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CSKI's History of Touting Government "Awards" while Omitting Violations

Today asensio.com released a report on China Sky One Medical, Inc. (NASDAQ: CSKI), titled ["CSKI Products on Government List of 'Counterfeit Drug Products,' Pharmacies Ordered to Stop Selling."](http://www.asensio.com/Reports/ReportView.aspx?ReportId=1033)

As shown in the report, eight of CSKI's products appear on a list of "counterfeit drug products" in a notice from China's Ministry of Public Health. The notice also contains an order for pharmacies to stop selling products on the list.

Two of the products on the list, the Coryza Spray and the Tinea Pedis Spray, are touted by CSKI in its 10K as having obtained "High Technology products certificates by Heilongjiang Technology Products Committee." CSKI also touts other "awards and grants from the government of the PRC" in its 10K.

These and other disclosures by CSKI (including numerous press releases) stand at odds with CSKI's history of garnering government citations for deceptive marketing claims and advertising violations. The asensio.com report released today shows that CSKI products and advertising were cited for violation by government agencies in in three other instances in 2009, while a further [history of violations](http://seekingalpha.com/article/132261-revealing-the-shoddy-practices-of-china-sky-one-medical) stretches back to 2003.

Investors should rightfully ask if CSKI is distorting government involvement in its business in disclosures to U.S. investors by omitting all negative, though potentially material, citations by the Chinese government.