

LIU ZHENYONG
Form 4
September 01, 2009

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
LIU ZHENYONG

(Last) (First) (Middle)

C/O ORIENT PAPER, INC.

(Street)

**XUSHUI COUNTRY, BAODING
CITY, F4 072550**

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

Orient Paper Inc. [OPAI]

3. Date of Earliest Transaction
(Month/Day/Year)

08/31/2009

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)

Chief Executive Officer

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ Form filed by One Reporting Person
☐ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------------|---|---|--------------------------------------|---|--|---|---|
| | | | Code | V | Amount (1) (2) | Price (2) | |
| Common Stock | 08/31/2009 | | J | | 4,817,362 | \$ 0.83 | D |
| | | | | | | 20,463,405 | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of
information contained in this form are not
required to respond unless the form
displays a currently valid OMB control
number.**

SEC 1474
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)**

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| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Nu Deriv Secur Bene Own Follo Repor Trans (Instr |
|---|--|---|---|--------------------------------------|--|--|---|---|---|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

| Reporting Owner Name / Address | Director | 10% Owner | Officer | Other |
|---|----------|-----------|-------------------------|-------|
| LIU ZHENYONG C/O ORIENT PAPER, INC. XUSHUI COUNTRY, BAODING CITY, F4 072550 | X | X | Chief Executive Officer | |

Signatures

/s/ Jessica S. Yuan,
Attorney-at-Law

09/01/2009

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

On August 31, 2009, Orient Paper, Inc. (the "Company"), the Company's Chief Executive Officer, Zhenyong Liu ("the Reporting Person") and the Company's subsidiary, Hebei Baoding Orient Paper Milling Company Limited ("HBOP") entered into a Debt Assignment and Assumption Agreement (the "Agreement"). Pursuant to the Agreement, the Company agreed to assume \$4,000,000 of the total aggregate debt of approximately \$6,131,761 (the "Debt") owed by HBOP to the Reporting Person to henceforth be the principal debtor to the Reporting Person for the Debt.

On August 31, 2009, the Company repaid the Debt to the Reporting Person by converting the Debt into equity of the Company at \$0.83033 per share. Accordingly, the Company issued to the Reporting Person a total of 4,817,362 restricted shares of common stock of the Company.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.