

WAUNG FRANK
Form 4
November 19, 2010

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

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(Print or Type Responses)

1. Name and Address of Reporting Person *
WAUNG FRANK

2. Issuer Name **and** Ticker or Trading
Symbol
CHINA PHARMA HOLDINGS,
INC. [CPHI]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
72 GREAT HILLS RD.
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
04/28/2010

____ Director ____ 10% Owner
☒ Officer (give title below) ____ Other (specify below)
Chief Financial Officer

SHORT HILLS, NJ 07078

(City) (State) (Zip)

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

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)
Common Stock ⁽¹⁾	11/15/2010		M	(A) or (D) 4,052 ⁽¹⁾	A <u>11</u> 6,552	D	

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
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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 Underlying Security (Instr. 3 and 4)
				Code V (A) (D)		Date Exercisable Expiration Date Date	Title Amount Number of Shares
Stock Option	\$ 3.47	04/28/2010		A	200,000	04/28/2011 04/28/2013	Common Stock
Stock Option	\$ 2.75	11/15/2010		M	40,000 (1)	04/28/2010 04/28/2012	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
WAUNG FRANK 72 GREAT HILLS RD. SHORT HILLS, NJ 07078	Chief Financial Officer

Signatures

/s/ Frank Waung 11/19/2010

__Signature of Date
Reporting Person

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).

(1) The Reporting Person exercised his vested option to purchase 40,000 shares of common stock in a cashless manner pursuant to the 2009 Shares Option Agreement under the issuer's 2009 Stock Option Plan. The exercise was in a cashless manner, being the fair market value of the option of \$3.06, the closing date on November 12, 2010, which led to the number of shares of common stock the Reporting Person received to be 4,052 shares.

(2) If exercising the option by cash, the underlying shares of common stock is 200,000; if cashless exercising the option, the underlying shares of common stock varies depending on the fair market value of the stock, i.e., the closing price on the date prior to the option exercise date.

(3) The stock option was granted to the Reporting Person as part of his compensation package for his services for the issuer in his capacity as the issuer's CFO that will vest as 150,000 shares of common stock on April 28, 2011. The remaining 50,000 shares of common stock will vest on April 28, 2011 but only if the issuer has consummated an offering of its securities at the minimum amount of \$10 million by April 28, 2011.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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