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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

In re ADVANCED MARKETING  
SERVICES, INC. SECURITIES  
LITIGATION

Case No. 04-CV-00121 BEN (AJB)

CLASS ACTION

This Document Relates To:  
  
ALL ACTIONS.

[D.E. # 91]

ORDER AUTHORIZING  
DISTRIBUTION OF SETTLEMENT FUND

1   Whereas:

2           A.     On October 16, 2006, the Court entered the: Order Approving Plan of Allocation of  
3   Settlement Proceeds; Order Awarding Attorneys' Fees and Reimbursement of Expenses; and Final  
4   Judgment and Order of Dismissal of the Litigation With Prejudice (the "Settlement Orders" ). The  
5   Court retained jurisdiction over the Litigation for all matters relating to the consummation of the  
6   Settlement.

7           B.     As set forth in the Notice of Pendency and Proposed Settlement of Class Action, the  
8   deadline for Class Members to submit claims to participate in a distribution from the Net Settlement  
9   Fund was December 19, 2006.

10          C.     As reflected in the accompanying Declaration of Benjamin Galdston of Bernstein  
11   Litowitz Berger & Grossmann LLP ("Lead Counsel" ), and Affidavit of Stephen J. Cirami, Assistant  
12   Vice President of Securities Operations for The Garden City Group ("Claims Administrator" ), the  
13   process of reviewing all claims has been completed.

14          D.     Lead Counsel now seeks authorization to distribute the Net Settlement Fund to  
15   Authorized Claimants, after deduction of fees and expenses approved by this Order, and also seeks  
16   approval of the rejection of certain claims that the Claims Administrator has determined are not  
17   valid.

18          E.     All Claimants whose claims the Claim Administrator propose be rejected were  
19   notified of the deficiency in their claim and given the opportunity to contest the rejection. These  
20   Claimants were given a full and fair opportunity to have their objection to the Claims  
21   Administrator's determination heard by the Court, and none of these Claimants raised any such  
22   objection.

23          F.     The Court has reviewed the motion of Lead Counsel for Entry of an Order  
24   Authorizing Distribution of Settlement Fund, the Declaration of Benjamin Galdston, the Affidavit  
25   of Stephen J. Cirami ("Cirami Affidavit" ) and all other exhibits and papers submitted in support  
26   thereof, and good cause appears for the relief requested.

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1 THEREFORE, IT IS HEREBY ORDERED, as follows:

2 1. All claims that the Claims Administrator has determined are acceptable for payment,  
3 as set forth in Exhibit B (“Timely Authorized Claimants”) to the Cirami Affidavit, are approved for  
4 payment from the Net Settlement Fund.

5 2. All claims that the Claims Administrator has determined were submitted after the  
6 December 19, 2006 deadline for filing claims, but are otherwise valid and in compliance with the  
7 requirements for submitting valid proofs of claim, as set forth in Exhibit B (“Late Postmarked but  
8 Otherwise Authorized Claimants”) to the Cirami Affidavit, are approved for payment from the Net  
9 Settlement Fund.

10 3. All claims that the Claims Administrator has determined are not acceptable for  
11 payment, as set forth in Exhibit B (“Rejected or Ineligible Claims”) to the Cirami Affidavit, are  
12 disallowed and shall not be paid.

13 4. Submission of any claim for participation in the Settlement, other than those  
14 previously filed with the Claims Administrator, is forever barred.

15 5. Lead Counsel and the Claims Administrator are directed to arrange for payment of  
16 the Net Settlement Fund, after deduction of fees and expenses approved by this Order, to all  
17 Authorized Claimants in accordance with the Plan of Allocation, as soon as practicable after entry  
18 of this Order and receipt of any refunds which may be due on previously paid taxes.

19 6. The Claims Administrator’s incurred and anticipated fees and expenses of  
20 \$136,532.88 in connection with administering the Settlement are approved and will be paid from  
21 the Settlement Fund.

22 7. Any taxes due and owing as well as the \$8,000 fee for the preparation of the tax  
23 returns for the Settlement Fund, costs which were authorized for payment from the Settlement Fund  
24 by prior Order of this Court, will be paid from the Settlement Fund.

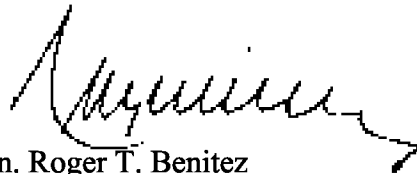
25 8. Lead Counsel is directed to make reasonable attempts to locate Authorized Claimants  
26 whose checks are returned as undeliverable. Any funds remaining in the Settlement Fund one year  
27 after the initial distribution date shall be distributed pro rata to the Authorized Claimants if such a  
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1 distribution would be cost effective, or in the event such a distribution would not be cost effective,  
2 these funds shall be donated to an appropriate non-profit organization to be selected jointly by Lead  
3 Plaintiff and Lead Counsel, and as approved by the Court.

4 9. All hard copy claim forms and documentation reviewed during the claims  
5 administration process shall be retained by the Claims Administrator for one year and magnetic  
6 media for three years from the date of entry of this Order. After that date, said records may be  
7 destroyed.

8 **IT IS SO ORDERED.**

9  
10 DATED: July 26, 2007

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14 Hon. Roger T. Benitez  
15 United States District Judge