

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

JEFF FEYKO, Individually and on Behalf of All
Others Similarly Situated,

Plaintiff,

v.
YUHE INTERNATIONAL, INC., *et al.*,

Defendants.

Case No.: 11-cv-05511-DDP (PJWx)

aAd PARTNERS LP, Individually and on Behalf of All
Others Similarly Situated,

Plaintiff,

v.
RODMAN & RENSHAW, LLC, *et al.*,

Defendants.

ROTH CAPITAL PARTNERS, LLC, *et al.*,
Cross-Claimants,

v.
CHILD, VAN WAGONER & BRADSHAW, PLLC, *et al.*,
Cross-Defendants.

**NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT,
SETTLEMENT FAIRNESS HEARING, AND MOTION FOR ATTORNEYS'
FEES AND REIMBURSEMENT OF LITIGATION EXPENSES**

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

NOTICE OF PENDENCY OF CLASS ACTION: Please be advised that your rights may be affected by a class action lawsuit (the "Action") pending in the United States District Court for the Central District of California (the "Court") if you purchased or otherwise acquired the common stock of Yuhe International, Inc. ("Yuhe") during the period from December 31, 2009 through June 17, 2011, inclusive (the "Settlement Class Period"), and were damaged thereby.

NOTICE OF SETTLEMENT: Please also be advised that the Court-appointed Lead Plaintiff aAd Partners LP ("Lead Plaintiff"), on behalf of itself and the Class (as defined in ¶37 below), has reached an agreement to settle the Action with Yuhe and other defendants described below for a total of U.S. \$2.7 million in cash that, if approved, will resolve all claims in the Action (the "Settlement").¹

PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have, including the possible receipt of cash from the Settlement. If you are a Class Member, your legal rights will be affected whether or not you act.

1. **Description of the Action and Class:** This Notice relates to a proposed Settlement of claims in a pending class action lawsuit brought by investors alleging that the prices of shares of Yuhe Common Stock purchased or acquired between December 31, 2009 and June 17, 2011 were artificially inflated as a result of allegedly material false and misleading statements and omissions issued by Defendants regarding the business of Yuhe. Among other things, the lawsuit alleged that documents filed by Yuhe with the Securities and Exchange Commission ("SEC") falsely reported a material acquisition of thirteen chicken breeder farms in December 2009 and the subsequent implementation and operation of several of those farms by Yuhe in mid-2010.

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation and Agreement of Settlement dated December 27, 2013 (the "Stipulation"), which is available on the website established for the Settlement at www.yuhesecuritiessettlement.com.

2. The Defendants are (i) Yuhe; (ii) Zhentao Gao; (iii) Jiang Yingjun; (iv) Hu Gang; (v) Child, Van Wagoner & Bradshaw, PLLC (“CVB”); (vi) Roth Capital Partners, LLC (“Roth”); (vii) Brean Murray, Carret & Co., LLC (“Brean Murray”); and (viii) Global Hunter Securities, LLC (“Global Hunter”). Roth, Brean Murray and Global Hunter are collectively referred to herein as the “Underwriter Defendants.” The proposed Settlement, if approved by the Court, will settle claims of all persons and entities who purchased or otherwise acquired the common stock of Yuhe between December 31, 2009 and June 17, 2011 and who were damaged thereby (the “Class”). Contained within the Class is a Subclass of all persons and entities who purchased or otherwise acquired Yuhe common shares pursuant to and/or traceable to the Registration Statement and Prospectus for the stock offering of 4,140,000 shares of the Company offered at a price of \$7.00 per share, and which became effective October 20, 2010 (the “Offering”), and were damaged thereby. The Class does not include certain persons and entities who are excluded from the Class by definition (see ¶¶37 below) or who validly elect to exclude themselves from the Class (see ¶¶82-83 below).

3. **Statement of Class’s Recovery:** Subject to Court approval, and as described more fully below, Lead Plaintiff, on behalf of itself and the Class, has agreed to settle all claims based on the purchase or acquisition of Yuhe common stock between December 31, 2009 and June 17, 2011 that were or could have been asserted against Defendants in the Action in exchange for a total settlement payment of U.S. \$2,700,000 in cash (the “Settlement Amount”) to be deposited into an interest-bearing escrow account (the “Settlement Fund”). The Net Settlement Fund (the Settlement Fund less Taxes, Notice and Administration Costs, and attorneys’ fees and Litigation Expenses awarded by the Court) will be distributed in accordance with a plan of allocation that is approved by the Court, which will determine how the Net Settlement Fund shall be allocated among members of the Class. The proposed plan of allocation (the “Plan of Allocation”) is set forth on pages 9 - 10 below.

4. **Estimate of Average Amount of Recovery Per Share:** Lead Plaintiff’s damages expert estimates that approximately 11.37 million shares of Yuhe common stock may have been affected by the conduct at issue in the Action. If all Class Members elect to participate in the Settlement, the estimated average recovery per affected share of Yuhe common stock would be approximately \$0.23747, before deduction of Court-awarded attorneys’ fees and expenses, Taxes and the costs of providing notice and administering the Settlement. If the Court approves Lead Plaintiff’s Counsel’s fee and expense application, the average deduction per affected share of Yuhe common stock will be approximately \$0.07036. Class Members should note, however, that this is only an estimate based on the overall number of potentially affected shares. Some Class Members may recover more or less than the estimated amount per share.

5. **Statement of Average Amount of Damages Per Share:** The Parties do not agree on the average amount of damages per share that would be recoverable if Lead Plaintiff were to prevail in the Action. Defendants do not agree with the assertion that they engaged in any actionable conduct under the federal securities laws or that any damages were suffered by any members of the Class as a result of their conduct. Moreover, each Class Member’s pro-rata payment will be based on losses as determined under the Plan of Allocation (see ¶¶56-58 below).

6. **Statement of Attorneys’ Fees and Expenses Sought:** The Court-appointed Lead Plaintiff’s Counsel, Gold Bennett Cera & Sidener LLP, has been prosecuting the Action on a wholly contingent basis since its inception in 2011, and has not received any payment of attorneys’ fees for its representation of the Class. Lead Plaintiff’s Counsel has advanced the funds to pay expenses necessarily incurred to prosecute the Action. Lead Plaintiff’s Counsel will apply to the Court for an award of attorneys’ fees from the Settlement Fund in an amount not to exceed 25% of the Settlement Fund. In addition, Lead Plaintiff’s Counsel also will apply for the reimbursement of Litigation Expenses paid or incurred in connection with the prosecution and resolution of the Action, in an amount not to exceed \$125,000, which may include the reasonable costs and expenses of Lead Plaintiff directly related to the representation of the Class. If the Court approves Lead Plaintiff’s Counsel’s fee and expense application, the average cost per affected share of Yuhe common stock will be approximately \$0.07036.

7. **Identification of Attorneys’ Representative:** Lead Plaintiff and the Class are being represented by Solomon B. Cera, Esq., and Pamela A. Markert, Esq., of Gold Bennett Cera & Sidener LLP. Any questions regarding the Settlement should be directed to Solomon B. Cera or Pamela A. Markert at Gold

8. **Reasons for the Settlement:** Lead Plaintiff’s principal reason for entering into the Settlement is the substantial cash benefit payable to the Class now, without further risk or the delays inherent in further litigation, including the extreme difficulties of enforcing a judgment of a U.S. court in the People’s Republic of China. The significant cash benefit under the Settlement must be considered against the significant risk that a smaller recovery – or, indeed, no recovery at all – might be achieved after contested motions, trial and likely appeals, a process that could last several years into the future. Yuhe has represented that it has no assets in the United States. For Defendants, who deny all allegations of wrongdoing or liability whatsoever, the principal reason for entering into the Settlement is to eliminate the expense, risks, and uncertainty of further litigation.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:	
SUBMIT A CLAIM FORM BY JULY 31, 2014.	This is the only way to be eligible to get a payment from the Settlement. If you are a Class Member and you remain in the Class, you will be bound by the Settlement as approved by the Court and you will give up any Settled Claims (as defined in ¶73 below) that you have against Defendants and the other Released Parties (defined in ¶74 below), so, if you remain in the Class, it is in your interest to submit a Claim Form.
EXCLUDE YOURSELF FROM THE CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS RECEIVED NO LATER THAN MAY 19, 2014.	If you exclude yourself from the Class, you will not be eligible to get any payment from the Settlement Fund. This is the only option that allows you to ever be part of any other lawsuit against any of the Defendants or the other Released Parties concerning the Settled Claims.
OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN MAY 19, 2014.	If you do not like the proposed settlement with Defendants, the proposed Plan of Allocation, or the request for attorneys’ fees and reimbursement of expenses, you may write to the Court and explain why you do not like them. You cannot object to the Settlement, the Plan of Allocation or the fee and expense request unless you are a Class Member and do not exclude yourself.
GO TO THE HEARING ON JUNE 9, 2014 AT 2:00 P.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN MAY 19, 2014.	Filing a written objection and notice of intention to appear by May 19, 2014, allows you to speak in Court about the fairness of the proposed Settlement, the Plan of Allocation, or the request for attorneys’ fees and reimbursement of expenses. If you submit a written objection, you may (but do not have to) attend the hearing and speak to the Court about your objection.
DO NOTHING.	If you are a member of the Class and you do not submit a Claim Form by July 31, 2014, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Class, which means that you give up your right to sue about the claims that are resolved by the Settlement and you will be bound by any judgments or orders entered by the Court in the Action.

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WHY DID I GET THIS NOTICE?

9. This Notice is being sent to you pursuant to an Order of the United States District Court for the Central District of California (the "Court") because you or someone in your family or an investment account for which you serve as custodian may have purchased or otherwise acquired Yuhe common stock between December 31, 2009 and June 17, 2011. The Court has directed us to send you this Notice because, as a potential Class Member, you have a right to know about your options before the Court rules on the proposed settlement of this case. Additionally, you have the right to understand how a class action lawsuit may generally affect your legal rights. If the Court approves the Settlement a claims administrator selected by Lead Plaintiff and approved by the Court will make payments pursuant to the Settlement after any objections and appeals are resolved.

10. In a class action lawsuit, the Court selects one or more people, known as class representatives, to sue on behalf of all people with similar claims, commonly known as the class or the class members. In this Action, the Court has appointed aAd Partners LP to serve as "Lead Plaintiff" under a federal law governing lawsuits such as this one, and has approved Lead Plaintiff's selection of the law firm of Gold Bennett Cera & Sidener LLP to serve as Lead Plaintiff's Counsel in the Action. A class action is a type of lawsuit in which the claims of a number of individuals are resolved together, thus providing the class members with both consistency and efficiency. Once the class is certified, the Court must resolve all issues on behalf of the class members, except for any persons who choose to exclude themselves from the class. (For more information on excluding yourself from the Class, please read "What If I Do Not Want To Participate In the Settlement? How Do I Exclude Myself?" on page 14 below.)

11. The Court in charge of this case is the United States District Court for the Central District of California, and the case is known as *Feyko v. Yuhe International, Inc., et al.*, Case No. 11-cv-05511-DDP (PJWx). The Judge presiding over this case is the Honorable Dean D. Pregerson, United States District Judge. The people who are suing are called plaintiffs, and those who are being sued are called defendants. If the Settlement is approved, it will resolve all claims in the Action by Class Members against Defendants and will bring the Action to an end.

12. This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. The purpose of this Notice is to inform you of this case, that it is a class action, how you might be affected, and how to exclude yourself from the Class if you wish to do so. It also is being sent to inform you of the terms of the proposed Settlement, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the proposed Settlement, the

proposed Plan of Allocation, and the motion by Lead Plaintiff's Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses (the "Settlement Hearing").

13. The Settlement Hearing will be held on June 9, 2014 at 2:00 p.m., before the Honorable Dean D. Pregerson, in the United States District Court for the Central District of California, 312 North Spring Street, Courtroom 3, Los Angeles, CA 90012 to determine:

- (a) whether the proposed Settlement is fair, reasonable, and adequate and should be approved by the Court;
- (b) whether the Settled Claims against the Defendants and the other Released Parties should be dismissed with prejudice as set forth in the Stipulation;
- (c) whether the proposed Plan of Allocation is fair and reasonable and should be approved by the Court; and
- (d) whether Lead Plaintiff's Counsel's request for an award of attorneys' fees and reimbursement of Litigation Expenses should be approved by the Court.

14. This Notice does not express any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement, payments to Authorized Claimants will be made after any appeals are resolved, and after the completion of all claims processing. Please be patient.

WHAT IS THIS CASE ABOUT? WHAT HAS HAPPENED SO FAR?

15. The Action is a class action alleging violations of federal securities laws by Defendants.

16. On July 1, 2011 a shareholder class action was filed in the United States District Court for the Central District of California, entitled, *Jeff Feyko v. Yuhe International, Inc., et al.*, Case No. 11-cv-05511-DDP (PJWx) (the "Feyko Action"). The shareholder class action alleged violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act"), and Rule 10b-5 promulgated thereunder based on allegedly false and misleading statements issued by Yuhe and certain of its officers and directors in the period from December 31, 2009 through June 17, 2011. On August 23, 2011, aAd Partners LP moved to be appointed lead plaintiff pursuant to the Private Securities Litigation Reform Act of 1995, 15 U.S.C. §78u-4 *et seq.* On March 2, 2012, the Court appointed aAd Partners LP as Lead Plaintiff and approved the law firm of Gold Bennett Cera & Sidener LLP as Lead Plaintiff's Counsel.

17. Lead Plaintiff's Counsel conducted an investigation that included, among other things, a review of Yuhe's filings with the SEC, analyst research reports, news articles concerning Yuhe and other public data, and legal analysis of the claims against Defendants and their potential defenses.

18. On May 10, 2012, Lead Plaintiff filed a Consolidated Amended Class Action Complaint For Violations of the Federal Securities Laws against Yuhe, Zhentao Gao, Hu Gang, Jiang Yingjun, Roth and CVB. In addition to the Sections 10(b) and 20(a) claims of the Exchange Act brought in the initial complaint, claims for alleged violations of Sections 11, 15 and 12(a)(2) of the Securities Act of 1933 (the "Securities Act") were included based on allegedly false and misleading statements contained in a stock offering Yuhe made on or about October 20, 2010.

19. On June 11, 2012, Lead Plaintiff filed a class action captioned *aAd Partners LP v. Rodman & Renshaw, LLC et al.*, Case No. SACV 12-928 (the "aAd Partners Action") against Rodman & Renshaw, LLC ("Rodman"), Brean Murray and Global Hunter for alleged violations of Sections 11 and 12(a)(2) of the Securities Act.

20. On July 27, 2012, the Court consolidated the Feyko Action and the aAd Partners Action for all purposes pursuant to Rule 42(a) of the Federal Rules of Civil Procedure under the Feyko Action caption, Case No. 11-cv-05511-DDP (PJWx).

21. On August 3, 2012, Lead Plaintiff filed a Supplemental Consolidated Amended Class Action Complaint (the "Complaint") that incorporated the defendants named in the aAd Partners Action. The Complaint asserted claims on behalf a class of investors who purchased or otherwise acquired the

common stock of Yuhe between December 31, 2009 and June 17, 2011, and a subclass of investors who purchased or otherwise acquired common stock of Yuhe pursuant to or traceable to the October 20, 2010 Registration Statement and Prospectus for the public offering of 4,140,000 shares of the Company at the offering price of \$7.00 per share (the "Offering"). The Complaint alleged that some or all of the Defendants issued materially false and misleading statements in violation of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, Section 20(a) of the Exchange Act, and violation of Sections 11, 15 and 12(a)(2) of the Securities Act. Among other things, the Complaint alleged that numerous documents filed by Yuhe with the Securities and Exchange Commission, including the Offering and financial reports on Forms 10-K and 10-Q, falsely reported a material acquisition of thirteen breeder farms in December 2009 and the subsequent implementation and operation of the breeder farms by Yuhe in mid-2010.

22. On September 7, 2012, Defendants² and Rodman moved to dismiss the claims asserted against them.

23. On January 18, 2013, defendant Rodman filed notice in the Action that on January 11, 2013 it filed a voluntary petition for bankruptcy under chapter 7 of title 11 of the United States Code in the Southern District of New York, Case No. 13-bk-10087-reg, thereby staying the Action against it.

24. On March 5, 2013, the Court denied the Defendants' motions, with the exception of granting dismissal of the Section 11 claim against the Underwriter Defendants, granting dismissal of the Section 10(b) claim against Gang, and granting dismissal of the Section 12(a)(2) and Section 11 claims of all subclass members whose Yuhe shares were only traceable to the Offering. Dismissal was without prejudice, except as to the Section 12(a)(2) claims.

25. On March 8, 2013, the Parties participated in a mediation conducted by the Honorable William J. Cahill (Ret.) of JAMS, but were not able to reach a resolution at that mediation.

26. On April 4, 2013, Lead Plaintiff filed its Second Consolidated Amended Class Action Complaint (the "Second Amended Complaint") which added additional factual allegations in support of the Sections 10(b) and 11 claims dismissed in part in the Court's March 5, 2013 Order.

27. On April 25, 2013, the Underwriter Defendants moved to dismiss the Section 11 claim in the Second Amended Complaint, including the claims of subclass members whose shares were not traceable to the Offering.

28. On July 10, 2013, the Court denied the Underwriter Defendants' motion to dismiss the Section 11 claim against them and upheld the Section 11 claim for all subclass members who purchased or otherwise acquired newly issued Yuhe shares pursuant to and traceable to the Offering at \$7.00 per share prior to March 23, 2011. Only the Section 11 allegations related to the statement in the prospectus supplement that five breeder farms from the purported December 2009 acquisition were operational were upheld, with the remaining Section 11 allegations against the Underwriter Defendants dismissed with prejudice.

29. On July 17, 2013, Lead Plaintiff moved for leave to authorize service on the Individual Defendants located abroad by serving Yuhe's U.S. Counsel of Record Pursuant to Federal Rule of Civil Procedure 4(f)(3).

30. On July 31, 2013, the Underwriter Defendants answered the Second Amended Complaint and filed a cross-claim against CVB, Yuhe, Zhentao Gao, Jiang Yingjun and Hu Gang (the "Cross-Claim").

31. On August 20, 2013, CVB answered the Second Amended Complaint and the Cross-Claim.

32. On September 4, 2013, Yuhe answered the Second Amended Complaint.

33. On September 12, 2013, the Court granted Lead Plaintiff's motion to serve the summons and Second Amended Complaint on Zhentao Gao and Jiang Yingjun by serving Yuhe's U.S. counsel of record, and denied Lead Plaintiff's motion as to Hu Gang, who had resigned from Yuhe in July 2012. Service on Gao and Yingjun through Yuhe's U.S. counsel of record was completed on September 20, 2013. Hu Gang has not been served with the summons and complaint in this Action.

² At that time, defendants Gao, Gang and Yingjun had not been served with the Complaint, but arguments were raised on their behalf by Yuhe and were considered by the Court.

34. On November 7, 2013, the Parties participated in a voluntary mediation before an impartial, experienced mediator. The Parties submitted detailed mediation statements and participated in an all-day mediation. Lead Plaintiff engaged in these discussions with a view to exploring the possibility of resolution of the issues in dispute consistent with achieving the best relief possible in the interests of the Class. The Parties reached an agreement in principle to settle at the conclusion of the November 7, 2013 mediation.

35. Lead Plaintiff's Counsel has conducted an extensive investigation of the facts; successfully opposed Defendants' multiple motions to dismiss; and retained and consulted with experts. It has also researched the applicable law with respect to the claims of Lead Plaintiff and other Class Members (as defined herein) against the Defendants and the potential defenses thereto. Additionally, the mediation statements prepared and exchanged as well as the Parties' respective presentations concerning damages have provided Plaintiffs with a detailed basis upon which to assess the relative strengths and weaknesses of their position and Defendants' position.

36. On March 10, 2014, the Court preliminarily approved the Settlement, certified the Class for purposes of the Settlement, authorized this Notice to be sent to potential Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval to the Settlement.

HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT?

37. If you are a member of the Class, you are subject to the Settlement unless you timely request to be excluded. The Class consists of:

All persons or entities who purchased or otherwise acquired the common stock of Yuhe from December 31, 2009 through June 17, 2011 and who were damaged thereby, and includes a subclass of all persons or entities who purchased or otherwise acquired the common stock of Yuhe prior to March 23, 2011 pursuant to and/or traceable to the Registration Statement and Prospectus for the Offering of 4,140,000 shares of the Company made on or about October 20, 2010 at the offering price of \$7.00 per share and who were damaged thereby.

Excluded from the Class are the following persons or entities: (i) Defendants; (ii) the parents, successors, subsidiaries, affiliates and assigns of Defendants; (iii) members of the Immediate Family of Zhentao Gao, Jiang Yingjun and Hu Gang; (iv) any person who was an officer or director of any Defendant or Rodman; (v) any underwriter, or affiliate of any underwriter, who offered, sold or purchased Yuhe common stock in the Offering; and (vi) any firm, trust, corporation, or other entity in which any of the Defendants or Rodman has a controlling interest or had a controlling interest. The Class also does not include those persons and entities who timely request exclusion from the Class pursuant to this Notice (see "What If I Do Not Want To Participate In The Settlement? How Do I Exclude Myself?" on page 14 below).

PLEASE NOTE: RECEIPT OF THIS NOTICE DOES NOT MEAN THAT YOU ARE A CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT. IF YOU ARE A CLASS MEMBER AND YOU WISH TO BE ELIGIBLE TO PARTICIPATE IN THE DISTRIBUTION OF PROCEEDS FROM THE SETTLEMENT, YOU ARE REQUIRED TO SUBMIT THE CLAIM FORM THAT IS BEING DISTRIBUTED WITH THIS NOTICE AND THE REQUIRED SUPPORTING DOCUMENTATION AS SET FORTH THEREIN POSTMARKED NO LATER THAN JULY 31, 2014.

WHAT ARE LEAD PLAINTIFF'S REASONS FOR THE SETTLEMENT?

38. Lead Plaintiff and Lead Plaintiff's Counsel believe that the claims asserted against Defendants have merit. They recognize, however, the expense and length of continued proceedings necessary to pursue their claims against Defendants through trial and appeals, as well as the difficulties in establishing liability and damages at trial that this Action presented. Lead Plaintiff and Lead Plaintiff's Counsel have taken into account the possibility that the class might not have been certified or the claims asserted in the Complaint might have been dismissed in response to Defendants' anticipated motions for summary judgment, and have also considered issues that would have been decided by a jury in the event of a trial of the Action, including whether Defendants acted with the requisite intent to mislead investors, and whether all of the Class Members' losses were caused by the alleged misrepresentations and the amount

of damages. Finally, Lead Plaintiff and Lead Plaintiff's Counsel considered the difficulty of litigating a case in which the vast majority of the evidence is located in the People's Republic of China ("PRC"), and the difficulty of collecting on a judgment against sovereigns of the PRC.

39. In light of these risks, the amount of the Settlement and the immediacy of recovery to the Class, Lead Plaintiff and Lead Plaintiff's Counsel believe that the proposed Settlement is fair, reasonable and adequate, and in the best interests of the Class. Lead Plaintiff and Lead Plaintiff's Counsel believe that the Settlement provides a substantial benefit to the Class, namely \$2,700,000 in cash from Defendants (less the various deductions described in this Notice), as compared to the risk that the claims in the Action would produce a smaller, or no recovery after summary judgment, trial and appeals, possibly years in the future.

40. Defendants have denied the claims asserted against them in the Action and deny having engaged in any wrongdoing or violation of law of any kind whatsoever. Defendants have agreed to the Settlement solely to eliminate the burden and expense of continued litigation. Accordingly, the Settlement may not be construed as an admission by any Defendants of wrongdoing.

WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?

41. If there were no Settlement and Lead Plaintiff failed to establish any essential legal or factual element of its claims, neither Lead Plaintiff nor the other members of the Class would recover anything from Defendants. Also, if Defendants were successful in proving any of their defenses, the Class likely would recover substantially less than the amount provided in the Settlement, or nothing at all.

HOW MUCH WILL MY PAYMENT BE?

42. At this time, it is not possible to make any determination as to how much any individual Class Member may receive from the Settlement.

43. Pursuant to the Settlement, the Defendants have agreed to pay or cause to be paid Two Million Seven Hundred Thousand Dollars (\$2,700,000) in cash (the "Settlement Amount"). The Settlement Amount will be deposited into an interest-bearing escrow account. The Settlement Amount plus all interest earned thereon is referred to as the "Settlement Fund." If the Settlement is approved by the Court and the Effective Date occurs, the "Net Settlement Fund" (that is, the Settlement Fund less (a) all federal, state and local taxes on any income earned by the Settlement Fund and the reasonable costs incurred in connection with determining the amount of and paying taxes owed by the Settlement Fund (including reasonable expenses of tax attorneys and accountants); (b) the costs and expenses incurred in connection with providing Notice to Class Members and administering the Settlement on behalf of Class Members; and (c) any attorneys' fees and Litigation Expenses awarded by the Court) will be distributed to Class Members as set forth in the proposed plan of allocation (the "Plan of Allocation") or such other plan as the Court may approve.

44. The Net Settlement Fund will not be distributed until the Court has approved a plan of allocation, and the time for any petition for rehearing, appeal or review, whether by certiorari or otherwise, has expired.

45. Neither Defendants nor any other person or entity that paid any portion of the Settlement Amount on their behalves are entitled to get back any portion of the Settlement Fund once the Court's Order or Final Judgment approving the Settlement becomes final. Defendants shall not have any liability, obligation or responsibility for the administration of the Settlement or disbursement of the Net Settlement Fund or the Plan of Allocation.

46. Approval of the Settlement is independent from approval of the Plan of Allocation. Any determination with respect to the Plan of Allocation will not affect the Settlement, if approved.

47. Only Class Members (*i.e.*, persons and entities who purchased or otherwise acquired Yuhe common stock between December 31, 2009 and June 17, 2011, **AND WERE DAMAGED AS A RESULT OF SUCH PURCHASES OR ACQUISITIONS**), will be eligible to share in the distribution of the Net Settlement Fund. Each person or entity wishing to participate in the distribution must timely submit a valid Claim Form establishing membership in the Class, and including all required documentation, postmarked on or before July 31, 2014 to the address set forth in the Claim Form that accompanies this Notice.

48. Unless the Court otherwise orders, any Class Member who fails to submit a Claim Form postmarked on or before July 31, 2014 shall be fully and forever barred from receiving payments pursuant to the Settlement but will in all other respects remain a Class Member and be subject to the provisions of the Stipulation, including the terms of any Final Judgment entered and the releases given. This means that each Class Member releases the Settled Claims (as defined in paragraph 73 below) against the Released Parties (as defined in paragraph 74 below) and will be enjoined and prohibited from filing, prosecuting, or pursuing any of the Settled Claims against any of the Released Parties regardless of whether or not such Class Member submits a Claim Form.

49. Information Required on the Claim Form: Among other things, each Claim Form must state and provide sufficient documentation for the Claimant's opening and closing positions in Yuhe common stock on the dates specified in the Claim Form and all transactions in Yuhe common stock during the periods specified in the Claim Form.

50. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the Claim of any Class Member.

51. Each Claimant shall be deemed to have submitted to the jurisdiction of the United States District Court for the Central District of California with respect to his, her or its Claim Form.

52. Persons and entities that are excluded from the Class by definition or that exclude themselves from the Class will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Claim Forms.

PROPOSED PLAN OF ALLOCATION

53. The objective of the Plan of Allocation is to equitably distribute the settlement proceeds to those Class Members who suffered economic losses as a proximate result of the alleged wrongdoing. In developing the Plan of Allocation, Lead Plaintiff's damages expert calculated the amount of estimated alleged artificial inflation in Yuhe common stock which purportedly was proximately caused by the alleged fraud. In calculating the estimated alleged artificial inflation, Lead Plaintiff's damages expert considered price changes of Yuhe common stock in reaction to certain public announcements regarding Yuhe and the allegations in the Second Amended Complaint and the evidence developed in support thereof, as advised by Lead Plaintiff's Counsel.

54. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

55. The Plan of Allocation generally measures the amount of loss that a Class Member can claim for purposes of making *pro rata* allocations of the cash in the Net Settlement Fund to Authorized Claimants. The Plan of Allocation is not a formal damage analysis. Recognized Loss Amounts are based primarily on the change in the level of alleged artificial inflation in the price of the respective shares of Yuhe common stock at the time of purchase or acquisition and at the time of sale. In this case, Lead Plaintiff alleges some or all of the Defendants, between December 31, 2009 and June 17, 2011, made false statements and omitted material facts in SEC filings, including financial statements, press releases, and the Registration Statement, Prospectus and Amended Prospectus related to the Offering, which had the effect of artificially inflating the price of Yuhe common stock.

CALCULATION OF RECOGNIZED LOSS AMOUNTS

Yuhe Common Stock

56. The calculation of Recognized Loss Amounts for Yuhe common stock is based on the following proposed Plan of Allocation.

57. For shares of Yuhe common stock that were purchased from December 31, 2009 through June 17, 2011, but not traceable to the October 20, 2010 Offering, and

- a) sold prior to June 13, 2011, the claim per share is \$0;
- b) sold from June 13, 2011 through June 17, 2011, the claim per share is the difference between:
 - (i) the purchase price, less
 - (ii) the sales price;
- c) retained as of the close of trading on June 17, 2011, the claim per share is the difference between:
 - (i) the purchase price, less
 - (ii) \$1.21 per share (the closing price on June 17, 2011).

58. For shares of Yuhe common stock that were acquired pursuant to and/or traceable to the October 20, 2010 Offering at \$7.00 per share prior to March 23, 2011, and

- a) sold prior to June 18, 2011, the claim per share is the difference between:
 - (i) the purchase price, not to exceed \$7.00 per share (the Offer price), less
 - (ii) the sales price;
- b) retained as of the close of trading on June 17, 2011, the claim per share is the difference between:
 - (i) the purchase price, not to exceed \$7.00 per share (the Offer price), less
 - (ii) \$1.21 per share (the closing price on June 17, 2011).

ADDITIONAL PROVISIONS

59. The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is \$10.00 or greater. If the Settlement is approved, the Net Settlement Fund will be the total Settlement Amount plus interest thereon, less any Taxes, Notice and Administration Costs, and less any attorneys' fees and Litigation Expenses awarded by the Court.

60. Each Authorized Claimant's Recognized Claim shall be the total of his, her or its Recognized Loss Amounts. Each Authorized Claimant shall recover his, her or its Recognized Claim. If the sum total of Recognized Claims of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, however, each Authorized Claimant shall receive his, her or its *pro rata* share of the Net Settlement Fund. The *pro rata* share shall be the Authorized Claimant's Recognized Claim divided by the total of Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

61. If the Net Settlement Fund exceeds the sum total amount of the Recognized Claims of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed *pro rata* to all Authorized Claimants entitled to receive payment.

62. If the prorated payment to any Authorized Claimant calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

63. If a Class Member has more than one purchase/acquisition or sale of Yuhe common stock during the Class Period, the first-in, first-out ("FIFO") method will be applied to such purchases/acquisitions and sales for calculating a claim. Under the FIFO method, sales of shares during the Class Period will be matched, in chronological order, against shares purchased or acquired during the Class Period.

64. Purchases or acquisitions and sales of Yuhe common stock shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. The receipt or grant by gift, inheritance or operation of law of Yuhe common stock during the Class Period shall not be deemed a purchase, acquisition or sale of these shares of Yuhe for the calculation of an Authorized Claimant's Recognized Claim nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of Yuhe common stock unless (i) the donor or decedent purchased or otherwise acquired such Yuhe common stock during the Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such Yuhe common stock; and (iii) it is specifically so provided in the instrument of gift or assignment.

65. The date of covering a "short sale" is deemed to be the date of purchase or acquisition of Yuhe common stock. The date of a "short sale" is deemed to be the date of sale of the Yuhe common stock. In accordance with the Plan of Allocation, however, the Recognized Loss on "short sales" is zero. In the event

that a Claimant had a short position in Yuhe common stock prior to the opening of trading on the first day of the Settlement Class Period, the earliest purchases of Yuhe common stock shall be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

66. Yuhe common stock is the only security eligible for recovery under the Plan of Allocation. Option contracts are not eligible to participate in the Settlement. With respect to Yuhe common stock purchased or sold through the exercise of an option, the purchase/sale date of Yuhe common stock is the exercise date of the option and the purchase/sale price is the exercise price of the option.

67. To the extent a Claimant had a market gain with respect to his, her or its overall transactions in Yuhe common stock, the value of his, her or its Recognized Claim will be zero. Such Claimants will in any event be bound by the Settlement. To the extent that a Claimant suffered an overall market loss with respect to his, her or its overall transactions in Yuhe common stock during the Class Period, but that market loss was less than the total Recognized Claim calculated above, then the Claimant's Recognized Claim shall be limited to the amount of the actual market loss.

68. For purposes of determining whether a Claimant had a market gain with respect to his, her or its overall transactions in Yuhe common stock during the Class Period or suffered a market loss, the Claims Administrator shall determine the difference between (i) the Total Purchase Amount³ and (ii) the sum of the Sales Proceeds.⁴ This difference will be deemed a Claimant's market gain or loss with respect to his, her or its overall transactions in Yuhe common stock during the Class Period.

69. If any funds remain in the Net Settlement Fund because of uncashed distributions or other reasons, then, after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants cash their distribution checks, any balance remaining in the Net Settlement Fund six (6) months after the initial distribution of such funds shall be redistributed to Authorized Claimants who have cashed their initial distribution and who would receive at least \$10.00 from such redistribution, after payment of any unpaid costs or fees incurred in administering the funds, including for such redistribution. Additional redistributions to Authorized Claimants who have cashed their prior distribution checks and who would receive at least \$10.00 on such additional redistributions, subject to the conditions previously noted, may occur thereafter if Lead Plaintiff's Counsel, in consultation with the Claims Administrator, determines that additional redistribution, after the deduction of any additional fees and expenses that would be incurred with respect to such redistributions, would be cost-effective. At such time as it is determined that the redistribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance of the Net Settlement Fund shall be contributed to non-sectarian, not-for-profit 501(c)(3) organizations selected by Lead Plaintiff's Counsel.

70. Payment pursuant to the Plan of Allocation, or such other plan as may be approved by the Court, shall be conclusive against all Authorized Claimants. No person shall have any claim against Plaintiffs, Plaintiffs' Counsel, Defendants, Defendants' Counsel or any of the other Released Parties, or the Claims Administrator or other agent designated by Lead Plaintiff's Counsel arising from distributions made substantially in accordance with the Stipulation, the Plan of Allocation approved by the Court, or further orders of the Court. Plaintiffs, Defendants, Defendants' Counsel, and the other Released Parties shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, the Plan of Allocation, or the determination, administration, calculation, or payment of any Claim Form or nonperformance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Fund, or any losses incurred in connection therewith.

71. The Plan of Allocation set forth herein is the plan that is being proposed by Lead Plaintiff and Lead Plaintiff's Counsel to the Court for approval. The Court may approve this plan as proposed or it may

³ The "Total Purchase Amount" is the total amount the Claimant paid (excluding commissions and other charges) for all Yuhe common stock acquired between December 31, 2009 and June 17, 2011.

⁴ The "Sales Proceeds" is the total amount received for sales of Yuhe common stock acquired between December 31, 2009 and June 17, 2011.

modify the Plan of Allocation without further notice to the Class. Any orders regarding a modification of the Plan of Allocation will be posted to the settlement website, www.yuhesecuritiessettlement.com.

WHAT RIGHTS AM I GIVING UP BY REMAINING IN THE CLASS?

72. If you remain in the Class, you will be bound by any orders issued by the Court. If the Settlement is approved, the Court will enter a judgment (the “Final Judgment”). The Final Judgment will dismiss with prejudice the claims against Defendants and will provide that, upon the Effective Date of the Settlement, each of the Plaintiffs and all other Class Members, and each of their respective present or past heirs, executors, estates, administrators, predecessors, successors, assigns, parents, subsidiaries, partners, directors, investors and agents in their capacity as such shall be deemed by operation of law to have fully, finally, and forever released, waived, discharged, and dismissed each and every Settled Claim (as defined in paragraph 73 below) against each and all of the Released Parties (as defined in paragraph 74 below), whether or not the Plaintiffs or Class Members execute and deliver a Claim Form to the Claims Administrator.

73. “Settled Claims” means any and all claims, causes of action and rights of every nature and description, including Unknown Claims (as defined below), whether direct, derivative, individual, or representative, or in any other capacity, arising under federal, state, local or foreign statutory or common law or any other law, rule or regulation, to the fullest extent that the law permits their release in this Action, that Lead Plaintiff or any other member of the Class (a) asserted in the Complaint or the Second Amended Complaint, or any other pleadings or briefs filed by Lead Plaintiff in this Action, or (b) could have asserted in any forum that arise out of, relate to, or are based upon the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Complaint or the Second Amended Complaint (including without limitation all claims arising out of or relating to any disclosures, public filings, registration statements, or other statements by Yuhe or any of the Defendants referred to or set forth in the Second Amended Complaint, and that arise out of or are in any way related to the purchase, ownership or sale of Yuhe Common Stock during the Class Period). Notwithstanding the foregoing, “Settled Claims” do not include, release, bar, waive, impair, prejudice, or otherwise impact Lead Plaintiff’s and each other Class Member’s right to participate in the distribution of any funds recovered from any of the Defendants by any governmental or regulatory agency or claims relating to enforcement of the terms of this Stipulation or the Settlement.

74. “Released Parties” means each and all of the Defendants and their Related Parties, *i.e.*, each and all of the Defendants’: (i) past and/or present directors, officers, employees, partners, principals, controlling shareholders, predecessors, successors, assigns, parents, subsidiaries, divisions, and affiliates, and the respective members of their Immediate Families, their respective heirs, executors, estates, administrators, and agents, each in their capacity as such; (ii) their Insurers, Insured Persons, co-insurers, reinsurers, attorneys, accountants or auditors, personal or legal representatives, each in their capacity as such; and (iii) as to Zhentao Gao, Jiang Yingjun and Hu Gang, the respective members of their Immediate Families, their respective heirs, executors, estates, administrators, and agents, each in their capacity as such.

75. “Unknown Claims” means any Settled Claim which Lead 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 such claims, and any Released Claims Against Lead Plaintiff which any Defendant or any other Released Party does not know or suspect to exist in his, her or its favor at the time of the release of such claims, which if known by him, her or it might have affected his, her or its decision(s) with respect to this Settlement. With respect to any and all Settled Claims and Released Claims Against Lead Plaintiff, the Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff and the Defendants shall expressly waive, and each other Class Member and each other Released Party shall be deemed to have waived, and by operation of the Final Judgment shall have expressly waived the provisions, rights and benefits conferred by California Civil Code § 1542 or any law of any state or territory of the United States, or principle of common law, or foreign law, which is similar, comparable, or equivalent to California Civil 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 Plaintiff and the Defendants, and each other Class Member and each other Released Party may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Settled Claims and Released Claims Against Lead Plaintiff, but Lead Plaintiff and the Defendants, and each other Class Member and each other Released Party, upon the Effective Date, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released any and all Settled Claims and Released Claims Against Lead Plaintiff, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiff and Defendants acknowledge, and each other Class Member and each other Released Party by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Settled Claims and Released Claims Against Plaintiffs was separately bargained for and was a key element of the Settlement of which this release is a part.

76. The Final Judgment also will provide that, upon the Effective Date of the Settlement, each of the Defendants and each of the other Released Parties, and each of their respective present or past heirs, executors, estates, administrators, predecessors, successors, assigns, parents, subsidiaries, partners, principals, directors, investors, investment advisors and agents in their capacity as such shall be deemed by operation of law to have fully, finally, and forever released, waived, discharged and dismissed all claims, causes of action and rights of every nature and description, including Unknown Claims, whether direct, derivative, individual, representative, or in any other capacity, arising under federal, state, local or foreign statutory or common law or any other law, rule or regulation, to the fullest extent that the law permits their release in this Action, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against the Defendants or the allegations, transactions, facts, matters or occurrences underlying such claims, except for claims relating to the enforcement of the terms of the Stipulation or the Settlement against (i) the Lead Plaintiff and its respective attorneys, (ii) any other Class Member, and (iii) each of the foregoing individuals' and/or entities' respective present or past heirs, executors, estates, administrators, predecessors, successors, assigns, parents, subsidiaries, partners, principals, directors, investors, investment advisors and agents in their capacity as such.

WHAT PAYMENT ARE THE ATTORNEYS FOR THE CLASS SEEKING?
HOW WILL THE LAWYERS BE PAID?

77. Plaintiffs' Counsel have not received any payment for their services in pursuing claims against the Defendants on behalf of the Class, nor have Plaintiffs' Counsel been reimbursed for their out-of-pocket expenses. Before final approval of the Settlement, Lead Plaintiff's Counsel will apply to the Court for an award of attorneys' fees from the Settlement Fund in an amount not to exceed 25% of the Settlement Fund. At the same time, Lead Plaintiff's Counsel also intends to apply for the reimbursement of Litigation Expenses not to exceed \$125,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Lead Plaintiff directly related to its representation of the Class. The Court will determine the amount of any award of attorneys' fees or reimbursement of Litigation Expenses.

HOW DO I PARTICIPATE IN THE SETTLEMENT?
WHAT DO I NEED TO DO?

78. To be eligible for a payment from the proceeds of the Settlement, you must be a member of the Class and you must timely complete and return the Claim Form with adequate supporting documentation **postmarked no later than July 31, 2014**. A Claim Form is included with this Notice, or you may obtain one from the website maintained by the Claims Administrator for the Settlement, www.yuhesecuritiessettlement.com, or you may request that a Claim Form be mailed to you by calling the Claims Administrator toll free at 1-877-266-0916. If you request exclusion from the Class or do not submit a timely and valid Claim Form, you will not be eligible to share in the Net Settlement Fund. Please retain all records of your ownership of and transactions in Yuhe common stock, as they may be needed to document your Claim.

79. As a Class Member, you are represented by the Lead Plaintiff and Lead Plaintiff's Counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf and must serve copies of his or her notice of appearance on the attorneys listed in the section entitled, "When and Where Will the Court Decide Whether to Approve the Settlement?" below.

80. If you are a Class Member and do not wish to remain a Class Member, you may exclude yourself from the Class by following the instructions in the section entitled, "What If I Do Not Want To Participate in the Settlement? How Do I Exclude Myself?" below.

81. If you are a Class Member and you wish to object to the Settlement, the proposed Plan of Allocation, or Lead Plaintiff's Counsel's application for attorneys' fees and reimbursement of Litigation Expenses, and if you do not exclude yourself from the Class, you may present your objections by following the instructions in the section entitled, "When and Where Will the Court Decide Whether to Approve the Settlement?" below.

**WHAT IF I DO NOT WANT TO PARTICIPATE IN THE SETTLEMENT?
HOW DO I EXCLUDE MYSELF?**

82. Each Class Member will be bound by all determinations and judgments in this lawsuit, including those concerning the Settlement, whether favorable or unfavorable, unless such person or entity mails or delivers a written Request for Exclusion from the Class, addressed to *Feyko v. Yuhe International, Inc.*, - EXCLUSIONS, - c/o Gilardi & Co., LLC, P.O. Box 5100, Larkspur, CA 94977-5100. The exclusion request must be *received* no later than May 19, 2014. You will not be able to exclude yourself from the Class after that date. Each Request for Exclusion must (a) state the name, address and telephone number of the person or entity requesting exclusion; (b) state that such person or entity "requests exclusion from the Class in *Feyko v. Yuhe International, Inc., et al.*, Case No. 11-cv-05511-DDP (PJWx)"; (c) state the number of shares of Yuhe common stock that the person or entity requesting exclusion purchased/acquired and/or sold, as well as the dates and prices of each such purchase/acquisition and sale, or include brokerage statements that reflect the number of shares of Yuhe common stock that the person or entity requesting exclusion purchased/acquired and/or sold and the dates and prices of each such purchase/acquisition and sale; and (d) be signed by the person or entity requesting exclusion or an authorized representative. A Request for Exclusion shall not be effective unless it provides all the information called for in this paragraph and is received within the time stated above, or is otherwise accepted by the Court.

83. If you do not want to be part of the Class, you must follow these instructions for exclusion even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any Settled Claim against any of the Released Parties.

84. If you ask to be excluded from the Class, you will not be eligible to receive any payment out of the Net Settlement Fund or any other benefit provided for in the Stipulation.

85. Defendants have the right to terminate the Settlement if valid requests for exclusion are received from persons and entities entitled to be members of the Class in an amount that exceeds an amount agreed to by Lead Plaintiff and Defendants.

**WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?
DO I HAVE TO COME TO THE HEARING?
MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?**

86. Class Members do not need to attend the Settlement Hearing. The Court will consider any submission made in accordance with the provisions below even if a Class Member does not attend the hearing. You can participate in the Settlement without attending the Settlement Hearing.

87. The Settlement Hearing will be held on June 9, 2014 at 2:00 p.m. before the Honorable Dean D. Pregerson, in the United States District Court for the Central District of California, 312 North Spring Street, Courtroom 3, Los Angeles, CA 90012. The Court reserves the right to approve the Settlement and/or the Plan of Allocation at or after the Settlement Hearing without further notice to the members of the Class.

88. Any Class Member who does not request exclusion may object to the proposed settlement with Defendants, the proposed Plan of Allocation, or Lead Plaintiff's Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses. Objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, with the Clerk's Office at the United States District Court for the Central District of California at the address set forth below on or before May 19, 2014. You must also serve the papers on Lead Plaintiff's Counsel for the Class, Defendants' Counsel and Defendants without counsel at the addresses set forth below so that the papers are **received** on or before May 19, 2014.

Clerk's Office:

United States District Court
For The Central District Of California
Clerk of the Court
United States Courthouse
312 North Spring Street
Los Angeles, CA, 90012

Defendants Without Counsel:

Jiang Yingjun
Zhentao Gao
Hailong Street
Hanting District, Weifang
Shandong Province
The People's Republic of China
Facsimile: +81-536-736-5688
Email: yuhecaiwu@126.com

Lead Plaintiff's Counsel:

Gold Bennett Cera & Sidener LLP
Solomon B. Cera, Esq.
Pamela A. Markert, Esq.
595 Market Street, Suite 2300
San Francisco, CA 94105

Defendants' Counsel:

Sara B. Brody, Esq.
Cecilia Y. Chan, Esq.
Sidley Austin LLP
555 California Street, Suite 2000
San Francisco, CA 94104

John R. Loftus, Esq.
Stroock & Stroock & Lavan LLP
2029 Century Park East
Los Angeles, CA 90067-5954

William E. Stoner, Esq.
William E. Stoner, P.C.
601 S. Figueroa Street, Suite 2340
Los Angeles, CA 90017

89. Any objection to the Settlement (a) must state the name, address and telephone number of the person or entity objecting and must be signed by the objector; (b) must contain a statement of the Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Class Member wishes to bring to the Court's attention; and (c) must include documents sufficient to prove the number of shares of Yuhe common stock that the objecting Class Member purchased/acquired and sold between December 31, 2009 and June 17, 2011, as well as the dates and prices of each such purchase/acquisition and sale and whether any purchases were made pursuant to or traceable to the Offering. You may not object to the Settlement, the Plan of Allocation or the motion for attorneys' fees and reimbursement of expenses if you excluded yourself from the Class or if you are not a member of the Class.

90. You may file a written objection without having to appear at the Settlement Hearing. You may not, however, appear at the Settlement Hearing to present your objection unless you first filed and served a written objection in accordance with the procedures described above, unless the Court orders otherwise.

91. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation, or Lead Plaintiff's Counsel's request for an award of attorneys' fees and reimbursement of expenses, and if you file and serve a timely written objection as described above, you must also file a notice of appearance with the Clerk's Office and serve it on Lead Plaintiff's Counsel, Defendants' Counsel and Defendants without counsel at the addresses set forth above so that it is **received** on or before May 19, 2014. Persons who intend to object and desire to present evidence at the Settlement Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing.

92. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court and serve it on Lead Plaintiff's Counsel so that the notice is **received** on or before May 19, 2014.

93. The Settlement Hearing may be adjourned by the Court without further written notice to the Class. If you intend to attend the Settlement Hearing, you should confirm the date and time with Lead Plaintiff's Counsel.

Unless the Court orders otherwise, any Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the proposed Plan of Allocation, or Lead Plaintiff's Counsel's request for an award of attorneys' fees and reimbursement of expenses. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

WHAT IF I BOUGHT SHARES ON SOMEONE ELSE'S BEHALF?

94. If you purchased or otherwise acquired Yuhe common stock between December 31, 2009 and June 17, 2011, for the beneficial interest of a person or entity other than yourself, you must either (a) within seven (7) calendar days of receipt of this Notice, request from the Claims Administrator sufficient copies of the Notice and Claim Form (the "Notice Packet") to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Notice Packets forward them to all such beneficial owners; or (b) within seven (7) calendar days of receipt of this Notice, provide a list of the names and addresses of all such beneficial owners to *Feyko v. Yuhe International, Inc.*, c/o Gilardi & Co., LLC, P.O. Box 5100, Larkspur, CA 94977-5100. If you choose the second option, the Claims Administrator will send a copy of the Notice and the Claim Form to the beneficial owners. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred, by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice and the Claim Form may also be obtained from the website maintained by the Claims Administrator, www.yuhesecuritiessettlement.com, or by calling the Claims Administrator toll-free at 1-877-266-0916.

CAN I SEE THE COURT FILE? WHO SHOULD I CONTACT IF I HAVE QUESTIONS?

95. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in this Action, you are referred to the papers on file in the Action, including the Stipulation, which may be inspected during regular office hours at the Office of the Clerk, United States District Court for the Central District of California, United States Courthouse, 312 North Spring Street, Los Angeles, California, 90012. Additionally, copies of the Stipulation and any related orders entered by the Court will be posted on the website maintained by the Claims Administrator, www.yuhesecuritiessettlement.com. All inquiries concerning this Notice or the Claim Form should be directed to:

Feyko v. Yuhe International, Inc.
c/o Gilardi & Co., LLC
P.O. Box 5100
Larkspur, CA 94977-5100
1-877-266-0916
www.yuhesecuritiessettlement.com

OR

Solomon B. Cera, Esq.
Pamela A. Markert, Esq.
GOLD BENNETT CERA
& SIDENER LLP
595 Market Street, Suite 2300
San Francisco, CA 10019
1-800-778-1822
scera@gbcslaw.com
pmarkert@gbcslaw.com

DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF THE CLERK OF COURT REGARDING THIS NOTICE.

Dated: March 10, 2014

By Order of the Clerk of Court
United States District Court for
the Central District of California