

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

JIHONG WANG, QI LI, LES AKIO OMORI,
and ALAN BECK, individually and on behalf
of all others similarly situated,

Plaintiffs,

v.

CHINA FINANCE ONLINE CO. LIMITED,

Defendant.

Case No.: 1:15-CV-07894-RMB

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

If you purchased the American Depositary Shares (“ADSs”) of China Finance Online Co. Ltd. (“CFO” or the “Company”) between April 29, 2013 and June 3, 2015, both dates inclusive (the “Class Period”), you could get a payment from a class action settlement (the “Settlement”).

- If approved by the Court, the Settlement would establish a fund of \$3,000,000 in cash, plus interest (the “Settlement Amount”), to pay the claims of investors who purchased CFO ADSs during the Class Period.
- Lead Counsel estimates that the Settlement represents an average recovery of \$0.25 per ADS for each of the 12.2 million ADSs outstanding at the close of the Class Period. Your actual recovery will depend on the aggregate losses of all Settlement Class Members, the date(s) you purchased and sold CFO ADSs, and the total number of claims filed.
- Attorneys for Lead Plaintiffs (“Lead Counsel”) intend to ask the Court to award them fees of up to one third of the Settlement Amount, or \$1,000,000, and reimbursement of litigation expenses of no more than \$70,000, and settlement administration expenses of no more than \$200,000. Collectively, the attorneys’ fees and litigation expenses are estimated to average \$0.11 per affected ADS (including any expenses arising out of providing notice of the settlement, administering the settlement, and paying any taxes due on the Settlement Amount).
- The Settlement resolves a lawsuit over whether CFO misled investors about related party transactions involving an investment in real estate in violation of the federal securities laws.
- Your legal rights will be affected whether you act or do not act. If you do not act, you may permanently forfeit your right to recover on this claim, therefore, you should read this notice (the “Settlement Notice”) carefully.

There will be a fairness hearing on the Settlement (the “Fairness Hearing”) on March 21, 2017, at 10:00 a.m., in Courtroom 17B of the Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY, which you may (but are not required to) attend.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

SUBMIT A CLAIM FORM NO LATER THAN MARCH 3, 2017	The only way to get a payment.
EXCLUDE YOURSELF NO LATER THAN MARCH 3, 2017	Get no payment. This is the only option that allows you to be part of any other lawsuit against the Defendants about the legal claims in this case.
OBJECT NO LATER THAN MARCH 3, 2017	Write to the Court about why you do not like the settlement.
GO TO A HEARING ON MARCH 21, 2017, AT 10:00 A.M.	Speak in Court about the fairness of the settlement.
DO NOTHING	Get no payment. Give up rights.

INQUIRIES

Please do not contact the Court regarding this notice. All inquiries concerning this Notice, the Proof of Claim form, or any other questions by Settlement Class Members should be directed to Lead Counsel or the claims administrator, Strategic Claims Services (the “Claims Administrator”), whose contact information is listed at page 11 of this Settlement Notice.

I. BACKGROUND OF THE CASE

CFO is a Hong Kong-incorporated company that provides web-based financial information and services in China. In June 2015, a putative class action was filed by a purchaser of CFO’s ADSs in the United States District Court for the Central District of California alleging violations of the federal securities laws. On September 14, 2015, Jihong Wang, Qi Li, and Les Akio Omori were appointed as Lead Plaintiffs, and The Rosen Law Firm, P.A. was appointed as Lead Counsel. On October 5, 2015, the Lawsuit was transferred from the Central District of California to the Court.

On December 28, 2015, Lead Plaintiffs filed an amended complaint (the “Complaint”) with the Court asserting claims under the Securities Exchange Act of 1934. The Complaint contends that CFO’s public filings with the Securities and Exchange Commission included materially false statements and/or omitted material facts about CFO’s transactions with a Chinese entity called Langfang Shengshi Real Estate Development Co. Limited (“Langfang”). The principal claims are that CFO’s transactions with Langfang were related party transactions and that CFO concealed that these transactions were related party transactions. The Complaint contends that these alleged misstatements and omissions inflated the price of CFO’s securities during the Class Period.

CFO has denied and continues to deny Lead Plaintiffs’ allegations. CFO moved to dismiss the Complaint on April 8, 2016, Lead Plaintiffs filed an opposition to the motion on May 6, 2016 and CFO filed a reply on May 13, 2016. The parties then engaged in settlement discussions – with the assistance of a mediator (a retired United States District Judge) – and were able to reach the proposed Settlement described here. The Court has not ruled on CFO’s motion to dismiss and will not do so if the Settlement is approved.

CFO and the Lead Plaintiffs do not agree on the average amount of damages per ADS that would be recoverable if Lead Plaintiffs were able to prove their Claims. Lead Plaintiffs’ damages consultant would argue that damages could be up to approximately \$61 million. CFO would expressly deny that any

securities were damaged as alleged, that the prices of its ADSs were not inflated by any allegedly false or misleading public statements, and that the price decline alleged in the Lawsuit did not result from any misconduct.

Lead Plaintiffs believe that their claims have merit and that they would win at trial. But Lead Plaintiffs and Lead Counsel also recognize the expense and length of continued proceedings necessary to pursue their claims through trial and appeals, the difficulties in establishing liability in complex actions such as this one, and the difficulties in collecting money even if a judgment is obtained.

CFO expressly denies that it engaged in any wrongdoing, violated any law, or breached any duty, and denies that the claims in the Complaint have any merit. CFO believes that it has substantial defenses to all of those claims and would win at trial. Nevertheless, CFO decided that settling the Lawsuit would be better than continuing to litigate, because a settlement would bring to an end the substantial expenses, burdens, and uncertainties of litigation, avoid further disruption of the company's management and operations, and provide benefits to Class Members. The Settlement is not evidence of or an admission by CFO of any fault or liability whatsoever, or of any weakness in any defenses that it has asserted or would assert in the Lawsuit.

In light of the risks and expenses of continued litigation, the cash Settlement Amount and the immediacy of recovery to the Class, Lead Plaintiffs and Lead Counsel believe that the proposed Settlement is fair, reasonable and adequate and in the best interests of the Class. Lead Plaintiffs and Lead Counsel also recognize the risk that continued litigation of the claims in the Lawsuit could produce a similar or smaller recovery – or potentially no recovery at all – after motions to dismiss, summary judgment, trial, and appeals, possibly years in the future.

II. DEFINED TERMS USED IN THIS SETTLEMENT NOTICE AND THE CLAIM FORM

“Releasees” means CFO and any of the defendants who have been dismissed from this lawsuit, as well as, for each of the preceding entities, and any or all of their respective past or present parents, predecessors, successors, affiliates, divisions, business units, and subsidiaries, and any other entities in which the Releasee has a controlling interest or that have a controlling interest in it, and each of their respective past and present directors, executive-committee members, officers, officials, employees, members, partners, principals, agents, attorneys (including in-house or outside attorneys), advisors, trustees, administrators, fiduciaries, consultants, actuaries, representatives, accountants, accounting advisors, auditors, insurers, and reinsurers.

“Released Class Members’ Claims” means each and every claim that Lead Plaintiffs or any other Class Member (i) asserted against any of the Releasees in the Action (including all Claims alleged in the original complaint, in previous amendments to the original complaint, and in the Complaint) or (ii) could have asserted or could assert against any of the Releasees in connection with the facts underlying this Lawsuit, whether arising under any federal, state, or other statutory or common law rule or under any foreign law, in any court, tribunal, agency or other forum; provided that, for the avoidance of doubt, the term Released Class Members’ Claims means those Claims that both (A) arise out of or relate to the purchase or other acquisition of CFO ADSs or to any other Investment Decision concerning CFO ADSs during the Class Period, and (B) relate directly or indirectly to the facts underlying this Lawsuit and/or any alleged statements about or characterization of – or alleged failures to disclose information about – any of the the facts underlying this lawsuit.

“Released Class Members’ Claims” also includes any Claim relating to the initiation, litigation, settlement, or dissemination of notice of the Action; provided however, that the term “Released Class Members’ Claims” does not include any claims to enforce this Settlement Agreement.

“**Unknown Claims**” means any and all Released Class Members’ Claims that any Plaintiff or any other Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the Releasees, and any Released Releasees’ Claims that any Releasee does not know or suspect to exist in his, her or its favor, which, if known by any Plaintiff, Class Member or Releasee, might have affected his, her or its decision concerning the Settlement. As to any and all Released Class Members’ Claims and Released Releasees’ Claims, the Settling Parties stipulate and agree that, upon the Final Settlement Date, Lead Plaintiffs and Defendant shall expressly waive, and each other Class Member, Releasor and Releasee shall be deemed to have waived, and by operation of the Approval Order and the Judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or of any other country, or any principle of common law, that is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Lead Plaintiffs and Defendant acknowledge, and the other Class Members and Releasees by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Released Class Members’ Claims and Released Releasees’ Claims was separately bargained for and was a key element of the Settlement.

III. TERMS OF THE SETTLEMENT

The Settlement Agreement sets forth the terms of the Settlement, and provides for the following:

A. What is the total size of the Settlement?

CFO will pay (or cause to be paid) in cash in the amount of \$3,000,000 which will earn interest for the benefit of the Class from the time it is deposited into an escrow account.

B. Am I included in the Settlement?

You are a Class Member and are included in the Settlement if (i) you purchased or otherwise acquired CFO ADSs during the period from April 29, 2013 through June 3, 2015, inclusive, and (ii) you are *not* in one of the following groups, each of which is excluded from the Class:

1. Anyone who, while represented by counsel, settled an actual or threatened lawsuit or other proceeding against the Releasees (defined below) and released the Releasees from any further Claims relating to their purchase or other acquisition of CFO securities during the Class Period.
2. Anyone who was previously named a defendant in this lawsuit and/or CFO’s officers or directors at all relevant times, or, for any of the persons listed in this paragraph, are or were their family members or officers or directors, as well as their legal representatives, heirs, successors, or assigns, and any entity in which any such person has or had a controlling interest.
3. Anyone who submits a valid and timely request for exclusion from the Class. If you want to be excluded from the Class, you may request exclusion from the Class by following the steps described in Section II.F. below.

RECEIPT OF THIS NOTICE DOES NOT NECESSARILY MEAN THAT YOU ARE A CLASS MEMBER OR ARE ENTITLED TO RECEIVE MONEY FROM THE SETTLEMENT. IF YOU WANT TO PARTICIPATE IN THE SETTLEMENT, YOU MUST SUBMIT THE CLAIM FORM

ENCLOSED WITH THIS NOTICE. THE CLAIM FORM MUST BE POSTMARKED OR RECEIVED NO LATER THAN MARCH 3, 2017. THE CLAIMS ADMINISTRATOR AND LEAD COUNSEL WILL DETERMINE IF YOU ARE ELIGIBLE TO PARTICIPATE IN THE SETTLEMENT.

C. What is the legal effect of the Settlement on my rights?

If you are a member of the Class, this Settlement will affect your legal rights. If the Court approves the Settlement, it will enter an Approval Order and a Judgment that will dismiss the Lawsuit with prejudice, and all Class Members will fully release and discharge CFO and the other Releasees (as defined below) from all Released Class Members' Claims (as defined below).

When a person "releases" a claim, that person cannot sue the "releasees" for any of the claims covered by the release. "Released Class Members Claims" means (in summary) (i) each and every claim asserted against any of the Releasees in the Lawsuit, or (ii) any claim that could have been asserted or could be asserted against any of the Releasees in connection with the facts and circumstances underlying the Lawsuit, if (A) such a claim arises out of or relates to the purchase or other acquisition of, or to any Investment Decision concerning, CFO ADSs during the Class Period, and (B) such a claim relates directly or indirectly to the operative facts and circumstances underlying the Complaint. An "Investment Decision" is any decision about an investment in CFO securities during the Class Period, including a decision to hold those securities. The "Releasees" means CFO and its past and present officers, directors, employees, and agents, as well as related persons and entities. The complete definitions of Released Class Members' Claims and Releasees are printed in the Claim Form. You should read these definitions carefully.

D. How can I get a payment?

To share in the Settlement Fund, you must submit a Claim Form. If you submit a valid and timely Claim Form, you will receive a payment based upon the distribution formula described in Section II.E. below.

If you do nothing, you will get no money from this Settlement and you will be precluded from bringing a lawsuit, continuing with a lawsuit, or being part of any other lawsuit against the Releasees about the Released Class Members' Claim in this case, ever again.

If you are a Class Member and you want to claim money from the Settlement Fund, you must submit a Claim Form and supporting documentation. A Claim Form is included with this Settlement Notice, or you may go to the website to download a Claim Form or ask that one be mailed to you. The website is www.strategicclaims.net. You may also request a Claim Form by calling toll-free 866-274-4004 or by emailing info@strategicclaims.net. Read the instructions to the Claim Form carefully, fill out the Claim Form, include all documents the Claim Form asks for, sign it, and mail it so that it is postmarked no later than March 3, 2017, to the address provided in the Claim Form. Those who exclude themselves from the Class, or who do not submit timely and valid Claim Forms with adequate supporting documentation, will not be entitled to share in the Settlement Fund.

E. Plan of Allocation: What will I receive from the Settlement?

The proposed Settlement provides for a payment of \$3,000,000 in cash. If the Court approves the Settlement, and if all other conditions have been satisfied, the Net Settlement Amount will be distributed to Authorized Claimants (i.e., Class Members whose claims for settlement money has been allowed) in accordance with the Plan of Allocation. The Net Settlement Amount is the Settlement Amount plus accrued interest less attorneys' fees, expenses and taxes. CFO cannot get back any undistributed settlement funds.

The Settlement Amount will be distributed as follows:

1. First, to pay all federal, state and local taxes on any income earned on the funds in the Escrow Account and to pay the reasonable costs incurred in determining the amount of, and paying, taxes owed by the settlement fund (including reasonable expenses of tax attorneys and accountants);
2. Second, to pay costs and expenses of providing notice to potential Class Members and administering the Settlement on behalf of Class Members;
3. Third, to pay Lead Counsel for its costs and expenses and attorneys' fees in commencing and prosecuting the Lawsuit, to the extent allowed by the Court; and
4. Fourth, to compensate Authorized Claimants in accordance with the Plan of Allocation.

The Net Settlement Amount will not be distributed unless and until the Court has approved the proposed Settlement and the Plan of Allocation (or some other allocation plan) and the Court's approval becomes "final" (meaning that the time to appeal the Order granting approval has expired, or, if the Order is appealed, the Order is upheld and is no longer subject to any further type of court review).

The Claims Administrator will calculate a "Recognized Claim Amount" for each purchase or acquisition of CFO ADSs during the Class Period (as set out above) listed in the Class Member's Claim Form for which adequate documentation is provided. The Recognized Claim Amount will depend upon several factors, including (i) when the ADSs were purchased and (ii) whether they were held until the conclusion of the Class Period or sold during the Class Period, and, if so, when they were sold.

The Claims Administrator will determine each Authorized Claimant's *pro rata* share of the Net Settlement Amount based upon each Authorized Claimant's Recognized Claim Amount. **Please Note:** The Recognized Claim Amount formula set forth below is not an estimate of either the amount that a Class Member might have been able to recover after a trial or the amount that will be paid to Authorized Claimants under the Settlement. The Recognized Claim Amount formula is simply the basis upon which the Net Settlement Amount will be proportionately allocated to the Authorized Claimants. Each Authorized Claimant will be paid the percentage of the Net Settlement Amount that each Authorized Claimant's Recognized Claim bears to the total Recognized Losses of all Authorized Claimants (*i.e.*, "*pro rata* share"). No distribution will be made to a Class Member if the potential distribution amount to that Class Member is less than ten dollars (\$10.00) in cash.

The Plan of Allocation is designed to distribute the settlement proceeds fairly to those Class Members who suffered economic loss as a result of the alleged fraud, as opposed to loss caused by general market conditions or other non-fraud-related factors. The Plan reflects a damages analysis conducted by Lead Plaintiffs' damages consultant.

The basis for calculating a recognized claim is as follows:

1. Recognized Claim Amount for CFO ADSs purchased between April 29, 2013 and June 3, 2015, inclusive, will be calculated as follows:
 - a. For shares purchased or otherwise acquired during the Class Period and sold during the Class Period, the Recognized Claim per share will be the *lesser* of: (1) the inflation per share upon purchase (as set forth in Inflation Table A below) less the inflation per share upon sale (as set forth in Inflation Table A below); or (2) the purchase price per share minus the sales price per share.
 - b. For shares purchased or otherwise acquired during the Class Period and sold during the period June 4, 2015 to September 1, 2015, inclusive, the Recognized Claim will be the *lesser* of: (1) the inflation per share upon purchase (as set forth in Inflation

Table A below); or (2) the difference between the purchase price per share and the average closing stock price as of date of sale provided in Table B below.

- c. For shares purchased or otherwise acquired during the Class Period and retained as of the close of trading on September 1, 2015, the Recognized Claim will be the *lesser* of: (1) the inflation per share upon purchase (as set forth in Inflation Table A below); or (2) the purchase price per share minus \$4.82 per share.

INFLATION TABLE A	
CFO ADSs Purchased or Acquired During the Class Period	
Period	Inflation
April 29, 2013 to September 29, 2014, inclusive	\$5.81 per share
September 30, 2014 to December 14, 2014, inclusive	\$3.93 per share
December 15, 2014 to March 23, 2015, inclusive	\$2.89 per share
March 24, 2015 to June 2, 2015, inclusive	\$1.28 per share
June 3, 2015	\$.00 per share

If your actual loss based on transactions in CFO ADSs during the Class Period is less than your Recognized Claim, then your Recognized Claim will be limited to your actual loss.

For purposes of calculating your Recognized Claim, the date of purchase, acquisition or sale is the “contract” or “trade” date and not the “settlement” or “payment” date. The receipt or grant by gift, inheritance or operation of law of CFO common shares will not be deemed a purchase, acquisition or sale of CFO common shares for the calculation of an Authorized Claimant’s Recognized Claim. The covering purchase of a short sale is not an eligible purchase.

For purposes of calculating your Recognized Claim, all purchases, acquisitions and sales will be matched on a First In First Out (“FIFO”) basis in chronological order. Therefore, on the Proof of Claim enclosed with this Notice, you must provide all of your purchases and acquisitions of CFO shares during the time period April 29, 2013 through and including September 1, 2015.

Table B					
<u>Date</u>	<u>Closing Price</u>	<u>Average Closing Price</u>	<u>Date</u>	<u>Closing Price</u>	<u>Average Closing Price</u>
6/4/2015	\$5.05	\$5.05	7/21/2015	\$5.05	\$5.34
6/5/2015	\$5.15	\$5.10	7/22/2015	\$5.16	\$5.34
6/8/2015	\$4.90	\$5.03	7/23/2015	\$5.03	\$5.33
6/9/2015	\$5.03	\$5.03	7/24/2015	\$4.53	\$5.31
6/10/2015	\$5.01	\$5.03	7/27/2015	\$4.41	\$5.28
6/11/2015	\$5.82	\$5.16	7/28/2015	\$4.56	\$5.26
6/12/2015	\$6.02	\$5.28	7/29/2015	\$4.62	\$5.25
6/15/2015	\$6.03	\$5.38	7/30/2015	\$4.58	\$5.23
6/16/2015	\$6.04	\$5.45	7/31/2015	\$4.58	\$5.21
6/17/2015	\$6.00	\$5.51	8/3/2015	\$4.46	\$5.20
6/18/2015	\$5.99	\$5.55	8/4/2015	\$4.55	\$5.18
6/19/2015	\$6.03	\$5.59	8/5/2015	\$4.63	\$5.17
6/22/2015	\$5.86	\$5.61	8/6/2015	\$4.51	\$5.15

6/23/2015	\$5.79	\$5.62	8/7/2015	\$4.55	\$5.14
6/24/2015	\$5.90	\$5.64	8/10/2015	\$4.61	\$5.13
6/25/2015	\$5.90	\$5.66	8/11/2015	\$4.50	\$5.12
6/26/2015	\$5.52	\$5.65	8/12/2015	\$4.46	\$5.10
6/29/2015	\$5.41	\$5.64	8/13/2015	\$4.43	\$5.09
6/30/2015	\$5.61	\$5.63	8/14/2015	\$4.41	\$5.08
7/1/2015	\$5.41	\$5.62	8/17/2015	\$4.37	\$5.06
7/2/2015	\$5.22	\$5.60	8/18/2015	\$4.41	\$5.05
7/6/2015	\$5.03	\$5.58	8/19/2015	\$4.42	\$5.04
7/7/2015	\$4.56	\$5.53	8/20/2015	\$4.13	\$5.02
7/8/2015	\$4.32	\$5.48	8/21/2015	\$3.87	\$5.00
7/9/2015	\$4.75	\$5.45	8/24/2015	\$2.96	\$4.96
7/10/2015	\$4.74	\$5.43	8/25/2015	\$2.99	\$4.93
7/13/2015	\$4.89	\$5.41	8/26/2015	\$3.06	\$4.90
7/14/2015	\$5.19	\$5.40	8/27/2015	\$3.54	\$4.88
7/15/2015	\$4.97	\$5.38	8/28/2015	\$3.64	\$4.86
7/16/2015	\$5.00	\$5.37	8/31/2015	\$3.71	\$4.84
7/17/2015	\$5.11	\$5.36	9/1/2015	\$3.45	\$4.82
7/20/2015	\$4.96	\$5.35			

Neither Lead Counsel nor Defendant’s Counsel makes any representations concerning tax consequences of this settlement or participation in it, and you are advised to seek your own personal tax advice prior to acting in response to this notice.

F. Can I opt out of this Settlement?

Yes. If you do *not* want to participate in the proposed Settlement, but you want to keep any right you may have to sue or continue to sue CFO and the other Releasees in some other lawsuit as to the Released Class Members’ Claims in this Lawsuit, then you may request exclusion from the Class. To do so, **you should submit a written Request for Exclusion** by first-class mail (or its equivalent outside the U.S.) or other delivery to:

China Finance Online Securities Litigation – EXCLUSIONS
c/o Strategic Claims Services
600 N. Jackson St., Ste. 3
Media, PA 19063

The exclusion request must be ***postmarked to the above address no later than March 3, 2017.*** You will not be able to exclude yourself from the Class after that date, unless the Court otherwise determines.

Your Request for Exclusion must be **a signed letter stating that you “request exclusion from the Class in *Wang v. China Finance Online Co. Limited, 1:15-cv-07894.*”** Your letter must also (i) state your name, address, telephone number, and email address (if available), (ii) state the date and number(s) of shares of all purchases and sales of CFO ADSs during the Class Period, and (iii) be signed by the person or entity requesting exclusion. **No request for exclusion will be considered valid unless all of the information described above is included in any such request.**

If you want to exclude yourself from the Class, you must follow these instructions even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any Released Class Members' Claims.

If you timely and validly request exclusion from the Class, you will not receive any benefits from the proposed Settlement, and you cannot object to it. If you do not exclude yourself from the Settlement, you will remain in the Class and be bound by the terms of the Settlement and all past, present, and future orders and judgments in the case.

G. Notification of Shareholders and Legal Representatives

If your address changes, or if it was different from the address to which the Settlement Notice was directed, you must provide the Claims Administrator for this Settlement with your new address as soon as possible. The Claims Administrator's address is:

China Finance Online Securities Litigation
c/o Strategic Claims Services
600 N. Jackson St., Ste. 3
Media, PA 19063

You can send your new address by mail or email using the contact information above. Any failure to keep the Claims Administrator informed of your current address may result in the loss of any monetary award you may be eligible to receive. If necessary, please send your new contact information to the address listed above, and include your old address, new address, new telephone number, date of birth, and Social Security number. The last two items are required so that the Claims Administrator can verify that the address change is from the actual Class Member.

If you purchased or otherwise acquired CFO securities during the Class Period as a nominee or for the beneficial interest of a person or organization *other than yourself*, you should – within fourteen days after you receive this Notice – either (i) send a copy of this Notice to the beneficial owner of such securities or (ii) provide the names and addresses of such persons to China Finance Online Securities Litigation, c/o Strategic Claims Services, 600 N. Jackson St., Ste. 3, Media, PA 19063. If you choose the second option, the Claims Administrator will send a copy of the Notice to the beneficial owner. If you fully comply with these directions, you may seek reimbursement of the reasonable expenses you actually incurred up to \$0.75 per notice if you provide the Claims Administrator with proper documentation supporting those expenses. You may also obtain copies of this Notice by calling toll-free 866-274-4004. In addition, you may download the Notice from the settlement website, www.strategicclaims.net, where you also can view other documents relating to the proposed Settlement.

H. Compensation for Lead Counsel

Lead Plaintiffs' counsel has not received any payment for its services or expenses in connection with the Lawsuit. At the Fairness Hearing, Lead Counsel will ask the Court to award attorneys' fees from the Settlement Amount of not more than 33 1/3% of that amount, or \$1,000,000, and for litigation expenses not to exceed \$70,000. The Court will determine the amount of the award.

The requested attorneys' fees and expenses will be the only payment to Lead Counsel for its efforts in achieving this Settlement and for its risk in undertaking this representation on a wholly contingent basis. Lead Counsel has committed significant time and expenses to litigating this case for the benefit of the Class. The Court will decide what is a reasonable fee and expense award, and may award less than the amount requested by Lead Counsel.

IV. THE SETTLING PARTIES' SUPPORT OF THE SETTLEMENT

The Settling Parties engaged in a mediation process using a mediator (a former United States District Judge), including an all-day mediation session in person on May 15, 2016. The Settling Parties and the mediator engaged in discussions and arms-length negotiations with each other with respect to a compromise and settlement of the Lawsuit.

Lead Plaintiffs and Lead Counsel believe that the Settlement provides a fair, reasonable and adequate recovery for the Class based on the claims asserted, the evidence developed, the risks inherent in pursuing the Lawsuit, the damages that might be proven by the Class in the Action, the financial ability of CFO to pay more than the amount of the Settlement Fund, and the ability to collect a judgment against CFO even if Lead Plaintiffs are successful in obtaining one. Upon careful consideration of all of the facts and circumstances of this case, Lead Plaintiffs and Lead Counsel believe this Settlement is fair, reasonable and adequate.

CFO expressly denies that it engaged in any wrongdoing, violated any law, or breached any duty, and denies that the claims in the Lawsuit have any merit. CFO believes that it has substantial defenses to all of those claims and would win at trial. Nevertheless, CFO decided that settling the Lawsuit would be better than continuing to litigate because a settlement would bring to an end the substantial expenses, burdens, and uncertainties of litigation, avoid further disruption of CFO's management and operations, and provide benefits to Class Members. The Settlement is not evidence of or an admission by CFO of any fault or liability whatsoever, or of any weaknesses in any defenses that it has asserted or would assert in the Lawsuit.

V. OPPORTUNITIES TO GIVE YOUR OPINION ABOUT THE SETTLEMENT

If you are a Class Member, and you do not exclude yourself from the Class, you can tell the Court that you agree or do not agree with the Settlement, or some part of the Settlement. You can object to the Settlement or any of its terms, including the proposed Plan of Allocation, the application by Lead Counsel for an award of fees or expenses, and/or the settlement administration expenses.

If you wish to object to the Settlement, you must submit an objection in writing that includes: (i) a statement that you object to the proposed settlement in *Wang v. China Finance Online Co. Limited*, 1:15-cv-07894, (ii) your name, address, telephone number and email address (if available), (iii) the date(s) and number(s) of shares of all purchases and sales of CFO ADSs during the Class Period, (iv) the reason(s) for your objection or opposition, (v) any legal support that you want to bring to the Court's attention, and (vi) any evidence or exhibits that you want the Court to consider.

Objections must also be sent to Lead Counsel for the Class by first-class mail, email, or hand delivery at Laurence Rosen, Esq. The Rosen Law Firm, P.A. 275 Madison Avenue, 34th Floor New York, NY, 10016.

Your objection must be ***postmarked or received by Lead Counsel no later than March 3, 2017.***

You may file a written objection without appearing at the Fairness Hearing. However, you cannot appear at the Fairness Hearing to present your objection if you did not first file and serve a timely, written objection in accordance with the procedures described above, unless the Court orders otherwise.

If you (or counsel hired at your own expense) wish to speak at the Fairness Hearing, and if you have filed and served a timely written objection as described above, you (or your counsel) must also file and serve a notice of intention to appear. The notice of intention to appear must include (i) name and docket number of the Lawsuit (*Wang v. China Finance Online Co. Limited*, 1:15-cv-07894); (ii) your name, address, telephone number, and email address (if available), and (iii) your attorney's contact

information, if you have an attorney. You serve your notice of intention to appear with Lead Counsel, at the address listed above, so that it is *postmarked or received on or before March 3, 2017*.

VI. THE FAIRNESS HEARING

The Court will hold a Fairness Hearing at 10:00 a.m. on March 21, 2017, at the Daniel Patrick Moynihan United States Courthouse, 500 Peart Street, Courtroom 17B, New York, NY 10017. At the hearing, the Court will consider whether the Settlement is fair, reasonable and adequate. The Court will also consider the proposed Plan of Allocation for the proceeds of the Settlement, the application of Lead Counsel for attorneys' fees and reimbursement of expenses.

The Court may change the date of the Fairness Hearing without further written notice to the Class. If you (or your attorney) intend to attend the hearing, you should confirm the date and time with Lead Counsel, or by checking the settlement website.

VII. ADDITIONAL INFORMATION

This Settlement Notice summarizes the proposed Settlement. More details are contained in the Settlement Agreement. You can get more information about the Settlement Agreement – as well as copies of the Claim Form, the complaint in the Lawsuit, the Court's orders regarding the Settlement and motions for final approval of the Settlement and for an award for attorneys' fees and expenses – by visiting www.strategicclaims.net.

All inquiries about this Notice should be directed to either of:

Claims Administrator	Lead Counsel for the Class
China Finance Online Securities Litigation c/o Strategic Claims Services 600 N. Jackson St., Ste. 3 Media, PA 19063 Tel. : 866-274-4004 Fax : 610-565-7985 info@strategicclaims.net	Laurence Rosen, Esq. The Rosen Law Firm, P.A. 275 Madison Avenue, 34th Floor New York, NY 10016 Tel. : 212-686-1060 info@rosenlegal.com

PLEASE DO NOT CALL OR WRITE THE COURT OR THE CLERK OF COURT ABOUT THIS NOTICE.

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

JIHONG WANG, QI LI, LES AKIO OMORI, and
ALAN BECK, individually and on behalf of all others
similarly situated,

Plaintiffs,

v.

CHINA FINANCE ONLINE CO. LIMITED,

Defendant.

Case No.: 1:15-CV-07894-RMB

CLAIM FORM AND RELEASE

Deadline for Submission: March 3, 2017

If you purchased or otherwise acquired China Finance Online Co. Limited American Depositary Shares (“ADSs”) between April 29, 2013 and June 3, 2015, inclusive (the “Class Period”), you may be a “Class Member” and entitled to share in the settlement proceeds.

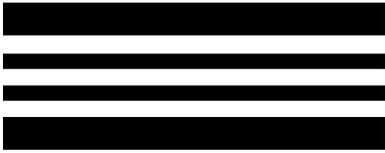
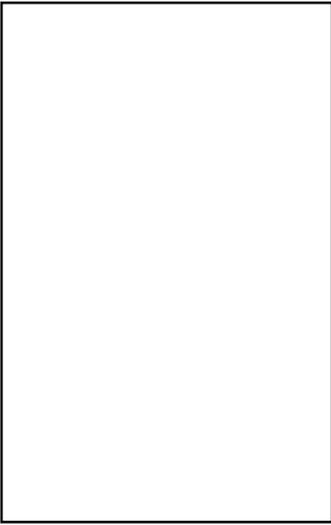
IF YOU ARE A CLASS MEMBER, YOU MUST COMPLETE AND SUBMIT THIS CLAIM FORM AND RELEASE (“CLAIM FORM”) IN ORDER TO BE ELIGIBLE FOR ANY SETTLEMENT BENEFITS.

YOU MUST COMPLETE AND SIGN THIS CLAIM FORM AND MAIL IT BY FIRST CLASS MAIL, POSTMARKED NO LATER THAN MARCH 3, 2017 TO STRATEGIC CLAIMS SERVICES, THE CLAIMS ADMINISTRATOR, AT THE FOLLOWING ADDRESS:

China Finance Online Securities Litigation
c/o Strategic Claims Services
600 N. Jackson St., Ste. 3
Media, PA 19063
Tel.: 866-274-4004
Fax: 610-565-7985
info@strategicclaims.net

YOUR FAILURE TO SUBMIT YOUR CLAIM FORM AND THE SUPPORTING DOCUMENTATION BY MARCH 3, 2017 WILL SUBJECT YOUR CLAIM TO REJECTION AND PRECLUDE YOUR RECEIVING ANY MONEY IN CONNECTION WITH THE SETTLEMENT OF THIS ACTION. DO NOT MAIL OR DELIVER YOUR CLAIM TO THE COURT OR TO ANY OF THE PARTIES OR THEIR COUNSEL AS ANY SUCH CLAIM WILL BE DEEMED NOT TO HAVE BEEN SUBMITTED. SUBMIT YOUR CLAIM ONLY TO THE CLAIMS ADMINISTRATOR. NOTE THAT CLAIMS CALCULATING TO AN AWARD AMOUNT LESS THAN \$10.00 WILL NOT BE PAID.

IF YOU DO NOT SUBMIT A TIMELY, PROPERLY ADDRESSED AND COMPLETED CLAIM FORM, YOUR CLAIM MAY BE REJECTED, AND YOU MAY BE PREVENTED FROM RECEIVING ANY DISTRIBUTION FROM THE NET SETTLEMENT AMOUNT



**Must be Postmarked
or Received
No Later Than
March 3, 2017**

China Finance Online Securities Litigation
c/o Strategic Claims Services
600 N. Jackson St., Ste. 3
Media, PA 19063
United States of America

CLAIM FORM AND RELEASE FORM

Please Type or Print in the Boxes Below

Claimant or Representative Contact Information:

Name:		
Address:		
City:	State:	ZIP:
Foreign Province:	Foreign Country:	
Day Phone:	Evening Phone:	
Email:		
Social Security Number (for individuals):	OR	Taxpayer Identification Number (for estates, trusts, corporations, etc.):

____ Individual Retirement Account (IRA) ____ Joint Tenancy (ownership by two or more persons) ____
Employee of China Finance _____ Individual ____ Other (trust, corporation, partnership) _____

1. State the number of shares that Claimant is seeking compensation for.

2. **BEGINNING HOLDINGS:** State the number of shares of CFO ADSs that the Claimant owned at the close of business on **April 28, 2013**. If none, write “zero” or “0.” If other than zero, be sure to attach the required documentation.

3. **PURCHASES:** List all purchases of China Finance Online ADSs during the period **April 29, 2013** through and including **September 1, 2015**. (NOTE: If you acquired your China Finance Online ADSs during this period other than by an open-market purchase, please provide a complete description of the terms of the acquisition on a separate page.) Be sure to attach the supporting documentation.

Trade Date(s) (List Chronologically) (Month/Day/Year)	Number of Shares Purchased	Total Purchase Price (excluding commissions, transfer taxes, or other fees)	Proof of Purchase Enclosed (Y/N)
			<input type="checkbox"/> Y <input type="checkbox"/> N
			<input type="checkbox"/> Y <input type="checkbox"/> N
			<input type="checkbox"/> Y <input type="checkbox"/> N

4. **SALES:** List all sales of China Finance Online ADSs during the period **April 29, 2013** through and including **September 1, 2015**. Be sure to attach the supporting documentation.

Trade Date(s) (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Total Sales Price (excluding commissions, transfer taxes, or other fees)	Proof of Sales Enclosed (Y/N)
			<input type="checkbox"/> Y <input type="checkbox"/> N
			<input type="checkbox"/> Y <input type="checkbox"/> N
			<input type="checkbox"/> Y <input type="checkbox"/> N

5. **HOLDINGS:** State the number of shares of China Finance Online ADSs that the claimant owned at the close of business on **September 1, 2015**. Be sure to attach the supporting documentation.

If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.

CERTIFICATION AND RELEASE

By signing and submitting this Claim Form, I agree to release and discharge all of the Releasees of all Released Class Members' Claims (as defined in the Notice), pursuant to the terms of the Stipulation of Settlement.

By signing and submitting this Claim Form, the Claimant or the person who represents the Claimant certifies as follows:

I (WE) DECLARE, UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE UNITED STATES OF AMERICA, THAT ALL OF THE ANSWERS I (WE) PROVIDED IN THIS CLAIM FORM ARE TRUE AND CORRECT AND THAT THE DOCUMENTS SUBMITTED WITH THIS CLAIM FORM ARE TRUE AND GENUINE.

Executed this _____ day of _____ in _____
(Month/Year) (City/State/Country)

(Sign your name here)

(Sign your name here)

(Type or print your name)

(Type or print your name)

(Capacity of persons signing, e.g., Beneficial Purchaser, Executor or Administrator)

(Capacity of persons signing, e.g., Beneficial Purchaser, Executor or Administrator)

REMINDER CHECKLIST:

- | | |
|---|---|
| <ol style="list-style-type: none">1. Please sign the Certification Section of the Claim Form.2. Keep a copy of your Claim Form and all submitted documentation for your records.3. If this claim is made on behalf of joint claimants, then each claimant must sign.4. Please remember to attach supporting documents. | <ol style="list-style-type: none">5. If you move, please send us your new address.6. DO NOT SEND ORIGINALS OF ANY SUPPORTING DOCUMENTS.7. Do not use highlighter on the Claim Form or supporting documentation. |
|---|---|

China Finance Online Securities Litigation
c/o Strategic Claims Services
600 N Jackson Street – Suite 3
Media, PA 19063

IMPORTANT LEGAL DOCUMENT – PLEASE FORWARD