

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re Bally Total Fitness Securities Litigation

Case No. 04 C 3530

PROOF OF CLAIM AND RELEASE

DEADLINE FOR SUBMISSION: JANUARY 6, 2011.

IF YOU PURCHASED OR ACQUIRED SHARES OF BALLY TOTAL FITNESS HOLDING CORP. (“BALLY”) COMMON STOCK DURING THE PERIOD OF AUGUST 3, 1999 THROUGH AND INCLUDING APRIL 28, 2004 (THE “CLASS PERIOD”), YOU ARE A “CLASS MEMBER.” IF YOU CONTINUED TO HOLD ANY OF THOSE SHARES ON THE LAST DAY OF THE CLASS PERIOD, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS FROM SETTLEMENT OF THIS LITIGATION.

I. GENERAL INSTRUCTIONS

IF YOU ARE A CLASS MEMBER, YOU MUST COMPLETE, SIGN, AND SUBMIT THIS FORM TO BE ELIGIBLE FOR SETTLEMENT BENEFITS. YOU MUST MAIL THE FORM, POSTMARKED NO LATER THAN JANUARY 6, 2011, TO:

Claims Administrator
Bally Total Fitness Securities Litigation
Heffler, Radetich & Saitta L.L.P.
P.O. Box 58519
Philadelphia, PA 19102-8519

FAILURE TO SUBMIT YOUR CLAIM ON TIME WILL SUBJECT YOUR CLAIM TO REJECTION AND PRECLUDE YOU FROM RECEIVING ANY MONEY IN CONNECTION WITH THE SETTLEMENT.

DO NOT SEND YOUR CLAIM TO THE COURT OR TO ANY OF THE PARTIES OR THEIR COUNSEL, AS SUCH CLAIM WILL BE DEEMED NOT TO HAVE BEEN SUBMITTED. SUBMIT YOUR CLAIM ONLY TO THE CLAIMS ADMINISTRATOR NOTED ABOVE.

IF YOU ARE NOT A CLASS MEMBER AS MORE FULLY DEFINED IN THE “NOTICE OF: (1) PENDENCY AND SETTLEMENT OF CLASS ACTION; (2)

MOTION FOR ATTORNEYS' FEES AND EXPENSES; AND (3) COURT HEARING" (THE "SETTLEMENT NOTICE"), PLEASE DO NOT SUBMIT THIS PROOF OF CLAIM AND RELEASE FORM.

IF YOU ARE A MEMBER OF THE CLASS AND YOU DID NOT TIMELY REQUEST EXCLUSION IN CONNECTION WITH THE SETTLEMENT, YOU ARE BOUND BY THE TERMS OF ANY JUDGMENT ENTERED IN THE LITIGATION, INCLUDING THE RELEASES PROVIDED THEREIN (REPEATED BELOW), WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM AND RELEASE FORM.

II. CLAIMANT INFORMATION

1. If you acquired Bally common stock and held the stock certificates in your name, you are the "beneficial owner" as well as the "owner of record." If, however, you purchased the stock but the stock certificates are registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial owner and the third party is the owner of record. This claim must be filed by the actual beneficial owner, not the owner of record if different.

2. All joint purchasers, if any, must sign this claim.

3. Executors, administrators, guardians, conservators, and trustees of a beneficial owner must complete and sign this claim on behalf of persons represented by them. Their authority must accompany this claim, and their titles or capacities must be stated. Evidence of such authority may include, for example, letters testamentary, letters of administration, or a copy of trust documents.

4. The Social Security (or Taxpayer Identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide this information could delay verification of your claim or result in rejection of the claim.

5. Bally stock "transferred into," "delivered into," or "received into" the claimant's account will not be considered as purchased stock unless the claimant submits documents supporting that the original purchase of the stock occurred during the Class Period. Also, stock purchased and subsequently "transferred out" or "delivered out" of the claimant's account will

not be considered part of the claimant's claim, as the right to file belongs to the person receiving the stock.

III. CLAIM FORM

1. Use the form titled "Schedule of Transactions in Bally Common Stock" to supply all required details of your transactions. If you need more space or additional schedules, attach separate sheets providing the required information in substantially the same form. Sign and print or type your name on each additional sheet.

2. On the schedules, provide all requested information with respect to **all** of your purchases and **all** of your sales of Bally stock which took place at any time beginning on August 3, 1999 through and including April 28, 2004, whether or not such transaction resulted in a profit or loss. Failure to report all transactions may result in rejection of your claim.

3. List each transaction separately and in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day, and year of each transaction.

4. The date of covering a "short sale" is deemed to be the date of purchase of Bally stock. The date of a "short sale" is deemed to be the date of sale of Bally stock. "Short" sales will not be recognized for any amount of loss on the cover or purchase transaction, and no Recognized Loss will be computed for any such covering purchase transaction.

IV. REPRESENTATIONS

1. I purchased or acquired the Bally common stock from August 3, 1999 through and including April 28, 2004. (Do not submit this Proof of Claim if you did not purchase Bally common stock during this period.)

2. By submitting this Proof of Claim, I state that I believe in good faith that I am a Class Member as defined above and more fully described in the Settlement Notice, or am acting

for such person; that I am not a defendant in the action or anyone excluded from the Class; that I have read and understand the Settlement Notice; that I believe that I am entitled to receive a share of the Net Settlement Fund; that I elect to participate in the proposed settlement described in the Settlement Notice; and that I have not filed a request to be excluded from the Class and settlement.

3. I have set forth where requested below all relevant information with respect to each purchase of Bally common stock during the Class Period, and each sale, if any, of such stock. I agree to furnish additional information to the Claims Administrator to support this claim if requested to do so.

4. I have enclosed photocopies of the stockbroker's confirmation slips, stockbroker's statements, relevant portions of my tax returns, or other documents evidencing each purchase, acquisition, sale, or retention of stock listed below in support of my claim. THESE DOCUMENTS ARE NECESSARY TO PROVE AND PROCESS YOUR CLAIM. If any such documents are not in your possession, please obtain copies or equivalent documents from your broker, tax advisor, or other third party.

5. I understand that the information contained in this claim form is subject to such verification as the Claims Administrator may request, and I 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 Payable 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 of the subject securities such as stock options.)

6. Upon the Effective Date of the settlement as defined in the Stipulation of Settlement, my signature below will constitute a full and complete release and discharge by me (or, if I am submitting this claim on behalf of a corporation, partnership, estate, or one or more other persons, then by it, him, her or them) of each of the “Released Parties” of all “Released Claims,” as defined in the Settlement Notice.

7. 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 and Release form listing all their transactions, whether or not they also submit electronic copies. If you wish to submit information electronically, you must contact the Claims Administrator at 1-800-335-2852 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
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THIS FORM MUST BE POSTMARKED ON OR BEFORE JANUARY 6, 2011.

CLAIMANT INFORMATION:

Name(s) of Beneficial Owner(s):

Name

Joint Owner's Name (if any)

If you are a bank or other institution filing on behalf of a third-party, and an account number is needed to identify the claimant, indicate account number here:

Address of Beneficial Owner(s):

Street

City

State or Province

Zip or Postal Code

Country

() _____
Telephone No. (Day)

() _____
Telephone No. (Night)

Email Address

Taxpayer I.D. No. or Social Security No.

SCHEDULE OF TRANSACTIONS IN BALLY COMMON STOCK

1. At the close of business on August 2, 1999 (the day before the Class Period began), I owned _____ shares of Bally common stock (Must Be Documented).

2. I made the following purchases or acquisitions (Must Be Documented) of Bally common stock during the period August 3, 1999 through and including April 28, 2004:

Date(s) of Purchase (List Chronologically) (Month/Day/Year)	Number of Shares of Common Stock Purchased	Purchase Price Per Share	Aggregate Cost (including commissions, taxes, and fees)
____/____/____	_____	\$ _____	\$ _____
____/____/____	_____	\$ _____	\$ _____
____/____/____	_____	\$ _____	\$ _____
____/____/____	_____	\$ _____	\$ _____
____/____/____	_____	\$ _____	\$ _____
Total Shares Purchased: _____			

3. I made the following sales (Must Be Documented) of Bally common stock during the period August 3, 1999 through and including April 28, 2004:

Date(s) of Sale (List Chronologically) (Month/Day/Year)	Number of Shares of Common Stock Sold	Sale Price Per Share	Amount Received (net of commissions, taxes, and fees)
____/____/____	_____	\$ _____	\$ _____
____/____/____	_____	\$ _____	\$ _____
____/____/____	_____	\$ _____	\$ _____
____/____/____	_____	\$ _____	\$ _____
____/____/____	_____	\$ _____	\$ _____
Total Shares Sold: _____			

4. At the close of business on April 28, 2004 (the last day of the Class Period), I still owned _____ shares of Bally common stock (Must Be Documented). NOTE: If this number is zero, you have no Recognized Loss under the Plan of Allocation and will not receive a payment. You therefore may wish to consider not filing a claim. You will, however, still be subject to the terms of the settlement, including the release of all Released Claims.

IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS, PLEASE PHOTOCOPY THIS PAGE. SIGN AND PRINT YOUR NAME ON EACH ADDITIONAL PAGE.

5. 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 (for individuals) or

Taxpayer Identification Number
(for estates, trusts, corporations, etc.)

6. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGEMENT.

I submit this Proof of Claim and Release under the terms of the Stipulation of Settlement described in the Settlement Notice. I also submit to the jurisdiction of the U.S. District Court for the Northern District of Illinois, with respect to my claim as a Class Member and for purposes of enforcing the Release set forth herein. I further acknowledge that I am bound by and subject to the terms of any judgment that may be entered in the litigation. I agree to furnish additional information to the Claims Administrator or Class Counsel to support this claim (including transactions in other Bally securities such as stock options) if requested to do so. I have not submitted any other claim covering the same purchases, acquisitions, or sales of Bally common stock during the Class Period, and I know of no other person having done so on my behalf.

7. Certification

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

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 above.

I (we) hereby acknowledge full and complete satisfaction of, and do hereby fully and finally settle, release, and discharge all “Released Claims” against the “Released Parties” as defined in the Settlement Notice.

I acknowledge and understand that the Released Claims as defined in the Settlement Notice include unknown claims – meaning all Released Claims which Lead Plaintiff or Class Members do 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. With respect to any and all Released Claims, the parties stipulate and agree that upon the Effective Date of the settlement, as defined in the Stipulation, Plaintiff and Defendants shall expressly, and each Class Member shall be deemed to have, and by operation of the 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 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.

Plaintiff and Defendants acknowledge, and Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of “unknown claims” in the definition of Released Claims was separately bargained for and was a material element of the Settlement.

Signature of Claimant (if this claim is being made on behalf of joint claimants, then each must sign)

(Signature)

(Signature)

Capacity of Person(s) signing, <i>e.g.</i> , Beneficial Owner, Executor, or Administrator
Date: _____

THIS FORM MUST BE POSTMARKED NO LATER THAN JANUARY 6, 2011 AND MAILED TO:

Claims Administrator
Bally Total Fitness Securities Litigation
Heffler, Radetich & Saitta L.L.P.
P.O. Box 58519
Philadelphia, PA 19102-8519

A Proof of Claim and Release received by the Claims Administrator shall be deemed to have been submitted when posted, if a postmark is indicated on the envelope. In all other cases, a claim shall be deemed to have been submitted when actually received by the Claims Administrator.

If you wish to be assured that your claim is actually received by the Claims Administrator, you should send it by Certified Mail, Return Receipt Requested. Otherwise, no acknowledgment will be made as to the receipt of claim forms. Do not send original stock

certificates. Keep a copy of your claim form for your records. You should be aware that it will take a significant amount of time to process all claims by claimants and to administer the settlement. This work will be completed as promptly as time permits, given the need to investigate and tabulate each claim. Please notify the Claims Administrator of any change of address.

**ACCURATE CLAIMS PROCESSING TAKES A
SIGNIFICANT AMOUNT OF TIME.
THANK YOU FOR YOUR PATIENCE.**

Reminder Checklist:

1. Please sign the above form.
2. Remember to attach copies of supporting documentation.
3. Do not send originals of stock certificates.
4. Keep a copy of your Proof of Claim and Release form for your records.
5. If you desire an acknowledgment of receipt of your claim form, please send it via Certified Mail, Return Receipt Requested.
6. If you move after submitting your claim, please send your new address to the Claims Administrator.

**UNLESS YOU EXCLUDE YOURSELF FROM THE CLASS, YOU ARE
AGREEING TO A RELEASE OF CLAIMS.**