall be deemed to have waived and relinquished, and by operation of law and the Final Order and Judgment shall have specifically waived and relinquished: (i) any and all provisions, rights and benefits conferred under Section 1542 of the California Civil Code, which provides as follows:

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.

and (ii) any and all provisions or rights 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 Section 1542 of the California Civil Code.

6.5 All Settlement Class Members shall be bound by the terms of the Releases set forth in this Stipulation whether or not any individual such Person actually submits a Claim Form, seeks or obtains a distribution from the Net Settlement Fund, is entitled to receive such a distribution under the Plan of Allocation or has objected to the Settlement, the Plan of Allocation and/or any application for an award of attorneys’ fees and Litigation Expenses to Plaintiffs’ Counsel.

6.6 Notwithstanding the foregoing, the Released Claims do not include claims to enforce the Final Order and Judgment, the Stipulation, the Settlement or any other orders or judgments the Court may enter during the Action in connection with the Settlement, and any or all of its terms, including, but not limited to, the Releases.

7. **Litigation Expenses Incurred By Plaintiffs**

7.1 Co-Lead Counsel intends to apply to the Court for reimbursement of Litigation Expenses to Plaintiffs' Counsel which shall be paid out of the Settlement Fund and only out of the Settlement Fund. MSPC will take no position on Co-Lead Counsel's application, provided that it is not inconsistent with the terms of this Stipulation.

7.2 Any Litigation Expenses awarded by the Court shall be paid from the Settlement Fund and not by MSPC (or the other Released Defendant Persons). The Settlement Fund shall be the sole source of Litigation Expenses to Plaintiffs' Counsel in connection with the Settlement. No Settlement Class Member, or their counsel, shall have any recourse against MSPC (or any of the other Released Defendant Persons) for any such Litigation Expenses. MSPC (and the other Released Defendant Persons) shall have no responsibility for and no liability whatsoever with respect to any payment of Litigation Expenses made to Plaintiffs' Counsel.

7.3 Subject to Court approval, any Litigation Expenses awarded by the Court: (a) shall be paid to Plaintiffs' Counsel within five (5) business days of the later of the: (i) Court order awarding the Litigation Expenses; and (ii) entry of the Final Order and Judgment (provided it contains the Releases described in this Stipulation), notwithstanding the existence of any timely filed objections thereto, potential for appeal therefrom, or collateral attack on the Settlement or any part thereof, (b) subject to Plaintiffs' Counsel's obligation to make refunds or repayments to the Settlement Fund (plus accrued interest thereon at the same net rate as is earned by the Settlement Fund in the Escrow Account) if and when: (i) as the result of any appeal and/or further proceedings on remand or successful collateral attack, the Litigation Expense award is reduced, vacated or reversed; (ii) the Effective Date does not occur; (iii) the Stipulation is terminated or cancelled for any reason; (iv) the Settlement is voided by any party; (v) the award

order does not become final; and/or (vi) the Settlement is not approved or is reversed or modified by any court.

7.4 Plaintiffs' Counsel shall refund and repay the full amount of any award Litigation Expenses that is reversed, or the amount by which any such award is reduced or modified, within fifteen (15) business days of the date of the event requiring the refund and repayment as set forth in ¶ 6.3 herein. The refund and repayment shall include interest at the same net rate earned by the Settlement Fund. As a condition of receiving Litigation Expenses, on behalf of itself and each shareholder, each of Plaintiffs' Counsel agrees that it and its partners and/or shareholders are subject to the jurisdiction of the Court for the purpose of enforcing the refund and repayment obligations set forth in this Stipulation. Without limitation, each of Plaintiffs' Counsel (and its partners and/or shareholders) agrees that the Court may, upon application of MSPC and notice to Co-Lead Counsel, summarily issue orders enforcing this provision.

7.5 The procedures for, and the Court's decision regarding, the application for Litigation Expenses to be paid Plaintiffs' Counsel are not conditions of the Settlement or to entry of the Final Order and Judgment. The request for Litigation Expenses are to be considered by the Court separately from and independently of the Court's consideration of the question whether the Settlement is fair, reasonable, adequate and in the best interests of the Settlement Class. Any orders or proceedings relating to any request for Litigation Expenses or any appeal from any order or proceedings relating thereto shall not: (a) operate to modify, terminate or cancel this Settlement; (b) affect or delay the validity or finality of the Final Order and Judgment or any other orders entered by the Court giving effect to this Stipulation; (c) affect or delay the Effective Date; (d) provide any ground or otherwise permit any Person (including Plaintiffs and the other

Settlement Class Members), or any of their counsel, to cancel, terminate or withdraw from the Stipulation or the Settlement; and/or (e) affect or delay the validity of the Settlement.

8. **Terms Of The Judgment**

8.1 If the Settlement contemplated by this Stipulation is approved by the Court, Co-Lead Counsel and MSPC's Counsel shall jointly request that the Court enter a Final Order and Judgment which shall be substantially in the form attached hereto as Exhibit B. The proposed Final Order and Judgment shall contain, *inter alia*, each of the provisions set forth in this Paragraph.

8.2 **Releases.** The Proposed Final Order and Judgment shall contain, and the Settling Parties agree to the entry by the Court of, the Releases provided for in Section 6 of this Stipulation.

8.3 **Bar Order.** The proposed Final Order and Judgment shall contain, and the Settling Parties agree to the entry by the Court of, a Bar Order that contains the following provisions:

(a) except as provided in subparagraphs (c) and (d), permanently barring and enjoining any and all Persons from commencing, prosecuting or asserting against any of the Releasing Defendant Persons any claim for contribution arising out of the Action;

(b) except as provided in subparagraphs (c) and (d), permanently barring and enjoining the Releasing Defendant Persons from commencing, prosecuting or asserting against any Person a claim for contribution arising out of the Action, other than a Person whose liability has been extinguished by this Settlement through a Release or otherwise;

(c) for the avoidance of doubt, nothing in subparagraphs (a) and (b) above, and, nothing in the Stipulation or the Final Order and Judgment, shall bar, preclude, release, prevent, limit, impact and/or otherwise affect in any respect any action by any of the Released Persons to

enforce or effectuate the terms and provisions of this Stipulation, the Settlement, the Preliminary Approval Order and/or the Final Order and Judgment, including, without limitation, the Releases provided for herein;

(d) in accordance with 15 U.S.C. § 78u-4(f)(7)(B), a judgment reduction provision to the effect that any final verdict or judgment that may be obtained by or on behalf of the Settlement Class or a Settlement Class Member against MSPC shall be reduced by the greater of: (i) an amount that corresponds to the percentage of responsibility of MSPC for common damages; or (ii) the amount paid by or on behalf of MSPC to the Settlement Class for common damages; and

(e) notwithstanding the foregoing, nothing in this provision shall apply to claims that may be asserted by any Persons who timely and validly opt out of this Settlement and do not revoke their request for exclusion within the applicable time period.

8.4 **Permanent Injunction.** The proposed Final Order and Judgment shall contain, and the Settling Parties agree to the entry by the Court of, a provision that forever and permanently bars and enjoins: (a) each of the Releasing Plaintiff Persons from filing, commencing, prosecuting, intervening in, participating in (as class members or otherwise), instituting, maintaining, prosecuting, seeking relief in (including filing an application or motion for preliminary or permanent injunctive relief) or receiving any recovery, remedy, benefits or other relief from, any other lawsuit, arbitration or other proceeding or order in any jurisdiction that asserts, is based upon, arises out of, or relates in way to any or all of the Released Plaintiff Claims against any or all of the Released Defendant Persons; and (b) the Releasing Defendant Persons from filing, commencing, prosecuting, intervening in, participating in (as class members or otherwise), instituting, maintaining, prosecuting, seeking relief in (including filing an

application or motion for preliminary or permanent injunctive relief) or receiving any recovery, remedy, benefits or other relief from, any other lawsuit, arbitration or other proceeding or order in any jurisdiction that asserts, is based upon, arises out of, or relates in any way to the Released Defendant Claims against any or all of the Released Plaintiff Persons.

8.5 The proposed Final Order and Judgment shall contain, and the Settling Parties agree to the entry by the Court of, language providing that nothing in ¶ 8.4 or otherwise in the Final Order and Judgment shall bar, prohibit or limit: (a) a Settlement Class Member from proceeding with any of the claims that have already been asserted against the already named defendants in *In re Puda Coal, Inc. Stockholders Litigation*, C.A. 6476-CB, currently pending in the Delaware Court of Chancery; (b) an eligible Settlement Class Member from seeking to obtain a recovery through the SEC Fair Fund process established in connection with the proceeding captioned *SEC v. Macquarie Capital (USA) Inc.*, C.A. No. 15-CV-02304 (S.D.N.Y.); and/or (c) bar any action by any of the Released Persons to enforce or effectuate the terms and provisions of this Stipulation, the Settlement, the Preliminary Approval Order and/or the Final Order and Judgment, including, without limitation, the Releases provided for herein.

8.6 The proposed Final Order and Judgment shall contain, and the Settling Parties agree to the entry by the Court of, a provision requiring that any final verdict or judgment that may be obtained by or on behalf of the Settlement Class or a Settlement Class Member against a Non-Settling Defendant(s) shall be reduced by the greater of: (a) an amount that corresponds to the percentage of responsibility of MSPC for common damages; or (b) the amount paid by or on behalf of MSPC to the Settlement Class for common damages.

8.7 The proposed Final Order and Judgment shall contain, and the Settling Parties agree to the entry by the Court of, a provision as to the Settling Parties' Rule 11 compliance

pursuant to Section 21D(c)(1) of the Exchange Act, as amended by the PSLRA, 15 U.S.C. § 78u-4(c)(1).

9. **The Effective Date**

9.1 The Effective Date of the Settlement shall be the first date by which all of the following events and conditions have occurred and been met (or have been waived in a writing signed by the Person that is waiving the event and condition):

(a) this Stipulation and such other documentation as may be required to obtain final Court approval of this Stipulation, in a form satisfactory to the Settling Parties, have been duly executed;

(b) the Court has entered the Preliminary Approval Order (substantially in the form annexed hereto as Exhibit A);

(c) the Settlement Amount has been deposited in the Escrow Account in accordance with the provisions of this Stipulation;

(d) approval by the Court of the Settlement, following notice to Authorized Claimants and a hearing;

(e) entry of the Final Order and Judgment substantially in the form attached hereto as Exhibit B (and without removing or making any modifications or changes to the Releases);

(g) expiration of the time for the filing or noticing of any Appeal from the Final Order and Judgment (and including any extensions of time) without any Appeal having been filed, other than those appeals and proceedings set forth in ¶ 4.3 or ¶ 6.3 herein;

(i) if there is an Appeal or Appeals with respect to the Final Order and Judgment (other than those appeals and proceedings specified in ¶ 4.3 or ¶ 6.3, the date of dismissal of the Appeal or final affirmance on Appeal of the Final Order and Judgment (such that

the order represents a final and binding determination of all issues within its scope) and the expiration of all deadlines for any further judicial review thereof (whether by motions for reconsideration, petitions for *certiorari* or other mechanism), and the conclusion of all proceedings ordered on remand and all proceedings arising out of any subsequent Appeal or Appeals following a decision on remand (and, if *certiorari* is granted, the date of final affirmance of the Final Order and Judgment pursuant to the writ); and

(j) no Person has given notice of its election to terminate this Stipulation and the Settlement pursuant to ¶¶ 9.1, 9.3 or 9.5 herein, and the time for doing so has expired.

9.2 Notwithstanding anything in this Stipulation, the Effective Date (and the effectiveness of the Settlement) does not depend in any way upon the resolution of any orders, proceedings, rulings, consideration, appeals or other matters solely concerning, relating to, based upon or arising out of: (a) Court approval of the Plan of Allocation; (b) any application for an award of attorneys' fees or reimbursement of Litigation Expenses to Plaintiffs' Counsel (including the allocation of such fees among counsel); (c) the Court's findings and conclusions pursuant to Section 21D(c)(1) of the Exchange Act, 15 U.S.C. § 78u-4(c)(1); (d) the separate Brean, Macquarie, and U.S. Directors Settlements; and/or (e) any Reimbursement Award.

9.3 Upon the Effective Date, any and all interests and rights of MSPC in or to the Settlement Fund shall be absolutely and forever extinguished. Without limiting any of the foregoing, MSPC shall have, in its sole discretion, the option to terminate the Settlement in its entirety in the event that the Final Order and Judgment does not provide for the dismissal with prejudice of the Action against them.

10. **Termination**

10.1 No Settling Party shall have any obligation whatsoever to proceed under any terms or conditions other than substantially in the form provided and agreed to herein. MSPC

and Lead Plaintiffs shall each have the unilateral right to terminate the Settlement and this Stipulation by providing written notice of their election to do so to counsel to the other within ten (10) business days of any of the following events (“Termination Notice”):

- (a) the Court’s declining to enter the Preliminary Approval Order substantially in the form attached hereto as Exhibit A or modifying it in any material respect;
- (c) the Court’s refusal to approve the Settlement as set forth in this Stipulation or the Court’s modification of it in any material respect (including, without limitation, by removing or making any modifications or changes to the Releases);
- (d) the Court’s modification of the Settlement as set forth in the Stipulation in any material respects (including, without limitation, by removing or making any modifications or changes to the Releases);
- (e) the Court’s declining to enter the Final Order and Judgment substantially in the form attached hereto as Exhibit B or the Court’s modification of the Final Order and Judgment in any material respect (including, without limitation, by removing or making any modifications or changes to the Releases); and/or
- (f) the date upon which the Final Order and Judgment is vacated, modified reversed or revised in any material respect by any level of appellate court (including, without limitation, by removing or making any modifications or changes to the Releases).

10.2 Notwithstanding any other provision or paragraph of this Stipulation: (a) no ruling, consideration, decision, action or inaction by the Court or any appellate court relating solely to (i) an award of attorneys’ fees and Litigation Expenses to Plaintiffs’ Counsel pursuant to Section 7 herein, or (ii) the Plan of Allocation; shall (b) entitle Lead Plaintiffs, the Additional

Named Plaintiffs or any other Settlement Class Member (or their counsel) to withdraw from, cancel or terminate the Settlement or this Stipulation.

10.3 If the Stipulation is terminated in accordance with this provisions of this Paragraph, the Settlement is not approved by the Court, the Effective Date otherwise does not occur and/or the Settlement otherwise fails for any reason:

(a) the Settlement Amount (including any net interest earned thereon) shall be refunded to MSPC or its insurance company (as the case may be) no later than ten (10) business days after written notification of such event by MSPC's Counsel;

(b) the Settlement and this Stipulation shall be null, void and without prejudice and none of its terms shall have any further force or effect or be enforceable;

(c) the Action shall proceed in all respects as if this Stipulation had not been entered and all negotiations, discussions, acts, Court orders and other proceedings in connection therewith treated as if they never existed;

(d) the Settling Parties shall be deemed to have reverted to their respective status in the Action as of May 20, 2016;

(e) any judgment(s) or order(s) entered by the Court in accordance with the terms of this Stipulation shall be treated as vacated, *nunc pro tunc*; and

(f) the facts and terms of this Stipulation shall not be admissible in any trial of this Action or any other proceeding.

10.4 The Settling Parties agree that any disputes concerning the termination of the Settlement pursuant to the Stipulation shall be presented to the Court, which shall have exclusive jurisdiction to resolve and rule as to whether the Settlement and this Stipulation has been properly terminated.

10.5 Notwithstanding the foregoing, the provisions of and obligations in ¶¶ 2.3, 4.11, 6.3, 6.4, 6.5, 9.6, 10.1, 10.2, 10.3, 12.13, and 12.14 above shall survive and remain in full force and effect and be binding in all respects on the Settling Parties even if the Stipulation is terminated, the Settlement is not approved and/or the Effective Date does not occur.

11. **No Admissions**

11.1 Whether or not the Settlement is approved by the Court and whether or not the Settlement is consummated, the facts and terms of the Settlement and this Stipulation (including all exhibits hereto), as well as all negotiations, discussions, acts performed, agreements, drafts, documents signed and proceedings in connection with the Settlement:

(a) shall not be described as, construed as, interpreted as, or offered or received against any of the Released Defendant Persons as evidence of and/or deemed to be evidence of any presumption, concession or admission by them as to: (i) the truth of any fact alleged in the Complaint; (ii) the validity of any claim that has been or could have been asserted in the Action or in any other litigation; (iii) the deficiency of any defense that has been or could have been asserted in the Action or in any other litigation; and/or (iv) any liability, negligence, misconduct, inaction, fault, or wrongdoing of any sort on their part as alleged in the Complaint;

(b) shall not be described as, construed as, interpreted as or offered or received against Plaintiffs or any other Settlement Class Member as evidence of any infirmity in the claims of said Person or that damages recoverable from MSPC would not have exceeded the Settlement Amount;

(c) shall not be described as, construed as, interpreted as, offered or received against any of the Settling Parties as an admission or concession that the consideration to be given in the Settlement represents the amount which could be or would have been awarded to any Settlement Class Member after trial;

(d) shall not be construed, offered, interpreted, deemed or received against any of the Released Persons in any other civil, criminal, regulatory or administrative action, litigation or proceeding, except in connection with any action, litigation or proceeding to enforce the terms of this Stipulation, the Settlement and/or the Final Order and Judgment; and

(e) shall not be deemed or construed to create any inferences of any damages, or lack of damages, suffered by Plaintiffs or any of the other Settlement Class Members.

11.2 Notwithstanding the foregoing, any of the Released Persons may file, offer, cite, refer to or otherwise employ the Stipulation, the Settlement, the Final Order and Judgment (if entered) and any other orders of the Court: (a) to enforce their terms; (b) to enforce the Releases upon the Effective Date; and/or (c) to support a defense or counterclaim based on principles of res judicata, collateral estoppel, release and discharge, good faith settlement, judgment bar or reduction, any theory of claim preclusion or issue preclusion or any similar defense or counterclaim, upon the Effective Date.

11.3 The provisions of, and obligations in Section 11 shall survive and remain in full force and effect and be binding in all respects on the Settling Parties even if the Stipulation is terminated, the Settlement is not approved and/or the Effective Date does not occur.

12. **Representations And Warranties**

12.1 Plaintiffs represent and warrant that, at all times relevant to this Action, they were each a Settlement Class Member, and that, to their knowledge, none of their Released Plaintiff Claims has been assigned, encumbered, or in any manner transferred in whole or in part.

Plaintiffs represent and warrant that they will not attempt, and have not attempted, to assign, encumber, or in any manner transfer in whole or in part any of the Released Plaintiff Claims.

12.2 Plaintiffs and MSPC represent and warrant that: (a) they have made such investigation of the facts pertaining to the Settlement provided for in this Stipulation, and all of the matters pertaining thereto, as such Party deems necessary and advisable; and (b) they, or a responsible officer, partner, fiduciary, counsel (including Plaintiffs' Counsel, and MSPC's Counsel) or other such similar Person thereof, have read this Stipulation and understands the contents hereof.

12.3 All counsel executing this Stipulation or any related Settlement documents, represent and warrant that she/he/it has the authority to do so and that she/he/it has the authority to take appropriate action required or permitted to be taken pursuant to this Stipulation to effectuate its terms.

12.4 If a case is commenced in respect of MSPC under title 11 of the United States Code (Bankruptcy), or a trustee, receiver or conservator is appointed under any similar law, and in the event of the entry of a final order of a court of competent jurisdiction determining the transfer of money to the Settlement Fund or any portion thereof by or on behalf of MSPC to be a preference, voidable transfer, fraudulent transfer or similar transaction, and any portion thereof is required to be returned, and such amount is not promptly deposited to the Settlement Fund by others, then at the election of Lead Plaintiffs, the Settling Parties shall jointly move the Court to vacate and set aside the Releases and the Final Order and Judgment entered in favor of MSPC pursuant to this Stipulation, which Releases and Final Order and Judgment shall be null and void, the Settling Parties shall be restored to their respective positions as of May 20, 2016, and any cash amounts in the Settlement Fund shall be returned as provided above.

13. **Miscellaneous Provisions**

13.1 The Stipulation shall be binding when signed by all parties hereto but the Settlement shall be effective and final only upon occurrence of the Effective Date.

13.2 Plaintiffs' Counsel and MSPC's Counsel agree to: (a) cooperate fully with each other in seeking Court approval of the Settlement; (b) promptly execute all additional documentation that may reasonably be required to obtain Court approval; and (c) use their reasonable best efforts, and to take all such other steps as may be necessary and required, to effect the consummation of this Stipulation and the Settlement. Without further order of the Court, the Settling Parties may agree to reasonable extensions of time to carry out any of the provisions of this Stipulation.

13.3 Plaintiffs and MSPC, and their respective attorneys, agree not to assert in any forum that this Action was brought by Plaintiffs or Plaintiffs' Counsel (or defended by MSPC or its counsel), in bad faith or without a reasonable basis. For the purpose of the Court's findings and conclusions pursuant to Section 21D(c)(1) of the Exchange Act, as amended by the PSLRA, the Settling Parties shall assert no claims of any violation of Rule 11 of the Federal Rules of Civil Procedure relating to the prosecution, defense or settlement of this Action. The Settling Parties agree that the amount paid and the other terms of this Settlement were negotiated at arm's length and in good faith, and reflect a settlement that was reached voluntarily after consultation with experienced legal counsel.

13.4 This Stipulation and the exhibits hereto constitute the entire agreement and understanding of the Settling Parties, and supersede any prior agreements or understandings between them with respect to the Settlement. In entering into this Stipulation, none of the Settling Parties is relying on any promise, warranty, inducement or representation other than those set forth in this Stipulation and the Settling Parties disclaim the existence of any such promise, warranty, inducement or representation. The Settling Parties intend this Stipulation to be final and complete resolution of all disputes asserted or which could have been asserted by the

Settling Parties against one another as well as all of the Released Claims by any of the Releasing Parties against the Released Persons.

13.5 All agreements made and orders entered during the course of this Action relating to the confidentiality of documents and information shall survive this Stipulation and the Effective Date pursuant to their terms unless otherwise modified by the Court.

13.6 All of the exhibits attached to this Stipulation are integral parts hereof and are hereby incorporated by reference as though fully set forth herein. This Stipulation, including the exhibits to this Stipulation may not be amended or modified except in a writing signed by all counsel who has executed this Stipulation. Any condition contained in this Stipulation may be waived by the party entitled to enforce the condition in a writing signed by that party or his, her or its counsel. The waiver by any party of any breach of this Stipulation by any other party shall not be deemed a waiver of the breach by any other party (or a waiver of any other prior or subsequent breach of this Stipulation by that party or any other party).

13.7 Any failure by a party to insist upon strict performance by any other party of any of the provisions of this Stipulation shall not be deemed a waiver of any of the other provisions hereof, and such a party, notwithstanding such failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions of this Stipulation to be performed by such other party.

13.8 If any party is required to give notice to another party under this Stipulation, such notice shall be in writing and shall be deemed to have been duly given upon receipt of hand delivery or facsimile or email transmission, with confirmation of receipt. Notice shall be provided as follows:

If to Plaintiffs or Plaintiffs' Counsel: The Rosen Law Firm PA	If to MSPC or MSPC's Counsel: Baratta, Baratta & Aidala LLP
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275 Madison Avenue, 34th Floor New York, NY 10016 Tel: (212) 686-1060 Fax: (212) 202-3827 ATTN: Laurence Rosen Sara Fuks lrosen@rosenlegal.com sfuks@rosenlegal.com	546 Fifth Avenue New York, NY 10036 Tel: (212) 750-9700 Fax: (212) 750-8297 ATTN: Joseph A. Baratta Law Offices of Michael V. Cibella Michael V. Cibella jabaratta@barattalaw.com mvc@cibellalaw.com
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13.9 The construction, interpretation, operation, effect and validity of this Stipulation (and all documents necessary to effectuate it) shall be governed by and construed according to the internal laws of the State of New York without regard to the conflict of law rules, except to the extent that federal law requires that federal law governs.

13.10 This Stipulation is the result of arm’s-length negotiations between the Settling Parties. The Settling Parties have contributed substantially and materially to the preparation of this Stipulation and this Stipulation shall not be construed more strictly against one party than another merely by virtue of the fact that the Stipulation or a particular provision or paragraph of the Stipulation may have been prepared by counsel for a particular party.

13.11 The section headings used throughout this Stipulation (and the exhibits) are for convenience only and shall not affect the interpretation or construction of this Stipulation. This Stipulation may be executed in one or more counterparts.

13.12 This Stipulation shall be binding upon and inure to the benefit of the heirs, successors and assigns of the Settling Parties. All Released Persons who are not parties to this Stipulation are intended third-party beneficiaries of the Settlement and, upon the occurrence of the Effective Date, are entitled to enforce the terms of the Releases provided under the Final Order and Judgment.

13.13 The administration and consummation of the Settlement shall be under the authority of the Court, which shall retain jurisdiction with respect to the implementation and enforcement of its terms. Any disputes arising out of this Stipulation or the Settlement shall be filed and litigated exclusively in this Court.

13.14 The Settling Parties agree that the terms of this Stipulation and the fact that it has been executed are strictly confidential until this Stipulation has been filed with the Court, except to the extent required by law or as mutually agreed to by the Settling Parties hereto in writing. While maintaining their own positions as to the merits of claims and defenses asserted in the Action, the Settling Parties and their counsel agree not to make any public statements, statements to the media (whether or not for attribution), or any statement published on a public website that: (a) disparages the business, conduct or reputation of the others; (b) makes any accusations of wrongful or actionable conduct by the other concerning the prosecution, defense and/or resolution of the Action; and/or (c) suggests that the Settlement constitutes an admission as to any claim or defense alleged. The obligations in this Paragraph shall survive and remain in full force and effect and be binding on the Settling Parties even if the Stipulation is terminated, the Settlement is not approved and/or the Effective Date does not occur.

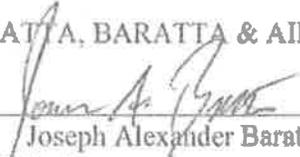
13.15 MSPC shall be responsible for the CAFA Notice and shall take steps to comply with the CAFA requirements in as expeditious a manner as possible so as to not cause delay in the scheduling of the Settlement Hearing. Any fees or costs incurred in connection with the preparation and service of the CAFA Notice shall be borne by MSPC and its insurance carrier and under no circumstances will be borne by the Settlement Class Members (or their counsel), or payable from the Settlement Fund.

13.16 It is understood by the Settling Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Stipulation is entered into may turn out to be other than or different from the facts and law now known to each Settling Party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be different, and agrees that this Stipulation shall be in all respects effective and not subject to termination by reason of any such different facts or law.

13.17 This Stipulation may be executed in one or more original, e-mailed and/or faxed counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for each of the Settling Parties will maintain their own respective signature pages. No Settling Party shall raise the use of e-mail to deliver or transmit a signature as a defense to the formation or enforceability of this Stipulation, and each Settling Party forever waives any such defense. A complete set of executed counterparts shall be filed with the Court.

IN WITNESS THEREOF, the parties hereto have caused the Stipulation to be executed by their duly authorized attorneys as of September 16, 2016.

BARATTA, BARATTA & AIDALA LLP

By: 
Joseph Alexander Baratta

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*Counsel for MSPC Certified Public
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Co-Lead Counsel for Plaintiffs

EXHIBIT A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE PUDA COAL SECURITIES INC.
et al. LITIGATION

CASE NO: 1:11-CV-2598 (DLC)

**[PROPOSED] ORDER PRELIMINARILY APPROVING PROPOSED
SETTLEMENT**

WHEREAS, a consolidated class action is pending in this Court entitled *In re Puda Coal Securities Inc., et al. Litigation*, Case No. 1:11-CV-2598 (DLC) (S.D.N.Y.) (the “Action”);

WHEREAS Lead Plaintiffs Salomón Querub, Howard Pritchard and Hotel Ventures LLC (collectively, “Lead Plaintiffs”), on behalf of themselves, the Additional Named Plaintiffs and the class of Persons defined below, and Defendant MSPC Certified Public Accountants and Advisors, P.C. sued as Moore Stephens, P.C. (“MSPC” or “Defendant” and together with the Plaintiffs, the “Settling Parties”) have determined to settle all claims asserted against MSPC in this Action on the terms and conditions set forth in the Stipulation and Agreement of Settlement, dated September 16, 2016 (the “Stipulation”), subject to the approval of this Court (the “Settlement”);

WHEREAS, the Settling Parties have made an application, pursuant to Rule 23 of the Federal Rules of Civil Procedure, for an order preliminarily approving the Settlement in accordance with the Stipulation and allowing and providing for notice to the Settlement Class Members as more fully described herein; and

WHEREAS, the Court is familiar with the record in the Action, having read and considered: (a) the Second Consolidated Amended and Supplemental Complaint for Violations

of the Federal Securities Laws, filed in this Action on April 21, 2014; and (b) the Stipulation and the exhibits attached thereto;

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. This Order hereby incorporates by reference the definitions in the Stipulation, and all terms used herein shall have the same meanings as set forth in the Stipulation (certain of which are repeated herein for ease of reference only).

2. **Preliminary Approval of Proposed Settlement** – The Court hereby preliminarily approves the proposed Settlement, embodied in the Stipulation, as being fair, reasonable and adequate and in the best interests of the Settlement Class, subject to further consideration at a hearing to be conducted as described below.

3. **Class Certification** – The Court hereby preliminarily certifies, for purposes of this Settlement only, pursuant to Rules 23(a), 23(b)(3) and 23(c)(1)(C) of the Federal Rules of Civil Procedure, a Settlement Class consisting of all Persons who during the period beginning on December 8, 2010 through and including April 11, 2011 : (a) purchased or otherwise acquired Puda common stock; (b) purchased or otherwise acquired call options on Puda common stock; and/or (c) sold or otherwise disposed of put options on Puda common stock. Excluded from the Settlement Class are: (a) the Defendants; (b) any Person who was a partner, executive officer, director, controlling person, subsidiary, or affiliate of any Defendant during the Settlement Class Period; (c) members of the Defendants' immediate families; (d) any Person in which any Defendant has a Controlling Interest; and (e) the legal representatives, heirs, estates, administrators, predecessors, successors or assigns of any of the foregoing excluded Persons. Also excluded from the Settlement Class is any Person who or which properly excluded himself,

herself or itself by filing a valid and timely request for exclusion in accordance with the requirements set forth herein and in the Joint Notice.

4. Pursuant to Rule 23, and for the purposes of the Settlement only, the Court preliminarily certifies Lead Plaintiffs as the class representatives for the Settlement Class and appoints Co-Lead Counsel The Rosen Law Firm, P.A., and Glancy Prongay & Murray LLP as counsel to the Settlement Class. Co-Lead Counsel is authorized to act on behalf of the Settlement Class with respect to all acts required by, or that may be undertaken pursuant to, the Stipulation or such other acts as are reasonably necessary to consummate the proposed Settlement.

5. With respect to the Settlement Class, the Court preliminarily finds, solely for purposes of the Settlement, that the prerequisites for a class action under Rules 23(a) and (b)(3) have been satisfied.

6. **Settlement Hearing** – The Court will hold a settlement hearing (the “Settlement Hearing”) on _____, at ___:___ .m. in Courtroom 15B of the United States District Court for the Southern District of New York, 500 Pearl Street, New York, NY 10007, for the following purposes: (a) to determine whether to grant final certification of the Action as a class action solely for purposes of the Settlement, pursuant to Rule 23; (b) to determine whether the proposed Settlement on the terms and conditions provided for in the Stipulation (including the Releases set forth therein) is fair, reasonable, adequate and in the best interests of the Settlement Class and should be approved by the Court; (c) to determine whether a Final Order and Judgment substantially in the form attached to the Stipulation as Exhibit B should be entered dismissing the Action with prejudice against MSPC; (d) to determine whether the motion for an award of Litigation Expenses to Plaintiffs’ Counsel should be approved; (e) to determine whether Lead

Plaintiffs' proposal to distribute proceeds of the Settlement in accordance with the Court-approved Plan of Allocation in connection with prior settlements (the "Distribution Plan") should be approved as fair and reasonable; and (f) to consider any other matters that may properly be brought before the Court in connection with the Settlement. Notice of the Settlement and the Settlement Hearing shall be given to Settlement Class Members as set forth in Paragraph 11 of this Order.

7. Co-Lead Counsel shall file and serve papers in support of final approval of the proposed Settlement, the proposed Distribution Plan and the application for an award of Litigation Expenses no later than thirty (30) calendar days prior to the Settlement Hearing. Any objections to the Settlement, Distribution Plan and/or the application for Litigation Expenses shall be filed and served no later than twenty-one (21) calendar days prior to the Settlement Hearing. If reply papers are necessary, they are to be filed and served no later than seven (7) calendar days prior to the Settlement Hearing.

8. The Court may adjourn the Settlement Hearing and approve the proposed Settlement with such modifications that the Settling Parties may agree to, if appropriate, without further notice to the Settlement Class.

9. The Plan of Distribution and the application for Litigation Expenses to Plaintiffs' Counsel will be considered separately from the determination as to the fairness, reasonableness and adequacy of the Settlement. At or after the Settlement Hearing, the Court will determine whether Lead Plaintiffs' proposed Plan of Distribution should be approved and whether (and if so, the amount of) Litigation Expenses that should be awarded to Plaintiffs' Counsel. Any appeal from any orders relating solely to the Plan of Distribution or solely to Lead Plaintiffs' application for a reimbursement of Litigation Expenses, or any reversal or modification thereof,

shall not operate to terminate, modify or cancel the Settlement or Stipulation, or affect or delay the validity, effectiveness or finality of the Settlement or Final Order and Judgment (if entered by the Court). No Released Defendant Person shall have any responsibility for, or liability whatsoever with respect to, the Plan of Distribution or any application for reimbursement of Litigation Expenses to Plaintiffs' Counsel.

10. If the Settlement is approved at the Settlement Hearing and becomes effective, all Settlement Class Members (who did not properly exclude themselves) will be bound by the proposed Settlement provided for in the Stipulation and by all judgments, orders and determinations of the Court affecting the Settlement Class Members, including, without limitation, the Releases provided for thereunder regardless of whether or not a Settlement Class Member seeks or obtains any distribution or payment from the Net Settlement Fund or is eligible to receive a distribution or payment under the proposed Plan of Distribution.

11. **Retention of Claims Administrator and Manner of Notice** – Co-Lead Counsel is hereby authorized to retain Epiq Systems, Inc. (the “Claims Administrator”) to supervise and administer the notice procedures as well as the processing of claims as more fully set forth below and in the Stipulation. Notice of the Settlement and the Settlement Hearing shall be given by Co-Lead Counsel as follows:

(a) not later than fourteen (14) business days after entry of this Preliminary Approval Order (the “Notice Date”), the Claims Administrator shall cause a copy of the Notice, substantially in the form attached to the Stipulation as Exhibit A-1 to be enclosed with the distribution checks being mailed by first-class mail to all Settlement Class Members who submitted valid claims in this Action.

(b) not later than ten (10) business days after the Notice Date (the “Publication Notice Date”), the Claims Administrator shall cause the Summary Notice, substantially in the form attached to the Stipulation as Exhibit A-2, to be published once in the national edition of *Investors’ Business Daily* and once over the PR Newswire; and

(c) not later than three (3) business days after the Notice Date, the Notice, the Summary Notice, and the Stipulation shall be placed on the website created for the Settlement by the Claims Administrator as well as Co-Lead Counsel’s websites.

12. Not later than twenty-one (21) calendar days prior to the Settlement Hearing, Co-Lead Counsel shall serve on MSPC’s Counsel and file with the Court proof by affidavit or declaration of such mailing and publishing.

13. **Approval of Form and Content of Notice** – The Court: (a) approves the form of the Notice and the Summary Notice attached to the Stipulation as Exhibits A-1 and A-2, respectively; and (b) finds that the procedures outlined in Paragraph 11 of this Order constitute: (i) the best notice reasonably practicable under the circumstances; (ii) notice that is reasonably calculated, under the circumstances, to apprise the Settlement Class Members of the pendency of the Action, of the effect of the proposed Settlement (including the Releases contained therein), the application for Litigation Expenses to Plaintiffs’ Counsel), the Distribution Plan as well as the Settlement Class Members’ rights to object to the proposed Settlement, exclude themselves from the Settlement Class and appear at the Settlement Hearing; (iii) due, adequate and sufficient notice to all Persons entitled to receive notice of the proposed Settlement; and (iv) sufficient and adequate notice that satisfies in all respects the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), the Private Securities Litigation Reform Act of 1995 (15 U.S.C. § 78u-4, et seq.) (the “PSLRA”), and all

other applicable law and rules. The date and time of the Settlement Hearing shall be included in the Notice and Summary Notice before they are mailed and published, respectively.

14. **Appearance and Objections to the Proposed Settlement, and/or the Litigation Expenses to Plaintiffs' Counsel** – Any Settlement Class Member may enter an appearance in the Action, at their own expense, individually or through counsel of their own choice, by filing with the Clerk of Court and delivering a notice of appearance to both Counsel for Plaintiffs and Counsel for defendant as listed in the Notice such that it is received no later than twenty-one (21) calendar days prior to the Settlement Hearing, or as the Court may otherwise direct. Any Settlement Class Member who does not enter an appearance will be represented by Lead Plaintiffs and Co-Lead Counsel.

15. Any member of the Settlement Class who does not request exclusion from the Settlement Class may file a written objection to the proposed Settlement, the Plan of Distribution and/or the request for reimbursement of Litigation Expenses to Plaintiffs' Counsel and appear and show cause, if that Person has any cause, as to why any or all of those matters should not be approved. No Settlement Class Member, however, shall be heard or entitled to contest the approval of any of these matters unless that Person has filed written objections with the Court and served copies of such objections on both Counsel for Plaintiffs and Counsel for defendants in the manner provided in the Notice such that it is received no later than twenty-one (21) calendar days prior to the Settlement Hearing.

16. Any objections, filings or other submissions by an objecting Settlement Class Member must comply with the procedures, requirements and timing set forth in the Notice, including without limitation: (a) a statement of that Settling Class Member's objection; (ii) the specific reasons, if any, for each objection, including the legal and evidentiary support the

Settlement Class Member wishes to bring to the Court's attention; and (c) documents sufficient to show the number of shares of Puda common stock purchased and sold, as well as the dates and prices of each such purchase and sale. By filing a notice of objection, a Settlement Class Member shall be deemed to have submitted to the jurisdiction of the Court with respect to their objection or request to be heard, the subject matter of the Settlement, and enforcement as to its terms (including, but not limited to, the Releases).

17. Any member of the Settlement Class who does not make his, her or its objection in the manner provided herein and in the Notice shall: (a) have and be deemed to have waived and forfeited any and all rights that Person may otherwise have to object to the Settlement, and/or request for reimbursement of Litigation Expenses to Plaintiffs' Counsel; (b) forever be foreclosed from making any objection to the fairness, adequacy or reasonableness of the Settlement, the Final Order and Judgment to be entered approving the Settlement, the fairness and reasonableness of the Litigation Expenses requested or awarded to Plaintiffs' Counsel; (c) be bound by all of the terms of the Stipulation and by all proceedings, orders and judgments entered by the Court in the Action, including the Final Order and Judgment; and (d) have and be deemed to have waived their right to be, and otherwise be forever barred from being heard with respect to any matters concerning the Settlement.

Claims Process –

18. Any Authorized Claimant that has filed a proof of claim with the Claims Administrator in the related Brean, Macquarie, and U.S. Directors Settlements need not file a Proof of Claim in this Settlement, but may rely on their previously filed proof of claim for this Settlement.

19. **Fees and Expenses** – All reasonable costs incurred in identifying and notifying Authorized Claimants, as well as in administering the Settlement Fund, shall be paid as set forth in the Stipulation. Immediately, after payment of the Settlement Fund to the Escrow Account, but before the Effective Date, Co-Lead Counsel may use up to \$10,000 of the Settlement Fund to pay Notice and Administrative Costs reasonably, necessarily and actually incurred without further approval of MSPC or order of the Court. If the Settlement is terminated pursuant to the terms of the Stipulation, all Notice and Administrative Costs properly paid or incurred, shall nevertheless be returned to MSPC

20. **Settlement Fund** – The contents of the Settlement Fund held by The Huntington National Bank (which the Court approves as 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 they shall be distributed pursuant to the Stipulation and/or further order(s) of the Court. Other than as expressly provided for herein or in the Stipulation, there shall be no distributions or payments from the Settlement Fund prior to the Effective Date.

21. **Taxes** – Co-Lead Counsel is authorized and directed to prepare any tax returns and any other tax reporting forms for or in respect of the Settlement Fund, to pay from the Settlement Fund any Taxes owed with respect to the Settlement Fund, and to otherwise perform all obligations with respect to Taxes and any reporting or filings in respect thereof without further order of the Court in a manner consistent with the provisions of the Stipulation.

22. **Termination of Settlement** – If the Stipulation is terminated, the Settlement is not approved or the Effective Date does not otherwise occur: (a) the Settlement and the Stipulation shall be null and void and without prejudice to, or force and effect to or upon, the rights of the Settling Parties, and none of their terms shall be effective or enforceable (except for

this Paragraph and those provisions identified in Paragraph 9.6 of the Stipulation); (b) Section 10 of the Stipulation shall govern the use of this Order, the Settlement and the Stipulation thereafter, including, among other things, that they shall not be used against any of the Settling Parties and are not admissible in any trial of the Action or any other proceeding; (c) the Settling Parties shall be deemed to have reverted to their respective litigation positions in the Action immediately prior to May 20, 2016; and (d) except as otherwise expressly provided in the Stipulation, the Settling Parties shall proceed in all respects as if the Stipulation and any orders related to the Settlement had not been entered.

23. **Retention of Jurisdiction** – The Court retains jurisdiction to consider all further applications arising out of the proposed Settlement.

SO ORDERED this _____ day of _____.

The Honorable Denise L. Cote
United States District Judge

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

_____)
In re: PUDA COAL SECURITIES INC.)
LITIGATION) 11cv2598 (DLC)
_____)

NOTICE OF SETTLEMENT

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE SUPPLEMENTS THE JOINT NOTICE SENT TO CERTAIN INVESTORS OF PUDA COAL COMMON STOCK AND OPTIONS REGARDING THE FAIR FUND AND CLASS ACTION SETTLEMENTS

PLEASE VISIT www.pudacoalfund.com, EMAIL info@pudacoalfund.com OR CALL 877-276-7324 TO OBTAIN MORE INFORMATION OR A COPY OF THE JOINT NOTICE

A FEDERAL COURT AUTHORIZED THIS NOTICE.

Lead Plaintiffs in the above-captioned class action (the “Action”) have proposed a settlement with Defendant MSPC Certified Public Accountants and Advisors, P.C. sued as Moore Stephens, P.C. (“MSPC” or “Defendant”) that provides for MSPC to pay \$125,000 for the benefit of the Settlement Class (the “MSPC Settlement”) into the Court-approved Class Action Settlement Fund. MSPC has agreed to make this payment notwithstanding the fact that the United States Court of Appeals for the Second Circuit affirmed MSPC’s dismissal from this Action and there are no remaining claims against MSPC and no basis for further appeals.

The MSPC Settlement is in addition to (1) the \$7.4 million settlement with Defendant Macquarie Capital (USA) Inc.; (2) the \$1.2 million settlement with Defendant Brean Murray, Carret & Co.; (3) the settlement with Defendants Lawrence S. Wizel and C. Mark Tang that provided for payment of \$100,000 and assignment of certain claims for the benefit of the Settlement Class (collectively the “Class Action Settlements”); and (4) monies made available to purchasers of Puda common stock in Puda’s December 2010 Offering through the Securities and Exchange Commission Fair Fund process relating to Macquarie (the “Fair Fund Settlement”).

If you previously filed a Claim Form in connection with the Class Action Settlements, you may rely on that Claim Form to participate in the MSPC Settlement. Settlement Funds in connection with the MSPC Settlement will be distributed as described in this Notice and in accordance with the Plan of Allocation, which was explained in the Joint Notice and which was already approved by the Court.

On the following pages is important information regarding the MSPC Settlement.

Background to MSPC Settlement

A detailed explanation of the litigation and the Fair Fund and the Class Action Settlements is set forth in the Joint Notice.

This Action alleged a fraudulent scheme orchestrated by Puda's former Chairman, Ming Zhao. Plaintiffs initially asserted claims against MSPC and Moore Stephens Hong Kong ("MSHK" and together with MSPC, the "Auditor Defendants") arising from their audit of Puda's financial statements. Following extensive discovery, including review of 40,000 pages of documents, ten fact depositions, and six expert depositions, the Auditor Defendants filed motions for summary judgment. On July 26, 2014, the Court granted the Auditor Defendants' motions, dismissing all claims brought against them, and on June 8, 2015, the Court entered a final order of dismissal as to the Auditor Defendants.

On June 30, 2015, Plaintiffs filed a Notice of Appeal to the United States Court of Appeals for the Second Circuit (the "Auditor Appeal"). While the Auditor Appeal was still pending with the Second Circuit, Lead Plaintiffs and MSPC agreed in principle to settle this Action. On May 20, 2016, the Second Circuit affirmed the Court's grant of summary judgment and dismissal of all claims against the Auditor Defendants. As a result, there are no remaining claims against MSPC and no basis for further appeals. However, MSPC has agreed that the Settling Parties should proceed with the negotiated resolution of Plaintiffs' claims on the terms and conditions set forth herein.

Who Is Eligible to Participate in the MSPC Settlement?

The Court certified in this Action a Settlement Class consisting of those persons or entities that purchased Puda common stock or call options or sold Puda put options during the period from December 8, 2010 through and including April 11, 2011 (the "Settlement Class Period"). The MSPC Settlement pertains to the same Settlement Class.

There is no Claim Form in connection with this Settlement. You may rely on the Claim Form previously submitted in connection with the Class Action Settlements to participate in this Settlement.

How Much Will My Payment Be?

For complete information on how payments will be calculated for those who filed Claim Forms, please review the Plan of Allocation for the Class Action available in the Joint Notice.

Other Information

This is not a solicitation from a lawyer. Section 21(d)(4) of the Securities Exchange Act of 1934 ("Exchange Act") prohibits the use of funds disgorged in an action brought by the SEC "as payment for attorneys' fees or expenses incurred by private parties seeking distribution of the disgorged funds."

The Lead Plaintiffs in the Class Action are Salomón Querub, Howard Pritchard and Hotel Ventures LLC ("Lead Plaintiffs").¹ The Court in charge of this case still has to decide whether to approve the MSPC Settlement.

¹ For purposes of this Notice, "Plaintiffs" means, collectively, Steven Weissmann and Trellus Management Company LLC (the "Additional Named Plaintiffs") and Lead Plaintiffs.

YOUR LEGAL RIGHTS AND OPTIONS IN THE MSPC SETTLEMENT	
Object to the MSPC Settlement no later than _____.	Write to the Court about why you do not like the MSPC Settlement.
Attend the Hearing on _____.	Speak in Court about the fairness of the Settlement.
Do Nothing.	Be bound by the Settlements and judgments that will be entered by the Court.

Please see the Joint Notice regarding certain persons who are excluded from the Settlement Class.

MSPC is entering into this Settlement notwithstanding the fact that all claims against it have been dismissed and there are no further rights to appeal. MSPC is entering into this Settlement without admitting any liability to the Plaintiffs or the other Settlement Class Members.

Plaintiffs recommend acceptance of the Settlement. Absent this Settlement, there will be no recovery from MSPC.

This Notice does not express any opinion by the Court concerning the merits of the claims and defenses of the parties to the Class Action.

How Will the MSPC Settlement Be Distributed?

Any funds from the MSPC Settlement remaining after the payment of court-approved Litigation Expenses will be distributed in accordance with the Plan of Allocation, which was already approved by the Court in connection with the Class Action Settlements.

What Rights Are Being Compromised as Against MSPC?

If you previously submitted a Claim Form in connection with the Class Action Settlements you will remain in the Settlement Class for purposes of the MSPC Settlement. That means that you and all other Settlement Class Members will release (agreeing never to sue, continue to sue, or be part of any other lawsuit) against that defendant as well as their current, former, or future affiliates and MSPC’s counsel for, among other things, any claims arising from or concerning your purchase, sale or ownership of Puda Securities.

A complete description of the release provided for the MSPC Settlement, including the claims being released and the persons and entities who are being released, is set forth in the Stipulation of Settlement available for you to review at www.pudacoalfund.com.

The Class Action has already been dismissed against MSPC, and Plaintiffs have exhausted all appeals. If the settlement is approved, the Court will enter judgment dismissing the claims against MSPC for all time.

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Questions? Visit www.pudacoalfund.com, email info@pudacoalfund.com or call 877-276-7324

The Lawyers Representing You in the MSPC Settlement

The Court has appointed the law firms The Rosen Law Firm P.A. and Glancy Prongay & Murray LLP as Plaintiffs' Counsel to represent Plaintiffs and all other Settlement Class Members in the Class Action. If you have any questions about the proposed MSPC Settlement, you may contact Plaintiffs' Counsel using the contact information at the end of this Notice.

Plaintiffs' Counsel have not received any payment for their services in pursuing the claims asserted in the Class Action, nor been reimbursed for their out-of-pocket expenses. Lead Plaintiffs intend to request that the Court award Plaintiffs' Counsel Litigation Expenses up to \$125,000 for costs incurred in connection with the appeal against the Auditor Defendants and to pursue assigned claims and the enforcement of the default judgment entered against Puda and Zhao in China. The Court will determine whether these awards are warranted and the amount thereof. Any such payments will be paid out of the Settlement Fund.

The Hearing Regarding the MSPC Settlement

A hearing has been scheduled on the proposed MSPC Settlement for _____, at _____, before the Honorable Denise Cote in the United States District Court for the Southern District of New York, United States Courthouse, 500 Pearl Street, New York, New York 10007 (the "Settlement Hearing"). At the Settlement Hearing, the Court will determine whether: (a) to grant final certification of the Settlement Class solely for purposes of the Settlement; (b) the MSPC Settlement is fair, reasonable, and adequate; and (c) to award Plaintiffs' Counsel and reimbursement of litigation expenses. The Court can also consider any other matters that it may wish to address. If there are objections, the Court will consider them.

Please note that the date of the Settlement Hearing is subject to change without further notice. If you plan to attend the hearing, you should check with Plaintiffs' Counsel. The Court has the authority to make certain modifications to the Settlement without further notice to Class Members.

How Do I Tell the Court That I Don't Like The MSPC Settlement?

If you are a Settlement Class Member and did not exclude yourself, you can object to the MSPC Settlement, including the application for reimbursement of litigation expenses, and give reasons why you think the Court should not approve it. Objections must be in writing. To object, you must file a written objection with the Court saying that you object to the proposed Settlement, or the specific portion thereof to which you are objecting, in the case captioned, *In re Puda Coal Securities, Inc. Litig.*, No. 11cv2598 (S.D.N.Y.) (DLC).

Your written objection must be sent to both the Court and to Plaintiffs' Counsel and must be received by them no later than _____:

Clerk of the U.S. District Court for the Southern District of New York
Daniel Patrick Moynihan United States Courthouse
500 Pearl Street
New York, NY 10007-1312
Attn. In re Puda Coal Securities Litigation, 11cv2598

Lionel Z. Glancy
Glancy Prongay & Murray LLP

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Questions? Visit www.pudacoalfund.com, email info@pudacoalfund.com or call 877-276-7324

1925 Century Park East, Ste. 2100
Los Angeles, CA 90067
Attn. In re Puda Coal Securities Litigation, 11cv2598

Counsel for Lead Plaintiffs will forward your objection to the lawyers for the Settling Defendants.

Any objection must include: (a) the full name, address and telephone number of the objecting Settlement Class Member (b) a list and documentation of all of the Settlement Class Member's transactions involving Puda common stock (or put/call options) during the Settlement Class Period; (c) a written statement of all grounds for the objection; (d) copies of any documents upon which the objection is based; (e) a statement of whether you intend to appear at the Settlement Hearing; (f) a list of other cases in which you or your counsel have appeared either as settlement objectors or as counsel for objectors in the preceding five years; and (g) the objector's signature, even if represented by counsel. If you intend to appear at the Settlement Hearing through counsel, the objection must also state the identity of all attorneys who will appear at the Settlement Hearing.

If you submit an objection, you are submitting yourself to the jurisdiction of the Court with respect to the subject matter of the Settlements, including, but not limited to, the releases that will be contained in the final judgments. Any member of the Settlement Class who does not object in the manner provided above will be deemed to have waived all objections.

Do I Have to Come to the Class Action Settlement Hearing?

No. Plaintiffs' Counsel will answer any questions the Court might have. But you are welcome to come at your own expense. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection so that it was received by the deadline, the Court will consider it when it considers whether to approve the Settlement.

CONCLUSION

This Notice contains only a summary of the proposed MSPC Settlement. You may obtain a complete copy of the Stipulation of Settlement, as well information related to the Class Action Settlements and the Fair Fund Settlement at www.pudacoalfund.com. You can also call the Claims Administrator at 877-276-7324.

You may also contact representatives of Class Action Plaintiffs' Counsel: Lionel Z. Glancy, Glancy Prongay & Murray LLP, 1925 Century Park East, Suite 2100, Los Angeles, CA 90067, (T) (310) 201-9150, (F) (310) 432-1495, info@glancylaw.com.

PLEASE DO NOT CALL OR WRITE THE COURT REGARDING THIS NOTICE.

BY ORDER OF THE COURT

Hon. Denise Cote
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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Questions? Visit www.pudacoalfund.com, email info@pudacoalfund.com or call 877-276-7324

Dated: _____

{00215337;1 }

Questions? Visit www.pudacofund.com, email info@pudacofund.com or call 877-276-7324

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE PUDA COAL SECURITIES INC.
et al. LITIGATION

CASE NO: 1:11-CV-2598 (DLC)

TO: ALL PERSONS WHO PURCHASED OR ACQUIRED COMMON STOCK OF PUDA COAL, INC. (“PUDA”) OR ENGAGED IN TRANSACTIONS IN PUDA PUT OPTIONS OR PUDA CALL OPTIONS DURING THE PERIOD DECEMBER 8, 2010 THROUGH AND INCLUDING AND APRIL 11, 2011

YOU ARE HEREBY NOTIFIED that the Lead Plaintiffs in the above-captioned class action (the “Action”) have proposed a settlement with Defendant MSPC Certified Public Accountants and Advisors, P.C. sued as Moore Stephens, P.C. (“MSPC” or “Defendant”) that provides for MSPC to pay \$125,000 for the benefit of the Settlement Class (the “MSPC Settlement”). MSPC has agreed to make this payment notwithstanding the fact that the United States Court of Appeals for the Second Circuit affirmed MSPC’s dismissal from this Action and there are no remaining claims against MSPC and no basis for further appeals.

The MSPC Settlement is in addition to (1) the \$7.4 million settlement with Defendant Macquarie Capital (USA) Inc. (the “Macquarie Settlement”); (2) the \$1.2 million settlement with Defendant Brean Murray, Carret & Co. (the “Brean Settlement”); (3) the settlement with Defendants Lawrence S. Wizel and C. Mark Tang (the “U.S. Directors”) that provided for payment of \$100,000 and assignment of certain claims for the benefit of the Settlement Class (the “U.S. Directors Settlement”) (collectively the “Settlements”); and (4) monies made available to purchasers of Puda common stock in Puda’s December 2010 Offering through the Securities and Exchange Commission Fair Fund process relating to Macquarie.

A hearing will be held on _____ at _____, before the Honorable Denise L. Cote in the United States District Court for the Southern District of New York, 500 Pearl Street, New York, NY, 10007, to determine: (1) whether the MSPC Settlement should be approved as fair, reasonable and adequate; (2) whether the Action should be dismissed with prejudice against MSPC and the releases and liability protections specified and described in the Notice and the respective Stipulations should be granted, (3) whether Lead Plaintiffs' application for an award of litigation expenses of \$40,715.60 related to prosecuting the appeal against MSPC and \$85,000 related to pursuing certain assigned claims on behalf of the Class against Puda's insurance company (PICC) in China should be granted; and (4) any other matters relevant to the Settlements the Court considers necessary or appropriate (the "Settlement Hearing").

IF YOU PURCHASED PUDA COMMON STOCK OR CALL OPTIONS ON PUDA COMMON STOCK OR SOLD PUT OPTIONS ON PUDA COMMON STOCK DURING THE SETTLEMENT CLASS PERIOD (DECEMBER 8, 2010 THROUGH AND INCLUDING APRIL 11, 2011) YOUR RIGHTS WILL BE AFFECTED AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT FUND. If you have not yet received the full printed Notice of Proposed Settlements, you may obtain a copy by contacting the Claims Administrator at:

Puda Coal Securities Litigation
P.O. Box 2838
Portland, OR 97208-2838

A copy of the Notice is also available at www.pudacoalfund.com.

If you previously filed a proof of claim with the Claims Administrator related to the Brean, Macquarie, and U.S. Directors Settlement, you may rely on your previously filed claim and need not file a separate Proof of Claim in the MSPC Settlement.

If there are any funds remaining after payment of the requested expenses of Class Counsel, the Claims Administrator will distribute such remaining funds from the MSPC Settlement in accordance with the existing Plan of Allocation.

Any objection to the proposed Settlement or application for reimbursement of litigation expenses must be filed with the Court and delivered to counsel for the Parties no later than _____, 2016 in the manner and form set forth in the Notice. All objections must be prepared and served in accordance with the instructions set forth in the Notice.

Inquiries, other than requests for the Notice, may be made to Lead Counsel: Lionel Z. Glancy, Glancy Prongay & Murray LLP, 1925 Century Park East, Suite 2100, Los Angeles, CA 90067, (T) (310) 201-9150, (F) (310) 432-1495, info@glancylaw.com, www.glancylaw.com.

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

Dated: _____

BY ORDER OF THE COURT

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE PUDA COAL SECURITIES INC.
et al. LITIGATION

CASE NO: 1:11-CV-2598 (DLC)

**[PROPOSED] FINAL ORDER AND JUDGMENT
OF DISMISSAL WITH PREJUDICE**

WHEREAS, Lead Plaintiffs Salomón Querub, Howard Pritchard and Hotel Ventures LLC, on behalf of themselves, the Additional Named Plaintiffs and the class of Persons defined below, and Defendant MSPC Certified Public Accountants and Advisors, P.C. sued as Moore Stephens, P.C. (“MSPC” or “Defendant” and together with the Plaintiffs, the “Settling Parties”) have entered into a Stipulation and Agreement of Settlement dated September 16, 2016 (the “Stipulation”) that provides for a complete dismissal with prejudice of the claims asserted against MSPC in the above-referenced litigation (the “Action”) on the terms and conditions set forth in the Stipulation, subject to the approval of this Court (the “Settlement”);

WHEREAS, this Final Order and Judgment (the “Final Order and Judgment”) hereby incorporates by reference the definitions in the Stipulation, and unless otherwise indicated herein, the capitalized words and terms shall have the same meaning as they have in the Stipulation (certain of which are repeated herein for ease of reference only);

WHEREAS, by Order dated _____, 2016 (the “Preliminary Approval Order”), this Court: (a) preliminarily approved the Settlement; (b) preliminarily certified a Settlement Class; (c) ordered that notice of the proposed Settlement be provided to potential Settlement Class Members; (d) provided Settlement Class Members with the opportunity to object to the proposed Settlement; and (e) scheduled a hearing to consider the Settlement;

WHEREAS, due, adequate and sufficient notice of the Settlement and the hearing has been given to the Settlement Class, which notice complied in all respects with requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States Constitution (including the Due Process Clause) and all other applicable law and rules;

WHEREAS, the respective Settling Parties have appeared through their attorneys of record and the opportunity to be heard has been given to all other Persons requesting to be heard in accordance with the notice procedures set forth in the Preliminary Approval Order;

WHEREAS, the Settlement Class has been adequately represented by Lead Plaintiffs and Co-Lead Counsel in connection with the claims asserted against MSPC in the Action;

WHEREAS, this Court conducted a hearing on _____, 2016 to consider, among other things, whether the terms and conditions of the Settlement are fair, reasonable and adequate and should therefore be approved, whether the Court should grant final certification of the Settlement Class solely for purposes of the Settlement, and whether a judgment should be entered dismissing the Action with prejudice as against MSPC and providing for the resolution, discharge, dismissal and settlement of each of the Released Claims as against each of the Released Persons (the “Settlement Hearing”); and

WHEREAS, the Court having reviewed and considered the Stipulation, all papers filed and proceedings held herein in connection with the Settlement, all oral and written comments received regarding the proposed Settlement, and the record in the Action, and good cause appearing therefore;

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

1. **Jurisdiction** – The Court has jurisdiction over the subject matter of the Action and all matters relating to the Settlement, as well as jurisdiction over all parties to the Action, including the Settling Parties and each of the Settlement Class Members.

2. **Incorporation of Settlement Documents** – This Final Order and Judgment incorporates and makes a part hereof: (a) the Stipulation filed with the Court on September 16, 2016; and (b) the Notice and Summary Notice, both of which were filed with the Court on September 16, 2016.

3. **Final Settlement Class Certification** – Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court hereby certifies the Action as a class action solely for purposes of the Settlement against MSPC. The Settlement Class consists of all Persons who during the period beginning on December 8, 2010 through and including April 11, 2011 (a) purchased or otherwise acquired Puda common stock; (b) purchased or otherwise acquired call options on Puda common stock, and/or (c) sold or otherwise disposed of put options on Puda common stock. Excluded from the Settlement Class are: (a) the Defendants; (b) any Person who was a partner, executive officer, director, controlling person, subsidiary, or affiliate of any Defendant during the Settlement Class Period; (c) members of the Defendants' immediate families; (d) any Person in which any Defendant has a Controlling Interest; and (e) the legal representatives, heirs, estates, administrators, predecessors, successors or assigns of any of the foregoing excluded Persons. Also excluded from the Settlement Class is any person who or which properly excluded himself, herself or itself by filing a valid and timely request for exclusion in accordance with the requirements set forth herein and in the Joint Notice.

4. With respect to the Settlement Class, this Court finds, solely for the purposes of Settlement, that the prerequisites for a class action under Rules 23(a) and 23(b)(3) of the Federal

Rules of Civil Procedure have been satisfied in that: (a) the members of the Settlement Class are so numerous that joinder of all Settlement Class Members in the Action is impracticable; (b) there are questions of law and fact common to the Settlement Class; (c) the claims by Lead Plaintiffs, as class representatives, are typical of the claims of the Settlement Class; (d) Lead Plaintiffs and Co-Lead Counsel have and will fairly and adequately represent and protect the interests of the Settlement Class Members; (e) the questions of law and fact common to the members of the Settlement Class predominate over any questions affecting only individual members; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy, considering: (i) the interests of the Settlement Class Members in individually controlling the prosecution of separate actions; (ii) the extent and nature of any litigation concerning the controversy already commenced by Settlement Class Members; and (iii) the desirability or undesirability of concentrating the litigation of these claims in this particular forum.

5. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and solely for purposes of the Settlement, the Court further finally certifies Lead Plaintiffs as class representatives for the Settlement Class and appoints Co-Lead Counsel as counsel for the Settlement Class.

6. **Notice** – The Court finds that the dissemination of the Notice and publication of the Summary Notice: (a) were implemented in accordance with the Court’s Preliminary Approval Order; (b) constituted the best notice reasonably practicable under the circumstances; (c) constituted notice that was reasonably calculated under the circumstances to apprise the Settlement Class Members of: (i) the pendency of the Action, (ii) the effect of the Settlement (including the Releases provided for therein), (iii) the request for reimbursement of Litigation

Expenses to Plaintiffs' Counsel, (iv) their right to object to the Settlement and/or the request for reimbursement of Litigation Expenses to Plaintiffs' Counsel, and (vii) their right to appear at the Settlement Hearing; (d) constituted due, adequate and sufficient notice to all Persons entitled to receive notice of the proposed Settlement; and (e) satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), the Private Securities Litigation Reform Act of 1995 (15 U.S.C. § 78u-4, et seq.) (the "PSLRA"), and all other applicable law and rules.

7. **Final Settlement Approval and Dismissal of Claims** – Pursuant to, and in accordance with, Rule 23 of the Federal Rules of Civil Procedure, this Court hereby fully and finally approves the Settlement set forth in the Stipulation in all respects (including, without limitation, the amount of the Settlement, the Releases provided for therein and the dismissal with prejudice of each and every one of the Released Claims against each and every one of the Released Persons by the Releasing Persons). The Court further finds that the Settlement is: (a) in all respects, fair, reasonable and adequate and is in the best interests of Plaintiffs and the other Settlement Class Members; and (b) is the result of arm's-length negotiations between experienced counsel representing the interests of the respective Settling Parties.

8. As of the Effective Date, all of the claims asserted against MSPC by the Plaintiffs and each and every one of the other Settlement Class Members are hereby dismissed on the merits and with prejudice.

9. The Settling Parties and their counsel are hereby authorized and directed to consummate the Settlement in accordance with the terms and provisions of the Stipulation and this Judgment. The Settling Parties shall bear their own costs and expenses, except as otherwise expressly provided in the Stipulation.

10. **Binding Effect** – The terms of the Stipulation and of this Final Order and Judgment shall forever be binding on Plaintiffs and each and every one of the other Releasing Plaintiff Persons (regardless of whether or not any individual Settlement Class Member submitted a Claim Form).

11. **Releases** – The Releases as set forth in Sections 6 of the Stipulation, together with the definitions contained in Section 1 of the Stipulation relating thereto (certain of which are repeated herein below), are expressly incorporated herein in all respects. The Releases are effective as of the Effective Date.

12. This Court orders that, as of the Effective Date:

(a) each and every one of the Released Claims as against each and every one of the Released Persons by each and every one of the Releasing Persons is hereby completely, fully, finally and forever dismissed, compromised, settled, released, relinquished and discharged with prejudice by virtue of this Final Order and Judgment;

(b) each and every one of the Releasing Plaintiff Persons (regardless of whether or not that Person actually submits a Claim Form, seeks or obtains a distribution from the Net Settlement Fund, is entitled to receive such a distribution under the Plan of Allocation or has objected to the Settlement or the application for Litigation Expenses to Plaintiffs' Counsel shall: (i) have, and by operation of law and this Final Order and Judgment be deemed to have, completely, fully, finally, and forever dismissed, released, relinquished and discharged with prejudice each and every one of the Released Defendant Persons from each and every one of the Released Plaintiff Claims; (ii) forever and permanently be barred and enjoined by operation of law and this Final Order and Judgment from filing, commencing, intervening in, participating in (as a class member or otherwise), instituting, maintaining, prosecuting, seeking

relief in (including filing an application or motion for preliminary or permanent injunctive relief) or receiving any recovery, remedy, benefits or other relief from, any other lawsuit, action, arbitration, other proceeding or order in any jurisdiction that asserts, is based on, arises from or relates in any way to any or all of the Released Plaintiff Claims against any or all of the Released Defendant Persons; and (iii) have, and by operation of law and this Final Order and Judgment be deemed to have, covenanted not to sue any or all of the Released Defendant Persons with respect to each and every one of the Released Plaintiff Claims; and

(c) each and every one of the Releasing Defendant Persons shall: (i) have, and by operation of law and this Final Order and Judgment be deemed to have, completely, fully, finally, and forever dismissed, released, relinquished and discharged with prejudice each and every one of the Released Plaintiff Persons from each and every one of the Released Defendant Claims; (ii) forever and permanently be barred and enjoined by operation of law and this Final Order and Judgment from filing, commencing, intervening in, participating in (as a class member or otherwise), instituting, maintaining, prosecuting, seeking relief in (including filing an application or motion for preliminary or permanent injunctive relief) or receiving any recovery, remedy, benefits or other relief from, any other lawsuit, action, arbitration, other proceeding or order in any jurisdiction that asserts, is based on, arises from or relates in any way to any or all of the Released Defendant Claims against any or all of the Released Plaintiff Persons; and (iii) have, and by operation of law and this Final Order and Judgment be deemed to have, covenanted not to sue any or all of the Released Plaintiff Persons with respect to each and every one of the Released Defendant Claims.

13. As provided in the Stipulation:

(a) “Releases” means all of the releases and liability protections set forth in Section 6 of the Stipulation, as well as those set forth in ¶¶ 8.2, 8.4, 8.5 and 8.6.

(b) “Released Claims” means, collectively, all of the Released Plaintiff Claims and all of the Released Defendant Claims.

(c) “Released Defendant Claims” means any and all claims and causes of action of every nature and description, whether such are known or Unknown (as that term is employed and defined in ¶ 5.4 below), whether arising under federal, state, common or foreign law, that were or could have been asserted by any or all of the Releasing Defendant Persons against any or all of the Released Plaintiff Persons and that arise out of or relate in any way to the institution, prosecution or settlement of the Action, except for claims relating to the enforcement of the Settlement. Nothing in this definition of “Released Defendant Claims” is intended to, or should be construed as prohibiting or limiting MSPC from: (a) asserting against a Person other than a Released Plaintiff Person a claim relating to, or arising out of, the December Offering or Puda that is not precluded by ¶ 7.3(b) of the Stipulation, and/or (b) from taking any action to enforce or effectuate the terms and provisions of this Stipulation, the Settlement, the Preliminary Approval Order and/or the Final Order and Judgment.

(d) “Released Plaintiff Claims” means: a) any and all claims, demands, rights, liabilities, losses, duties, damages, suits, actions, causes of action, potential actions, obligations, interests, debts, judgments, penalties, sanctions, fees, decrees, matters, issues and controversies of any kind, nature and description whatsoever; (b) whether disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, perfected or not perfected, choate or inchoate, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, ripened or unripened, including both known claims and any Unknown Claims (as

that term is employed and defined in ¶ 5.4 of the Stipulation); (c) whether direct or derivative, whether at law or in equity, based upon any legal or equitable theory, whether contractual, common law or statutory, whether arising under federal, state, common or foreign law, whether based on allegedly intentional, negligent, reckless or otherwise improper conduct; (d) that previously existed, currently exist, exist as of the date of the Court's approval of the Settlement or that may arise in the future; (e) that are, were or could have been asserted by any of the Releasing Plaintiff Persons against any or all of the Released Defendant Persons in the Action, in any other federal or state court, tribunal, arbitration, proceeding, administrative agency or other forum in the United States or elsewhere, whether asserted as claims, cross-claims, counterclaims or third-party claims; (f) that are, in any way, based upon, arise out of, relate to, concern, implicate or involve (in whole or in part) either: (i) any of the facts, matters, occurrences, conduct, activities, securities offerings (including the December Offering), behavior, allegations, representations, omissions, events, transactions, decisions, actions (or failures to act) or any series thereof, that were alleged, asserted, raised, set forth, referred to, made, mentioned, claimed, embraced, involved in, referred to, in whole or in part, in the Action (including, without limitation, in the Complaint or in any of the complaints filed in the Individual Actions), or (ii) the purchase, acquisition, disposition or sale of, or other transaction in, any and all publicly-traded Puda common stock (including, but not limited to, Puda call options or Puda put options, including without limitation, claims that arise out of or relate to any disclosures, SEC filings, press releases, registration statements, offering memoranda, other public statements by Puda or its Auditors or otherwise made in connection with the purchase or sale of Puda securities; provided, however, that nothing in this definition or Stipulation shall prevent any Person from seeking to obtain a recovery through the Fair Fund established in connection with the separate

proceeding by the SEC captioned *SEC v. Macquarie Capital (USA) Inc.*, C.A. No. 15-CV-02304 (S.D.N.Y.). For avoidance of doubt, nothing in this definition of “Released Plaintiff Claims” is intended to release any of the claims that have already been asserted against the already named defendants in the action captioned *In re Puda Coal, Inc. Stockholders Litigation*, C.A. 6476-CB, currently pending in the Delaware Court of Chancery.

(e) “Released Persons” means, collectively, all of the Released Plaintiff Persons and all of the Released Defendant Persons.

(f) “Released Defendant Persons” means each and all of the following: (a) MSPC and each of their respective past and/or present general partners, limited partners, and any Person in which any of these Persons has a Controlling Interest (the “Defendant Releasees”) and MSPC’s Counsel; and (b) each and every one of the Defendant Releasees’ respective past and/or present employees, partners, representatives, agents, consultants, counsel, insurers, reinsurers, families, heirs, executors, trustees, personal representatives, estates, administrators, predecessors, and assigns in their capacities as such. Nothing in this definition of “Released Defendant Persons” is intended to release any claims asserted in the Action by Plaintiffs (or any other Settlement Class Member) against any Non-Settling Defendant.

(g) “Released Plaintiff Persons” means, collectively, Plaintiffs, Plaintiffs’ Counsel, each and every Settlement Class Member, any other counsel any Settlement Class Member retained or employed in this Action (including those prior to the consolidation of the individual cases) and each of their past and/or present employees, officers, partners, directors, managing directors, representatives, affiliates, agents, attorneys, insurers, reinsurers, principals, members, managers, families, stockholders, heirs, executors, trustees, personal representatives, estates, administrators, predecessors, divisions, successors and assigns in their capacities as such.

(h) “Releasing Persons” means, collectively, all of the Releasing Plaintiff Persons and all of the Releasing Defendant Persons.

(i) “Releasing Defendant Persons” means the MSPC and each of its agents, executors, and successors;

(i) “Releasing Plaintiff Persons” means Plaintiffs and each and every Settlement Class Member, on behalf of themselves and each and all of their respective successors in interest, predecessors, representatives, trustees, counsel, executors, affiliates, subsidiaries, immediate family, administrators, agents, heirs, estates, assigns or transferees, immediate and remote, in their capacities as such, and any other Person who has the right, ability, standing or capacity to assert, prosecute or maintain on behalf of any Settlement Class Member any of the Released Plaintiff Claims (or to obtain the proceeds of any recovery therefrom), whether in whole or in part. A Person is a “Releasing Plaintiff Person” regardless of whether or not that Person: (i) actually submits a Claim Form; (ii) seeks or obtains a distribution from the Net Settlement Fund; (iii) is entitled to receive such a distribution or payment under the Plan of Allocation; and/or (iv) has objected to the Settlement, the Plan of Allocation, or the application for reimbursement of Litigation Expenses to Plaintiffs’ Counsel.

(k) With respect of the use of the term “Unknown Claims” in the definitions of Released Plaintiff Claims and Released Defendant Claims:

(1) (a) Plaintiffs specifically acknowledge (and the other Releasing Plaintiff Persons shall be deemed by operation of law and the Final Order and Judgment to have acknowledged) that the term “Unknown Claims” in the definition of Released Plaintiff Claims shall mean all claims that each of the Releasing Plaintiff Persons does not know or suspect to

exist at the time of the release of the Released Plaintiff Claims against the Released Defendant Persons, but which, if known by it/her/him, might affect its/her/his decision with respect to the Settlement (including the decision to object or not to object to the Settlement); and (b) MSPC specifically acknowledges (and the other Releasing Defendant Persons shall be deemed by operation of law and the Final Order and Judgment to have acknowledged) that the term “Unknown Claims” in the definition of Released Defendant Claims shall mean all claims that each of the Releasing Defendant Persons does not know or suspect to exist at the time of the release of the Released Defendant Claims against the Released Plaintiff Persons, but which, if known by it/her/him, might affect its/her/his decision with respect to the Settlement;

(2) (a) Plaintiffs expressly acknowledge (and the other Releasing Plaintiff Persons shall be deemed by operation of law and the Final Order and Judgment to have acknowledged) that they may hereafter discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of the Released Plaintiff Claims but that it is nevertheless their intention to fully, finally and forever settle and release the Released Plaintiff Claims without regard to the subsequent discovery of any such additional or different facts; and (b) MSPC expressly acknowledges (and the other Releasing Defendant Persons shall be deemed by operation of law and the Final Order and Judgment to have acknowledged) that they may hereafter discover facts in addition to or different from those that it/she/he now knows or believes to be true with respect to the subject matter of the Released Defendant Claims but that it is nevertheless their intention to fully, finally and forever settle and release the Released Defendant Claims without regard to the subsequent discovery of any such additional or different facts; and

(3) the Settling Parties expressly acknowledge (and the other Releasing Persons shall be deemed by operation of law and the Final Order and Judgment to have acknowledged) that the inclusion of “Unknown Claims” in the definition of the Released Claims was separately bargained for and was a key element of the Settlement, and with respect to the Released Claims the Settling Parties expressly waive and relinquish, and the other Releasing Persons shall be deemed to have waived and relinquished, and by operation of law and the Final Order and Judgment shall have specifically waived and relinquished: (a) any and all provisions, rights and benefits conferred under Section 1542 of the California Civil Code, which provides as follows:

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.

and (b) any and all provisions or rights 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 Section 1542 of the California Civil Code.

14. The effectiveness of the provisions of this Final Order and Judgment and the rights and obligations of the Settling Parties under the Settlement (including without limitation the Releases contained herein) shall not depend on, or be conditioned on or subject in any way to, the resolution of any orders, proceedings, rulings, consideration, appeals or other matters concerning, relating to, based upon or arising out of: (a) the application for reimbursement of Litigation Expenses to Plaintiffs’ Counsel in connection with the Settlement (including the allocation of such fees among counsel); (b) the Plan of Allocation; and/or (c) the Brean, Macquarie and U.S. Director Settlements.

15. Nothing contained in this Final Order and Judgment shall preclude any action to enforce the terms of the Stipulation or this Final Order and Judgment, including, without limitation, the Releases provided for herein.

16. **Contribution Bar Order** – The Court hereby orders:

(a) that, except as provided in Subparagraphs 16(c) and 16(d), any and all Persons are permanently barred and enjoined from commencing, prosecuting or asserting against any of the Releasing Defendant Persons any claim for contribution arising out of the Action;

(b) that, except as provided in Subparagraphs 16(c) and 16(d), the Releasing Defendant Persons are permanently barred and enjoined from commencing, prosecuting or asserting against any Person a claim for contribution arising out of the Action, other than a Person whose liability has been extinguished by this Settlement through a Release or otherwise;

(c) that, for the avoidance of doubt, nothing in Subparagraphs 16(a) and 16(b) above, and, nothing in the Stipulation or this Final Order and Judgment, shall bar, preclude, release, prevent, limit, impact and/or otherwise affect in any respect, the following: (i) any other claim for any other injury to MSPC that MSPC has, may have or may assert in the future against any Person (other than the Released Plaintiff Persons) relating to Puda that is not precluded by Paragraph 16(b), (ii) any action by any of the Released Persons to enforce or effectuate the terms and provisions of this Stipulation, the Settlement, the Preliminary Approval Order and/or this Final Order and Judgment, including, without limitation, the Releases.

17. **Other Actions** – Nothing in this Final Order and Judgment (including without limitation, Paragraphs 11 and 12) shall bar, prohibit or limit: (a) a Settlement Class Member from proceeding with any of the claims that have already been asserted against the already

named defendants in *In re Puda Coal, Inc. Stockholders Litigation*, C.A. 6476-CB, currently pending in the Delaware Court of Chancery; (b) an eligible Settlement Class Member from seeking to obtain a recovery through the SEC Fair Fund process established in connection with the proceeding captioned *SEC v. Macquarie Capital (USA) Inc.*, C.A. No. 15-CV-02304 (S.D.N.Y.); (c) MSPC from asserting against a Person other than a Released Plaintiff Person a claim relating to, or arising out of, the December Offering or Puda that is not precluded by Paragraph 16(b) hereof; and/or (d) bar any action by any of the Released Persons to enforce or effectuate the terms and provisions of this Stipulation, the Settlement, the Preliminary Approval Order and/or the Final Order and Judgment, including, without limitation, the Releases provided for herein.

18. **Judgment Reduction** – Any final verdict or judgment that may be obtained by or on behalf of the Settlement Class or a Settlement Class Member against any Non-Settling Defendant shall be reduced by the greater of: (a) an amount that corresponds to the percentage of responsibility of MSPC for common damages; or (b) the amount paid by or on behalf of MSPC to the Settlement Class for common damages.

19. **Rule 11 Findings** – The Court finds and concludes that the Settling Parties and their respective counsel have complied in all respects with the requirements of Rule 11 of the Federal Rules of Civil Procedure in connection with the commencement, maintenance, prosecution, defense and/or settlement of the Action. The Court further finds that Lead Plaintiffs and Co-Lead Counsel adequately represented the Settlement Class Members for purposes of entering into and implementing the Settlement.

20. **No Admissions** – This Final Order and Judgment, the facts and terms of the Settlement and Stipulation (including all exhibits thereto) as well as all negotiations, discussions,

acts performed, agreements, drafts, documents signed and proceedings in connection with the Settlement:

(a) shall not be described as, construed as, interpreted as, or offered or received against any of the Released Defendant Persons as evidence of and/or deemed to be evidence of any presumption, concession or admission by any of the Released Defendant Persons as to: (i) the truth of any fact alleged in the Complaint; (ii) the validity of any claim that has been or could have been asserted in the Action or in any other litigation; (iii) the deficiency of any defense that has been or could have been asserted in the Action or in any other litigation; and/or (iv) any liability, negligence, misconduct, inaction, fault, or wrongdoing of any sort on their part as alleged in the Complaint;

(b) shall not be described as, construed as, interpreted as or offered or received against Plaintiffs or any other Settlement Class Member as evidence of any infirmity in the claims of said Person or that damages recoverable from MSPC would not have exceeded the Settlement Amount;

(c) shall not be described as, construed as, interpreted as, offered or received against any of the Settling Parties as an admission or concession that the consideration to be given in the Settlement represents the amount which could be or would have been awarded to any Settlement Class Member after trial;

(d) shall not be construed, offered, interpreted, denied or received in evidence or otherwise against any of the Settling Parties in any other civil, criminal, regulatory or administrative action, litigation or proceeding, except in connection with any action, litigation or proceeding to enforce the terms of the Stipulation, the Settlement and/or this Final Order and Judgment; and

(e) shall not be deemed or construed to create any inferences of any damages, or lack of damages, suffered by Plaintiffs or any of the other Settlement Class Members.

21. Notwithstanding anything in Paragraph 20 above, any of the Released Persons may file, offer, cite, refer to or otherwise employ the Stipulation, this Final Order and Judgment and/or the Settlement in the Action (or any other action or proceeding that may be brought against them): (a) to enforce the terms of this Final Order and Judgment, the Settlement, and/or the Stipulation; (b) to enforce or effectuate the Releases provided under this Final Order and Judgment and the Stipulation; and/or (c) to support a defense or counterclaim based on principles of res judicata, collateral estoppel, release and discharge, good faith settlement, judgment bar or reduction, any theory of claim preclusion or issue preclusion or similar defense or counterclaim.

22. **Retention of Jurisdiction** – Without affecting the finality of this Final Order and Judgment in any way, this Court retains continuing and exclusive jurisdiction over: (a) the Settling Parties for purposes of the administration, interpretation, implementation and enforcement of the Settlement; (b) the disposition of the Settlement Fund; (c) Settlement Class Members for all matters relating to the Action; and (d) any motion to approve the Class Distribution Order.

23. **Modifications of the Settlement Agreement** – Without further approval from the Court, Lead Plaintiffs and MSPC are hereby authorized to agree to and adopt such amendments and modifications of the Stipulation or any exhibits attached thereto to effectuate this Settlement that: (a) are not materially inconsistent with this Final Order and Judgment; and (b) do not materially limit the rights of Settlement Class Members in connection with the Settlement. Without further order of the Court, Lead Plaintiffs and MSPC may agree to reasonable extensions of time to carry out any provisions of the Settlement.

24. **Entry of Final Judgment** – There is no just reason to delay the entry of this Final Order and Judgment as a final judgment as against MSPC. The Clerk of the Court is expressly directed to immediately enter final judgment as against MSPC pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

25. **Termination** – In the event that the Settlement is terminated pursuant to the terms of the Stipulation or the Effective Date otherwise does not occur: (a) the Settlement and the Stipulation shall be null and void and without prejudice to, or force and effect to or upon, the rights of the Settling Parties, and none of their terms shall be effective or enforceable (except for those provisions identified in Paragraphs 2.3, 4.11, 6.3, 6.4, 6.5, 9.6, 10.1, 10.2, 10.3, 12.13, and 13.5 of the Stipulation); (b) Section 10 of the Stipulation shall govern the use of this Final Order and Judgment, the Settlement and the Stipulation thereafter, including among other things, that they shall not be used against any of the Settling Parties and are not admissible in any trial of the Action (or any other action or proceeding that may be brought against them); (c) the Settling Parties shall be deemed to have reverted to their respective litigation positions in the Action immediately as of May 20, 2016; (d) except as otherwise expressly provided in the Stipulation and this Final Order and Judgment, the Settling Parties shall proceed in all respects as if the Stipulation, this Final Order and Judgment, the Preliminary Approval Order and any other orders of the Court relating to the Settlement had not been entered, except as otherwise provided by the Stipulation; and (e) this Final Order and Judgment shall be vacated, rendered null and void and be of no further force or effect, except as otherwise provided by the Stipulation.

SO ORDERED this ____ day of _____.

The Honorable Denise L. Cote
United States District Judge