

UNITED STATES DISTRICT COURT—SOUTHERN DISTRICT OF NEW YORK

BENO VARGHESE, Individually and on Behalf of  
All Others Similarly Situated,

Plaintiff,

—against—

CHINA SHENGHUO PHARMACEUTICAL  
HOLDINGS INC., *et al.*

Defendants.

Case No. 1:08-CV-7422 (VM)

**PROOF OF CLAIM AND RELEASE**

Deadline for Submission: May 17, 2011

*IF YOU PURCHASED THE COMMON STOCK OF CHINA SHENGHUO PHARMACEUTICAL HOLDINGS, INC. DURING THE PERIOD FROM AUGUST 16, 2007 THROUGH AUGUST 19, 2008, INCLUSIVE (THE “CLASS PERIOD”) AND RETAINED THAT STOCK UNTIL AT LEAST AUGUST 19, 2008, YOU MAY BE A “CLASS MEMBER” AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT PROCEEDS.*

*IF YOU ARE A CLASS MEMBER, YOU MUST COMPLETE AND SUBMIT THIS FORM IN ORDER TO BE ELIGIBLE FOR ANY SETTLEMENT BENEFITS.*

*YOU MUST COMPLETE AND SIGN THIS PROOF OF CLAIM AND RELEASE (“PROOF OF CLAIM”) AND MAIL IT BY FIRST CLASS MAIL, POSTMARKED NO LATER THAN MAY 17, 2011 TO STRATEGIC CLAIMS SERVICES, THE CLAIMS ADMINISTRATOR, AT THE FOLLOWING ADDRESS:*

***China Shenghuo Securities Litigation  
Claims Administrator  
c/o Strategic Claims Services  
P.O. Box 230  
600 North Jackson Street – Suite 3  
Media, PA 19063***

YOUR FAILURE TO SUBMIT YOUR CLAIM BY MAY 17, 2011 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.

**CLAIMANT’S STATEMENT**

1. I (we) purchased common stock in China Shenghuo Pharmaceutical Holdings, Inc. (“CSP”) and was (were) damaged thereby. (Do not submit this Proof of Claim if you did not purchase CSP common stock during the designated Class Period).
2. By submitting this Proof of Claim, I (we) state that I (we) believe in good faith that I am (we are) a Class Member as defined above and in the Notice of Pendency and Proposed Settlement of Class Action (the “Notice”), or am (are) acting for such person(s); that I am (we are) not a Defendant in the Actions or anyone excluded from the Class; that I (we) have read and understand the Notice; that I (we) believe that I am (we are) entitled to receive a share of the Net Settlement Fund, as defined in the Notice; that I (we) elect to participate in the proposed Settlement described in the Notice; and that I (we) have not filed a request for exclusion. (If you are acting in a representative capacity on behalf of a Class Member [e.g., as an executor, administrator, trustee, or other representative], you must submit evidence of your current authority to act on behalf of that Class Member. Such evidence would include, for example, letters testamentary, letters of administration, or a copy of the trust documents.)

3. I (we) consent to the jurisdiction of the Court with respect to all questions concerning the validity of this Proof of Claim. I (we) understand and agree that my (our) claim may be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to my (our) status as a Class Member(s) and the validity and amount of my (our) claim. No discovery shall be allowed on the merits of the Litigation or Settlement in connection with processing of the Proof of Claim.
4. I (we) have set forth where requested below all relevant information with respect to each purchase of CSP common stock during the Class Period, and each sale, if any, of such securities. I (we) agree to furnish additional information to the Claims Administrator to support this claim if requested to do so.
5. I (we) have enclosed photocopies of the stockbroker's confirmation slips, stockbroker's statements, or other documents evidencing each purchase, sale or retention of CSP common stock listed below in support of my (our) claim. (IF ANY SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN A COPY OR EQUIVALENT DOCUMENTS FROM YOUR BROKER BECAUSE THESE DOCUMENTS ARE NECESSARY TO PROVE AND PROCESS YOUR CLAIM.)
6. I (we) understand that the information contained in this Proof of Claim is subject to such verification as the Claims Administrator may request or as the Court may direct, and I (we) agree to cooperate in any such verification. (The information requested herein is designed to provide the minimum amount of information necessary to process most simple claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your recognized claim. In some cases, the Claims Administrator may condition acceptance of the claim based upon the production of additional information, including, where applicable, information concerning transactions in any derivatives securities such as options.)
7. Upon the occurrence of the Court's approval of the Settlement, as detailed in the Notice, I (we) agree and acknowledge that my (our) signature(s) hereto shall effect and constitute a full and complete release, remise and discharge by me (us) and my (our) heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, predecessors, successors, attorneys, insurers and assigns (or, if I am (we are) submitting this Proof of Claim on behalf of a corporation, a partnership, estate or one or more other persons, by it, him, her or them, and by its, his, her or their heirs, executors, administrators, predecessors, successors, and assigns) of each of the "Released Parties" of all "Release of Claims," as defined in the Notice.
8. NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All Claimants MUST submit a manually signed paper Proof of Claim form listing all their transactions whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at 1-866-274-4004 or visit their website at [www.strategicclaims.net/csp](http://www.strategicclaims.net/csp) to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the Claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

**UNITED STATES DISTRICT COURT**  
**DISTRICT OF NEW YORK**  
*In re China Shenghuo Securities Litigation*  
**Case No. 1:08-CV-7422 (VM)**  
**PROOF OF CLAIM AND RELEASE**  
**Please Type or Print**

**I: CLAIMANT INFORMATION**

Name:

Address:

City:  State:  Zip Code:  -

Foreign Province:  Foreign Country:

Email:

Day Phone:  -  Evening Phone:  -

Social Security Number:  -  -  OR Taxpayer Identification Number:  -

(for individuals) (for estates, trusts, corporations, etc.)

**II: SCHEDULE OF TRANSACTIONS IN CSP SECURITIES**

**BEGINNING HOLDINGS:**

A. State the total number of shares of CSP common stock owned at the close of trading on August 15, 2007, long or short (must be documented).

**PURCHASES:**

B. Separately list each and every open market purchase of CSP common stock during the period from August 16, 2007 to December 9, 2008, inclusive, and provide the following information (must be documented):

Trade Date (List Chronologically) (Month / Day / Year)	Number of Shares Purchased	Price per Share	Total Cost (Excluding Commissions, Taxes, and Fees)
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

**SALES:**

C. Separately list each and every sale of CSP common stock during the period August 16, 2007 to December 9, 2008, inclusive, and provide the following information (must be documented):

Trade Date (List Chronologically) (Month / Day / Year)	Number of Shares Sold	Price per Share	Amount Received (Excluding Commissions, Taxes, and Fees)
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

**ENDING HOLDINGS:**

D. State the total number of shares of CSP common stock owned at the close of trading on December 9, 2008, long or short (must be documented).

If additional space is needed, attach separate, numbered sheets, giving all required information, substantially in the same format, and print your name and Social Security or Taxpayer Identification number at the top of each sheet.

**III. DEFINITIONS**

A. **“Released Parties”** means the Defendants, HB&M’s Insurer and any of their current, former or future parents, subsidiaries, affiliates, partners, joint venturers, officers, directors, principals, shareholders, members, agents (acting in their capacity as agents), employees, attorneys, insurers, reinsurers, advisors, accountants, associates and/or any other individual or entity in which any Defendant or HB&M’s Insurer has a controlling interest or which is related to or affiliated with any of the Defendants or HB&M’s Insurer and the current, former and future legal representatives, heirs, successors in interest or assigns of the Defendants and HB&M’s Insurer.

B. **“Settled Claims”** means any and all claims, debts, demands, liabilities, rights and causes of action of every nature and description whatsoever (including but not limited to, any claims for damages, interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liability whatsoever), whether based on federal, state, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, whether class or individual in nature, including both known claims and Unknown Claims (as defined below), (i) that have been asserted in the Litigation by the Named Plaintiffs and/or Class Members or any of them against any of the Released Parties, including without limitation any claim arising out of or relating to any of the acts, omissions, misrepresentations, facts, events, matters, transactions or occurrences referred to in the Litigation or otherwise alleged, asserted or contended in the Litigation; or (ii) that could have been alleged, asserted or contended in any forum by the Named Plaintiffs or Class Members or any of them against any of the Released Parties which arise out of or are based directly or indirectly upon any of the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Litigation, including, without limitation, claims for fraud, negligent misrepresentation, negligence, gross negligence, breach of duty of care, breach of duty of loyalty, fraud, negligent misrepresentation, breach of fiduciary duty, or violations of any state or federal statutes or regulations, by the Named Plaintiffs or any Class Member, on behalf of themselves, their heirs, executors, administrators, successors, and assigns against Defendants or the Released Parties or any of them. Settled Claims also include any and all claims arising out of, relating to, or in connection with the Settlement or resolution of the Litigation against or between the Released Parties (including Unknown Claims that arise out of, relate to, or are in connection with the Settlement or resolution of the Litigation against the Released Parties), except claims to enforce any of the terms of the Stipulation.

C. **“Unknown Claims”** means any Settled Claim which Lead Plaintiff or any member of the Class does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties, which if known by him, her or it, might have affected his, her or its decision with respect to the Settlement, including, but not limited to, the decision not to object to the Settlement, and any Settled Defendants’ Claims which any Defendant, HB&M’s Insurer, or any of them does not know or expect to exist in his, her or its favor, which if known by him, her, or it might have affected his, her, or its decision(s) with respect to the Settlement. With respect to any and all Settled Claims and Settled Defendants’ Claims, the Parties stipulate and agree that upon the Effective Date, the Named Plaintiffs and Defendants shall expressly, and each of the members of the Class shall be deemed to have, and by operation of the Order and 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 principle of common law, which 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.”

**IV. SUBSTITUTE FORM W-9**

Request for Taxpayer Identification Number:

Enter taxpayer identification number below for the Beneficial Owner(s). For most individuals, this is your Social Security Number. The Internal Revenue Service (“I.R.S.”) requires such taxpayer identification number. If you fail to provide this information, your claim may be rejected.

Social Security Number:    -   -     OR Taxpayer Identification Number:   -

**V. CERTIFICATION**

I (We) certify that I am (we are) NOT subject to backup withholding under the provisions of Section 3406 (a)(1)(c) of the Internal Revenue Code because: (a) I am (We are) exempt from backup withholding, or (b) I (We) have not been notified by the I.R.S. that I am (we are) subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the I.R.S. has notified me (us) that I am (we are) no longer subject to backup withholding.

NOTE: If you have been notified by the I.R.S. that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above.

UNDER THE PENALTIES OF PERJURY, I (WE) CERTIFY THAT ALL OF THE INFORMATION I (WE) PROVIDED ON THIS PROOF OF CLAIM AND RELEASE FORM IS TRUE, CORRECT AND COMPLETE.

Signature of Claimant (If this claim is being made on behalf of Joint Claimants, then each must sign):

\_\_\_\_\_  
(Sign your name here) (Sign your name here)

(Capacity of persons signing, e.g., beneficial purchaser(s), executor, administrator, trustee, etc.)

Check here if proof of authority to file is enclosed. (See Item 2 under Claimant’s Statement)

Date: \_\_\_\_\_

**THIS PROOF OF CLAIM MUST BE SUBMITTED NO LATER THAN MAY 17, 2011 AND MUST BE MAILED TO:**

China Shenghuo Securities Litigation  
Claims Administrator  
c/o Strategic Claims Services  
P.O. Box 230  
600 North Jackson Street – Suite 3  
Media, PA 19063

A Proof of Claim received by the Claims Administrator shall be deemed to have been submitted when posted, if mailed by May 17, 2011 and if a postmark is indicated on the envelope and it is mailed first class and addressed in accordance with the above instructions. In all other cases, a Proof of Claim shall be deemed to have been submitted when actually received by the Claims Administrator.

You should be aware that it will take a significant amount of time to process fully all of the Proofs of Claim and to administer the Settlement. This work will be completed as promptly as time permits, given the need to investigate and tabulate each Proof of Claim. Please notify the Claims Administrator of any change of address.

**REMINDER CHECKLIST:**

1. Please be sure to sign this Proof of Claim on page 10. If this Proof of Claim is submitted on behalf of joint claimants, then both claimants must sign.
2. Please remember to attach supporting documents. Do NOT send any stock certificates. Keep copies of everything you submit.
3. Do NOT use highlighter on the Proof of Claim or any supporting documents.
4. If you move after submitting this Proof of Claim, please notify the Claims Administrator of the change in your address.

*In re China Shenghuo Securities Litigation*  
c/o Strategic Claims Services  
Claims Administrator  
P.O. Box 230  
600 North Jackson Street, Suite 3  
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**PLEASE FORWARD**

**FIRST CLASS MAIL**

**PLEASE FORWARD—IMPORTANT LEGAL NOTICE**