ANDERSON & KARRENBERG
SCOTT A. CALL #0544
700 Chase Tower
50 West Broadway
Salt Lake City, UT 84101
Telephone: 801/534-1700
801/364-7697 (fax)

LERACH COUGHLIN STOIA GELLER
RUDMAN & ROBBINS LLP
WILLIAM S. LERACH
DARREN J. ROBBINS
655 West Broadway, Suite 1900
San Diego, CA 92101-3301
Telephone: 619/231-1058
619/231-7423 (fax)

Attorneys for Plaintiff

IN THE UNITED STATES DISTRICT COURT

DISTRICT OF UTAH, CENTRAL DIVISION

AMIE HYMAN, On Behalf of Himself and All Others Similarly Situated, Plaintiff, vs. NATURE'S SUNSHINE PRODUCTS, INC, DOUGLAS FAGGIOLI, CRAIG D. HUFF and DAREN G. HOGGE, Defendants.	No. CLASS ACTION COMPLAINT FOR VIOLATION OF THE FEDERAL SECURITIES LAWS DEMAND FOR JURY TRIAL

INTRODUCTION

1. This is a securities class action on behalf of all persons who purchased the common stock of Nature's Sunshine Products, Inc. ("NSPI," "Nature's Sunshine" or the "Company") between October 19, 2004 and March 24, 2006 (the "Class Period"), against NSPI and certain of its officers for violations of the Securities Exchange Act of 1934 (the "1934 Act").

2. NSPI engages in the manufacture and marketing of nutritional and personal care products. The Company offers herbal products in the form of capsules or tablets, and both single herbs and herb combinations in the form of liquid herbs and extracts.

3. During the Class Period, defendants issued materially false and misleading statements regarding the Company's business and financial results. As a result of defendants' false statements, NSPI's stock traded at artificially inflated prices during the Class period, reaching a high of $23.24 per share on September 30, 2005.

4. On February 17, 2006, the Company issued a press release entitled "Nature's Sunshine Products Provides Update on Comments on Fourth Quarter and Status of Review of Selected Financial Information." The release stated in part:

> Nature's Sunshine Products, Inc. today provided an update on its January 13th comments on operating results for the fourth quarter ended December 31, 2005, and on the status of its review of selected financial information with respect to certain of its foreign operations. As previously announced, the Company continues to expect to report an approximate 4 percent increase in sales for the period. However, Nature's Sunshine is now anticipating fourth quarter operating income of approximately $0.8 million, as compared to $6.4 million in the corresponding period in 2004. On January 13th, the Company said it expected a 3 percent increase in operating income.
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> The new estimate of operating income primarily reflects increased allowances for volume discounts, inventory adjustments, and increased selling, general and administrative costs. As a result, including the previously disclosed effects of the higher tax rate resulting from the strategic transfer of certain assets from the United States to international locations, which remains unchanged, the Company currently anticipates a fourth quarter net loss of approximately $5.2 million. The Company's

anticipated fourth quarter operating results, even as updated, are preliminary and have not been audited and, consequently, are subject to change or adjustment.

The Company noted that its cash position remains strong and that domestic operations continued to grow in 2005. Complete operating results for the fourth quarter and 12 months ended December 31, 2005, will be reported when completed.

Nature's Sunshine previously reported that it was reviewing selected financial information with respect to certain of its foreign operations and, therefore, the Company's independent auditor had not completed its review of the Company's financial statements for the three and nine month periods ended September 30, 2005. As a result, the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005, which was filed on November 22, 2005, included unaudited consolidated financial statements for the three and nine month periods ended September 30, 2005 for which the Company's independent auditor had not completed its review. Because the Form 10-Q was not complete, the Company is not in compliance with Nasdaq Marketplace Rule 4310(c)(14) and received notice from Nasdaq that its common stock was subject to delisting. At a hearing before the Nasdaq Listing Qualifications Panel on December 8, 2005, the Company requested an extension to file its complete 10-Q for the third quarter of 2005. On January 19, 2006, the Panel granted the Company an extension until March 31, 2006 to file its complete 10-Q.

Since the review commenced, the Company's Audit Committee, which is overseeing the review, has expanded the scope of the review and commenced an investigation of certain matters identified in the review. The investigation involves matters related to fiscal 2005 as well as prior periods. The Audit Committee engaged a nationally recognized independent law firm to assist it in the review and investigation. The law firm engaged a nationally recognized independent accounting firm to assist it. Concerns regarding certain transactions of the Company's foreign subsidiaries have been identified, and continue to be reviewed. The Company investigation is not yet completed. However, the Company has begun to implement certain remedial measures to address the concerns about certain foreign transactions and is committed to implementing any additional remedial measures necessary to address any additional issues that may be identified by the investigation. In addition, as soon as possible following the completion of the investigation, the Company intends to file an amendment to its 10-Q for the 3rd quarter of 2005 to reflect the review of the Company's independent auditor.

5. On this news, NSPI's stock declined to below $17 per share.

6. On March 20, 2006, the Company filed an 8-K with the SEC announcing that its previous financial statements could no longer be relied upon and that it had expanded its previously announced investigation to include other matters related to the Company's financial statements.

7. On this news, NSPI's stock collapsed to as low as $13.51 per share before closing at $14.33 per share.

8. Then on March 24, 2006, the Company announced that it had received a non-compliance notice from the NASDAQ due to its failure to file its Form 10-K in a timely manner. On this news the Company's stock fell to $11.68 per share.

9. The true facts, which were known by the defendants but concealed from the investing public during the Class Period, were as follows:

(a) the Company lacked requisite internal controls, and, as a result, the Company's projections and reported results issued during the Class Period were based upon defective assumptions and/or manipulated facts; and

(b) the Company's financial statements were materially misstated due to its failure to properly account for foreign transactions.

10. As a result of defendants' false statements, NSPI's stock price traded at inflated levels during the Class Period, which allowed its top officers to reap hundreds of thousands of dollars in ill-gotten bonuses. However, after the above revelations seeped into the market, the Company's stock was hammered by massive sales, sending the stock price down 38% from its Class Period high.

JURISDICTION AND VENUE

11. Jurisdiction is conferred by §27 of the 1934 Act. The claims asserted herein arise under §§10(b) and 20(a) of the 1934 Act and SEC Rule 10b-5.

12. (a) Venue is proper in this District pursuant to §27 of the 1934 Act. Many of the false and misleading statements were made in or issued from this District.

(b) The Company's principal executive offices are located at 75 East 1700 South, Provo, Utah.

THE PARTIES

13. Plaintiff Amie Hyman purchased NSPI common stock as described in the attached certification and was damaged thereby.

14. Defendant NSPI engages in the manufacture and marketing of nutritional and personal care products. The Company offers herbal products in the form of capsules or tablets, and both single herbs and herb combinations in the form of liquid herbs and extracts. The Company also provides single vitamins, which are sold in the form of chewable or nonchewable tablets, and various multiple vitamins and mineral supplements, including a line containing natural antioxidants.

15. Defendant Douglas Faggioli ("Faggioli") is, and at all relevant times was, the President and Chief Executive Officer of NSPI. During the Class Period, Faggioli assisted in the preparation of the Company's false financial statements and reaped a bonus of $315, 000 for 2004 as a result.

16. Defendant Daren G. Hogge ("Hogge") is, and at all relevant times was, Executive Vice President of the Company. During the Class Period, Hogge assisted in the preparation of the Company's false financial statements and, as a result, reaped a bonus of $437,000 in 2004 and sold $1.4 million worth of NSPI stock.

17. Defendant Craig D. Huff ("Huff") was, until his resignation on March 27, 2006, Chief Financial Officer, Chief Accounting Officer, Executive Vice President of Finance and Treasurer of the Company. During the Class Period, Huff assisted in the preparation of the Company's false financial statements and, as a result, reaped a bonus of $356,000 for 2004, and sold $1.4 million worth of NSPI stock.

18. Defendants Faggioli, Hogge and Huff (the "Individual Defendants"), because of their positions with the Company, possessed the power and authority to control the contents of NSPI's

quarterly reports, press releases and presentations to securities analysts, money and portfolio managers and institutional investors, *i.e.,* the market. They were provided with copies of the Company's reports and press releases alleged herein to be misleading prior to or shortly after their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of their positions as President, CEO and Chairman, Executive Vice President, and CFO, and their access to material non-public information available to them but not to the public, Faggioli, Hogge and Huff knew that the adverse facts specified herein had not been disclosed to and were being concealed from the public and that the positive representations being made were then materially false and misleading. Faggioli, Hogge and Huff are liable for the false statements pleaded herein at ¶¶20-22, 24-27, 29-30 and 32.

FRAUDULENT SCHEME AND COURSE OF BUSINESS

19. Defendants are liable for: (i) making false statements; or (ii) failing to disclose adverse facts known to them about NSPI. Defendants' fraudulent scheme and course of business that operated as a fraud or deceit on purchasers of NSPI common stock was a success, as it: (i) deceived the investing public regarding NSPI's prospects and business; (ii) artificially inflated the price of NSPI's common stock; (iii) allowed defendants Faggioli, Hogge and Huff to obtain larger bonuses which were directly tied to the performance of NSPI (NSPI's incentive plan was described as follows: "Up to 40 percent of the bonus for certain key employees is determined by how well an employee achieves certain specified individual performance objectives, and the balance is determined by how well we achieve certain sales and operating income goals"); (iv) allowed defendants to sell over $2.9 million worth of their personally held NSPI stock; and (v) caused plaintiff and other members of the Class to purchase NSPI common stock at inflated prices.

DEFENDANTS' FALSE AND MISLEADING STATEMENTS ISSUED DURING THE CLASS PERIOD

20. On October 19, 2004, the Company issued a press release entitled "Nature's Sunshine Products Reports Strong Gains in Operating Results – Net Sales Revenue Sets New Record." The press release stated in part:

> Nature's Sunshine Products, Inc, a leading manufacturer and marketer of encapsulated herbs and vitamins, today reported record net sales revenue for the three and nine month periods ended September 30, 2004.
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> "Our results for the third quarter reflected continued sales revenue gains in our Synergy and international operations, improvements in the United States operations, as well as the benefits of recent product introductions and more intensive marketing efforts. We are also beginning to see the benefits from our stated long-range program to materially reduce selling, general and administrative expenses," said Douglas Faggioli, President and CEO.
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> For the third quarter, net sales revenue totaled $83.6 million, compared with $63.5 million in the same period of the prior year, a gain of 31.7 percent, while operating income totaled $6.8 million, compared to an operating loss in the same period of the prior year of $1.0 million, a $7.8 million improvement. As a percent of net sales revenue, cost of goods sold equaled 18.3 percent, compared to 20.8 percent in the same period of the prior year, and selling, general and administrative ("SG&A") costs improved to 33.7 percent, compared with 38.3 percent in the second quarter of 2004 and 43.8 percent in the third quarter of 2003. Net income totaled $4.6 million, or $0.29 per diluted share, compared with a loss in the same period of the prior year of $0.6 million, or ($0.04) per diluted share. Results of the same period of the prior year included $2.2 million in pre-tax expenses related to costs associated with a realignment program.
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> Net sales revenue for the nine months ended September 30, 2004 increased to $240.1 million, compared with $189.7 million in the same period of the prior year, an increase of 26.6 percent. SG&A stood at 36.3 percent of net sales revenue, compared to 41.0 percent in the same period of the prior year. Operating income more than tripled, to $15.2 million, compared with $3.9 million the previous year. Net income amounted to $12.4 million, compared with $2.2 million in the same period of the prior year, an increase of 473.5 percent. Per diluted share net income for the nine months equaled $0.81, compared with $0.15 in the same period of the prior year.
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> Synergy Worldwide, operating principally in Asia, continued to experience rapid growth. Third quarter net sales revenue advanced 271.10 percent, to $24.3 million, compared with $6.6 million in the same period of the prior year, and for the nine months amounted to $60.1 million, compared with $16.4 million in the same

period of the prior year, a gain of 265.7 percent. During the third quarter Synergy began operations in Australia and converted Nature's Sunshine South Korea and Nature's Sunshine Singapore to Synergy operations.

Third quarter United States net sales revenue, excluding the Dominican Republic, was flat, compared to the same period of the prior year. United States net sales revenues including sales from the Dominican Republic, were down slightly year to year, to $32.9 million, compared with $34.0 million, a decrease of 3.2 percent. For the nine months ended September 30, 2004 net sales revenue totaled $103.3 million compared to $107.8 million, a decrease of 4.1 percent. The improvement in United States operations is directly related to new products, including Thai-Go, now Nature's Sunshine top selling product, and positive reaction to the Habit-of-Health 90-Day Challenge program. This program provides incentives for consumers to utilize a package of proprietary products for at least 90 days. The core package contains six of Nature's best and most popular supplements designed to supplement normal diets and provide extra nutritional support.

The international division posted third quarter net sales revenue of $26.4 million, compared with $22.9 million in the same period of the prior year, and for the nine months, net sales revenue totaled $76.6 million, compared with $65.5 million in the same period of the prior year, an increase of 15.0 percent and 17.0 percent, respectively. The strongest third quarter net sales revenue gains internationally were recorded in the Russian Federation, the United Kingdom, Colombia, Central America and Canada.

All current and prior segment information has been restated to reflect the realignment of our South Korea and Singapore operations to Synergy Worldwide.

As of September 30, 2004, working capital totaled $45.1 million, and cash and cash equivalents totaled $39.5 million. Shareholders equity amounted to $94.1 million. The Company has no debt.

21. On February 15, 2005, the Company issued a press release entitled "Nature's Sunshine Reports Record 2004 Revenues, Operating Income Up 181 Percent, Profits Increase 235 Percent – Fourth Quarter Operating Results Show Continued Strong Gains, With Domestic Net Sales Revenues Ahead 8 Percent." The press release stated in part:

Nature's Sunshine Products, Inc., a leading manufacturer and marketer of encapsulated herbs and vitamins, today reported record sales revenue and strong gains in operating and net income for both the fourth quarter and year ended December 31, 2004.

For the twelve months ended December 31, 2004, net sales revenue increased to $331.1 million, compared with $260.2 million in the same period of 2003, an increase of 27.3 percent. Operating income advanced 181.0 percent, to $21.7 million, from $7.7 million the previous year. Net income totaled $17.1 million, or $1.10 per diluted share, for the year ended December 31, 2004 compared to $5.1 million, or $0.36 per diluted share for the same period in the prior year.

For the fourth quarter ended December 31, 2004, net sales revenues increased to $88.3 million, compared with $68.8 million in the same period in the prior year, a 28.3 percent increase. Operating income totaled $6.5 million, compared with $3.8 million in the same period in the prior year, a 70.6 percent increase. Net income increased to $4.7 million, or $0.30 per diluted share, from $2.9 million, or $0.21 per diluted share, increases of 58.9 and 43.3 percent, respectively, over the same period in the prior year. Per share calculations are based on 10.9 percent more weighted average diluted shares outstanding in the 2004 fourth quarter and 8.0 percent more diluted shares for the full year.

Selling, general and administrative ("SG&A") expenses in line with the Company's objectives continued to decline as a percentage of net sales revenues. For the fourth quarter, SG&A totaled 33.4 as a percent of net sales revenues, compared with 39.6 percent a year ago, and for the year ended December 31, 2004 it totaled 35.9 percent, compared to 41.0 percent for the same period in the prior year. The Company's objective is to continue to reduce SG&A as a percentage of net sales revenues.

"Nature's Sunshine made considerable progress in 2004," said Douglas Faggioli, President and CEO. "In addition to our success in continuing to reduce expenses, we achieved a 7.7 percent increase in United States net sales revenue in the fourth quarter, the first year over year quarterly gain in some time. This was accomplished while maintaining strong momentum in our international operation as well as in Synergy Worldwide. New products and new marketing initiatives clearly are beginning to pay off. Our Dutch auction tender offer in November was very successful. Overall we believe the outlook for the Company's growth continues to be positive."

Synergy Worldwide, which operates principally in Asia, continued to experience rapid sales revenue growth. Fourth quarter net sales revenue increased 124.0 percent, to $23.5 million compared with $10.5 million during the same period of the prior year. Net sales revenue for the twelve months ended December 31, 2004, totaled $83.6 million compared with $26.9 million for 2003, an increase of 210.5 percent.

United States, net sales revenue for the fourth quarter, which includes the Dominican Republic, increased 7.7 percent to $36.8 million, compared to $34.2 million in the same period of the prior year. The Company attributed the 2004 fourth quarter improvement to new products, such as Thai-Go, and new marketing initiatives, particularly its Habit of Health™ 90-Day Challenge program. Domestic sales revenue for the full year totaled $142.8 million, compared with $143.6 million in 2003.

International net sales revenue for the fourth quarter totaled $28.0 million, compared to $24.1 million, a 15.9 percent increase, and for the year totaled $104.6 million, compared with $89.6 million the prior year, an increase of 16.7 percent. Fifteen countries posted higher sales revenue, most noticeably Canada, Colombia, El Salvador, Israel, Japan, Mexico, and Russia.

As previously disclosed, on November 30, 2004 the Company announced that it had purchased 1,000,000 shares of common stock at a purchase price of $16.50 per share, pursuant to a Dutch auction tender offer. The proration factor for the tender offer was approximately 67.42 percent.

As of December 31, 2004, working capital totaled $40.7 million, cash and cash equivalents and investments amounted to $44.0 million, total liabilities were approximately $53.9 million and shareholders' equity increased to $91.2 million.

22. On March 16, 2005, the Company filed its Report on Form 10-K with the SEC for the fiscal year ended December 31, 2004, which included the financial results previously reported. The Form 10-K included a certification regarding internal controls by Faggioli which stated:

1. I have reviewed this annual report on Form 10-K on Nature's Sunshine Products, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

23. Defendant Huff signed a nearly identical certification included in the Form 10-K.

24. On April 19, 2005, the Company issued a press release entitled "Nature's Sunshine Products Reports Strong Gains in First Quarter Operating Results." The press release stated in part:

Nature's Sunshine Products, Inc., a leading manufacturer and marketer of encapsulated herbs and vitamins, today reported strong gains in operating results for the first quarter ended March 31, 2005.

For the three months ended March 31, 2005, sales revenues increased 11.2 percent, to $86.4 million, compared with $77.7 million in the same period of the prior year. Operating income increased 54.0 percent to $5.6 million, from $3.6 million, and net income increased 32.8 percent, to approximately $4.0 million, compared with approximately $3.0 million last year. Diluted net income per share increased to $0.26, from $0.20 in the same period of the prior year, an increase of 30.0 percent.

"We are pleased to report the results for another improved quarterly performance," said Douglas Faggioli, President and CEO. "Our United States and International businesses continued to show momentum in sales and significant growth in income. Synergy also posted a 31 percent increase in sales revenue compared to last year. In the U.S. we continue to focus on the marketing program, Habit-of-Health, which is supported by the Untold Truth training program. Consistent with our expectations for the first quarter, SG&A was essentially flat, as a percentage of sales, with last year and we expect SG&A, as a percentage of sales, to decline during 2005."

For the quarter, cost of goods sold as a percentage of sales revenue declined to 17.0 percent, from 19.8 percent in the same period of the prior year, and total expenses, which include volume incentives, fell to 93.6 percent, from 95.4 percent. As a percentage of net sales revenue, operating income totaled 6.4 percent, compared with 4.6 percent in the same period of the prior year.

Finances remained strong. Working capital on March 31, 2005, amounted to $46.8 million, while cash and cash equivalents increased $4.0 million to $40.2 million from the 2004 year-end.

First quarter sales revenue in the U.S. increased 2.2 percent, to $37.6 million, from $36.8 million. International first quarter sales revenues increased 12.1 percent, to $28.6 million. By markets, especially strong sales growth was recorded in Canada, Colombia, Japan, The Russian Federation and the United Kingdom. Reflecting the new "on the ground" distribution system in Japan, net sales revenue decreased in the first quarter of 2005 as compared to the fourth quarter of 2004 at Synergy Worldwide, but sales revenue increased to $20.2 million in the first quarter of 2005, from $15.4 million in the first quarter of 2004, a 31.4 percent gain. The adjustment to the new distribution system at Synergy Worldwide is complete and net sales revenue showed an increase in March as compared to February.

25. On July 19, 2005 the Company issued a press release entitled "Nature's Sunshine Reports Second Quarter Results." The press release stated in part:

Nature's Sunshine Products, Inc., a leading manufacturer and marketer of encapsulated herbs and vitamins, today reported operating results for the three and six months ended June 30, 2005.

For the three months ended June 30, 2005, sales revenue increased 8.1 percent to $87.0 million compared to $80.5 million in the same period of the prior year. Due to a large tax credit that was realized in the second quarter of 2004, net income decreased to $4.1 million in the second quarter of 2005 compared to $4.8

million in the second quarter of 2004, a decrease of 15.7 percent. Net income per diluted share was $0.26 compared to $0.31 per share a year ago.

For the six months ended June 30, 2005, sales revenue increased 9.6 percent to $173.4 million compared to $158.2 million in the same period of the prior year. Operating income for the six months was up 23.2 percent to $10.3 million from $8.4 million in the same period of the prior year. Net income for the six months ended June 30, 2005, was $8.0 million compared to $7.8 million in the same period of the prior year, an increase of 2.9 percent. Net income per diluted share for the six months ended June 30, 2005, totaled $0.52 compared to $0.51 in the same period of the prior year, based on 15.5 million and 15.2 million weighted average diluted shares, respectively.

The United States division's net sales revenue for the three months ended June 30, 2005, increased 2.7 percent to $36.4 million from $35.4 million in the same period of the prior year. For the six months ended June 30, 2005, net sales revenue in the United States totaled $73.9 million compared to $72.2 million in the same period of the prior year, an increase of 2.4 percent.

The international division's net sales revenue for the three months ended June 30, 2005, totaled $30.2 million compared to $24.7 million in the same period of the prior year, an increase of 22.4 percent. For the six months ended June 30, 2005, the international division's net sales revenue totaled $58.9 million, a 17.1 percent increase over the same period of the prior year. Strong second quarter gains were reported in several international markets including Russia, Canada and Colombia. Quarterly sales revenue and operating income increased sharply in Japan.

Synergy Worldwide's net sales revenue for the three months ended June 30, 2005, totaled $20.4 million which was equivalent to net sales revenue reported in the same period of the prior year and increased 1.1 percent sequentially from the first quarter of 2005. For the six months ended June 30, 2005, net sales revenue totaled $40.6 million, an increase of 13.6 percent over the same period of the prior year. Synergy Worldwide reported a second quarter operating loss of approximately $1.1 million. The decrease in operating income was primarily the result of duplicative costs of the division's transition to its new "on-the-ground" distribution system in Japan.

"Synergy seems to have turned the corner, and we anticipate improved results for the rest of year," said Douglas Faggioli, President and CEO. "On the other hand, our domestic operation continued its comeback and international results reflected impressive gains in key markets. Our Habit-of-Health marketing program continues to experience increased acceptance in the U.S. Zambroza, known as Thai-Go in our United States market, is gaining momentum as it is being introduced to our international markets. We remain focused on reducing expenses worldwide as reflected in the 170 basis point improvement in SG&A, as a percentage of sales, in the second quarter."

The balance sheet remained strong with working capital on June 30, 2005 totaling $52.1 million and cash and cash equivalents totaling $41.4 million. Shareholders equity was $102.2 million.

26. On October 25, 2005, the Company issued a press release entitled "Nature's Sunshine Reports Third Quarter Results." The press release stated in part:

> Nature's Sunshine Products, Inc., a leading manufacturer and marketer of encapsulated herbs and vitamins, today reported operating results for the three and nine months ended September 30, 2005.
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> For the three months ended September 30, 2005, sales revenue increased 3.8 percent to $87.7 million compared to $84.5 million in the same period of the prior year. Net income decreased to $4.3 million in the third quarter of 2005 compared to $4.6 million in the third quarter of 2004, a decrease of 6.1 percent. Net income per diluted share was $0.28 compared to $0.29 per share a year ago.
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> The results in the third quarter reflected another strong performance by Nature's Sunshine in the United States, where sales revenue increased 10.5 percent, its strongest year over year improvement in over 6 years. In addition, Nature's Sunshine international continued to show strong growth in the third quarter increasing 13.4 percent. However, sales at Synergy Worldwide declined 16 percent, resulting in a Synergy $1.0 million operating loss for the quarter.
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> For the nine months ended September 30, 2005, sales revenue increased 7.6 percent to $261.1 million compared to $242.7 million in the same period of the prior year. Operating income for the nine months was down 1.3 percent to $15.0 million from $15.2 million in the same period of the prior year. Net income for the nine months ended September 30, 2005, was $12.4 million the same as reported in the same period of the prior year. Net income per diluted share for the nine months ended September 30, 2005, totaled $0.80 compared to $0.81 in the same period of the prior year, based on 15.5 million and 15.4 million weighted average diluted shares, respectively.
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> The United States division's net sales revenue for the three months ended September 30, 2005, increased 10.5 percent to $37.3 million from $33.8 million in the same period of the prior year. For the nine months ended September 30, 2005, net sales revenue in the United States totaled $111.3 million compared to $105.9 million in the same period of the prior year, an increase of 5.0 percent.
>
> The international division's net sales revenue for the three months ended September 30, 2005, totaled $29.9 million compared to $26.4 million in the same period of the prior year, an increase of 13.4 percent. For the nine months ended September 30, 2005, the international division's net sales revenue totaled $88.8 million, a 15.8 percent increase over the same period of the prior year. Strong third

quarter gains were reported in several international markets including Russia, Canada, Mexico and Japan.

Synergy Worldwide's net sales revenue for the three months ended September 30, 2005, totaled $20.4 million compared to $24.4 a decrease of 16.0 percent. For the nine months ended September 30, 2005, net sales revenue totaled $61.1 million, an increase of 1.6 percent over the same period of the prior year. Synergy Worldwide reported a third quarter operating loss of approximately $1.0 million. The operating loss was primarily the result of decreased margins associated with Synergy's Japan operation as well as a $0.4 million loss in Synergy Thailand operations due to a decrease in net sales revenue.

"We are pleased with the steady improvement we are experiencing in the United States and international operations by Nature's Sunshine, and its inherent operating income leverage. However the performance at Synergy Worldwide, which we believe to be temporary, was clearly disappointing," said Douglas Faggioli, President and CEO. "We are already seeing some improvement at Synergy, and expect even greater benefits from the other steps we are taking, including a planned price increase in Japan for the fourth quarter of 2005. The impact from changing over to on the ground shipping is virtually complete, and the new management team now in place at Synergy has effected other significant changes that we expect will yield improved results. Synergy Worldwide remains a solid enterprise, with considerable opportunities which we fully expect to realize."

The balance sheet remained strong with working capital as of September 30, 2005 totaling $52.0 million and cash and cash equivalents totaling $41.1 million. Shareholders equity was $99.7 million.

27. On November 22, 2005, the Company filed its Form 10-Q for the third quarter of 2005, which included the same financial results previously reported. The Form 10-Q also included a certification by Faggioli, which stated:

1. I have reviewed this quarterly report on Form 10-Q of Nature's Sunshine Products, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

28. Defendant Huff signed a nearly identical certification included in the Form 10-Q.

29. On January 13, 2006, the Company issued a press release entitled "Nature's Sunshine Products Comments on Fourth Quarter Results."

> Nature's Sunshine Products, Inc., announced today that it expects to report an approximate 4 percent increase in sales for the fourth quarter ended December 31, 2005 as compared to the fourth quarter of 2004. Operating income is anticipated to be approximately 3 percent higher for the fourth quarter ended December 31, 2005 as compared to the fourth quarter of 2004. Operating results were negatively impacted by increased expenses in Synergy Worldwide and Brazil, and expenses related to a previously announced ongoing review of selected financial information with respect to certain foreign operations, which resulted in operating income being less than anticipated.
>
> In addition, the fourth quarter net income will be reduced significantly by a tax rate higher than the 35 percent statutory rate. The higher tax rate resulted from the strategic transfer last month of certain assets from the United States to international locations, a move that is expected to result in reduced rates in future periods, beginning in 2006. This tax strategy has been implemented to position the Company to achieve its future profitability objectives. This transfer will result, for financial reporting purposes, in a tax expense above the statutory rate for the year ended December 31, 2005. However, because of existing foreign income tax credits, the asset transfer is not expected to significantly affect actual cash taxes to be paid for the year. As a result of the higher taxes, the Company anticipates reporting a fourth quarter net loss of approximately $3.2 million.
>
> With respect to the ongoing review of selected financial information regarding certain foreign operations, the related expenses were incurred for professional fees and related costs. The Company continues to believe that unaudited consolidated financial statements contained in the 10-Q filed on November 22, 2005, for which the Company's independent auditors have not completed their review, are a fair presentation for the three and nine month periods ended September 30, 2005.
>
> Nature's Sunshine said that it expects to report complete operating results for the fourth quarter and 12 months ended December 31, 2005 later in February 2006, at which time it also will hold its regular quarterly conference call.

30. On February 17, 2006, the Company issued a subsequent release entitled "Nature's Sunshine Products Provides Update on Comments on Fourth Quarter and Status of Review of Selected Financial Information." The release stated in part:

> Nature's Sunshine Products, Inc. today provided an update on its January 13th comments on operating results for the fourth quarter ended December 31, 2005, and on the status of its review of selected financial information with respect to certain of its foreign operations. As previously announced, the Company continues to expect to report an approximate 4 percent increase in sales for the period. However, Nature's Sunshine is now anticipating fourth quarter operating income of approximately $0.8

million, as compared to $6.4 million in the corresponding period in 2004. On January 13th, the Company said it expected a 3 percent increase in operating income.

The new estimate of operating income primarily reflects increased allowances for volume discounts, inventory adjustments, and increased selling, general and administrative costs. As a result, including the previously disclosed effects of the higher tax rate resulting from the strategic transfer of certain assets from the United States to international locations, which remains unchanged, the Company currently anticipates a fourth quarter net loss of approximately $5.2 million. The Company's anticipated fourth quarter operating results, even as updated, are preliminary and have not been audited and, consequently, are subject to change or adjustment.

The Company noted that its cash position remains strong and that domestic operations continued to grow in 2005. Complete operating results for the fourth quarter and 12 months ended December 31, 2005, will be reported when completed.

Nature's Sunshine previously reported that it was reviewing selected financial information with respect to certain of its foreign operations and, therefore, the Company's independent auditor had not completed its review of the Company's financial statements for the three and nine month periods ended September 30, 2005. As a result, the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005, which was filed on November 22, 2005, included unaudited consolidated financial statements for the three and nine month periods ended September 30, 2005 for which the Company's independent auditor had not completed its review. Because the Form 10-Q was not complete, the Company is not in compliance with Nasdaq Marketplace Rule 4310(c)(14) and received notice from Nasdaq that its common stock was subject to delisting. At a hearing before the Nasdaq Listing Qualifications Panel on December 8, 2005, the Company requested an extension to file its complete 10-Q for the third quarter of 2005. On January 19, 2006, the Panel granted the Company an extension until March 31, 2006 to file its complete 10-Q.

Since the review commenced, the Company's Audit Committee, which is overseeing the review, has expanded the scope of the review and commenced an investigation of certain matters identified in the review. The investigation involves matters related to fiscal 2005 as well as prior periods. The Audit Committee engaged a nationally recognized independent law firm to assist it in the review and investigation. The law firm engaged a nationally recognized independent accounting firm to assist it. Concerns regarding certain transactions of the Company's foreign subsidiaries have been identified, and continue to be reviewed. The Company investigation is not yet completed. However, the Company has begun to implement certain remedial measures to address the concerns about certain foreign transactions and is committed to implementing any additional remedial measures necessary to address any additional issues that may be identified by the investigation. In addition, as soon as possible following the completion of the investigation, the Company intends to file an amendment to its 10-Q for the 3rd quarter of 2005 to reflect the review of the Company's independent auditor.

31. On this news, NSPI's stock declined to below $17 per share.

32. On March 20, 2006, the Company filed an 8-K with the SEC announcing that its previous financial statements could no longer be relied upon. The 8-K stated:

> As previously announced, the Audit Committee of Nature's Sunshine Products, Inc. (the "Company") commenced an investigation with respect to certain of its foreign operations. Since the investigation commenced, it has been expanded to include other matters related to the Company's financial statements and is now being overseen by a Special Committee appointed by the Audit Committee consisting of a member of the Audit Committee and an independent consultant. On March 15, 2006, the Audit Committee received an oral preliminary report on the findings of the investigation to date (the "Preliminary Report"). The Preliminary Report indicated that the Company had certain internal control weaknesses and outlined potential violations of law. The Preliminary Report also included a series of recommendations, including with respect to the termination of certain employees and senior officers. The Company continues to evaluate the information communicated in the Preliminary Report, is in the process of implementing remedial measures to address the issues raised in the Preliminary Report and is committed to implementing any additional remedial measures necessary to address the issues identified, as well as any additional issues that may be identified by the investigation; the investigation is continuing. While the Company believes implementation of the remedial measures and recommendations made in the Preliminary Report will benefit the Company in the long term, such actions may have an adverse effect on the Company's business operations, financial condition and results of operations in the short term.
>
> The Company has contacted relevant authorities in the U.S. with respect to the potential violations of law outlined in the Preliminary Report, intends to fully cooperate with such authorities concerning these matters and to make a full report to these authorities, if appropriate. The Company cannot predict whether or the extent to which any governmental authorities will pursue these matters and the impact any such pursuit may have.
>
> Based on issues raised in the Preliminary Report, on March 18, 2006, the Company's Audit Committee determined that the financial statements filed with the following previously issued reports should not be relied upon:
>
> - Forms 10-Q for each of the first three fiscal quarters of 2005;

- Form 10-K for the fiscal year ended December 31, 2004 (which includes financial statements as of December 31, 2004 and 2003 and for the fiscal years ended December 31, 2004, 2003 and 2002); and

- Forms 10-Q for each of the first three fiscal quarters of 2004, 2003 and 2002.

At this time, it is impossible to accurately predict whether, and if so, to what extent, any prior periods may need to be restated. The exact amount of any errors and the periods to which they relate have not been determined and finalized. Any errors may also affect financial information for the periods mentioned that the Company included in other disclosures, such as press releases or Form 8-K filings.

In addition, in light of the possible restatements and the internal control weaknesses brought to the attention of the Audit Committee in the Preliminary Report, management's report on internal control over financial reporting as of December 31, 2004 included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2004 should no longer be relied upon.

33. On this news, NSPI's stock collapsed to as low as $13.51 per share.

34. Then on March 24, 2006, the Company announced that it had received a non-compliance notice from the NASDAQ. The Company's press release stated in part:

> Nature's Sunshine Products Inc. announced today that, on March 21, 2006, it received notice from The Nasdaq Stock Market that, because the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2005 was not filed with the Securities and Exchange Commission by March 16, 2006, the Company is not in compliance with Marketplace Rule 4310(c)(14). As was previously disclosed, the Company has not been in compliance with Nasdaq Marketplace Rule 4310(c)(14) because it has not filed a complete quarterly report on Form 10-Q for the quarter ended September 30, 2005. However, the Nasdaq Listing Qualifications Panel granted the Company an extension until March 31, 2006 to file its complete Form 10-Q. The Company's delayed filing of its Form 10-K serves as an additional basis for delisting the Company's common stock from the Nasdaq National Market.
>
> The Company has previously disclosed in filings with the Securities and Exchange Commission that, because of issues raised in the Company's ongoing internal investigation, the Company does not expect to be able to meet the March 31, 2006 10-Q filing deadline set by the Panel for filing the Company's September 30, 2005 Form 10-Q nor does the Company expect to file its annual report on Form 10-K for the fiscal year ended December 31, 2005 on or before March 31, 2006. The Company intends to consider seeking an extension to file both the Form 10-Q and the Form 10-K. However, no assurance can be made that the Company will be granted any further extension and, therefore, the Company's common stock may be subject to

delisting from the Nasdaq National Market. If the Company's common stock is delisted from the Nasdaq National Market, the liquidity of its common stock would be adversely impacted and the Company may experience other adverse consequences resulting from the delisting and the failure to file periodic reports.

35. The Company's stock fell to $11.68 per share on this news.

36. The true facts, which were known by the defendants but concealed from the investing public during the Class Period, were as follows:

(a) the Company lacked requisite internal controls, and, as a result, the Company's projections and reported results issued during the Class Period were based upon defective assumptions and/or manipulated facts; and

(b) the Company's financial statements were materially misstated due to its failure to properly account for foreign transactions.

NSPI'S FALSE FINANCIAL REPORTING DURING THE CLASS PERIOD

37. In order to inflate the price of NSPI's stock, defendants caused the Company to falsely report its results for 2002 through the first three quarters of 2005 through improper accounting entries, which inflated the Company's revenue and net income. The Company subsequently has admitted that its financial statements from 2002-2005 should not be relied upon.

38. The results for 2002 through the first three quarters of 2005 were included in Forms 10-Q and 10-K filed with the SEC. The results were also included in press releases disseminated to the public.

39. NSPI has now admitted that it inappropriately recorded foreign transactions and will restate its results to remove improperly reported income, such that its 2002-2005 financial statements were not a fair presentation of NSPI's results and were presented in violation of Generally Accepted Accounting Principles ("GAAP") and SEC rules.

40. GAAP are those principles recognized by the accounting profession as the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. SEC Regulation S-X (17 C.F.R. §210.4-01(a)(1)) states that financial statements filed with the SEC which are not prepared in compliance with GAAP are presumed to be misleading and inaccurate, despite footnote or other disclosure. Regulation S-X requires that interim financial statements must also comply with GAAP, with the exception that interim financial statements need not include disclosure which would be duplicative of disclosures accompanying annual financial statements. 17 C.F.R. §210.10-01(a).

41. The fact that NSPI will restate its 2002-2005 financial statements and that such financial statements should no longer be relied upon is an admission that the financial statements originally issued were false and that the overstatement of income was material. Pursuant to GAAP, as set forth in Accounting Principles Board Opinion ("APB") No. 20, the type of restatement announced by NSPI was to correct for material errors in its previously issued financial statements. *See* APB No. 20, ¶¶7-13. Moreover, FASB Statement of Financial Accounting Standard ("SFAS") No. 154, *Accounting Changes and Error Corrections*, states: "Any error in the financial statements of a prior period discovered subsequent to their issuance shall be reported as a prior-period adjustment by restating the prior-period financial statements." Thus, GAAP provides that financial statements should be restated in order to correct an error in previously issued financial statements. NSPI's restatement is due to an error. Thus, the restatement is an admission by NSPI that its previously issued financial results and its public statements regarding those results were false.

42. Due to these accounting improprieties, the Company presented its financial results and statements in a manner which violated GAAP, including the following fundamental accounting principles:

(a) The principle that interim financial reporting should be based upon the same accounting principles and practices used to prepare annual financial statements was violated (APB No. 28, ¶10);

(b) The principle that financial reporting should provide information that is useful to present and potential investors and creditors and other users in making rational investment, credit and similar decisions was violated (FASB Statement of Concepts No. 1, ¶34);

(c) The principle that financial reporting should provide information about the economic resources of an enterprise, the claims to those resources, and effects of transactions, events and circumstances that change resources and claims to those resources was violated (FASB Statement of Concepts No. 1, ¶40);

(d) The principle that financial reporting should provide information about how management of an enterprise has discharged its stewardship responsibility to owners (stockholders) for the use of enterprise resources entrusted to it was violated. To the extent that management offers securities of the enterprise to the public, it voluntarily accepts wider responsibilities for accountability to prospective investors and to the public in general (FASB Statement of Concepts No. 1, ¶50);

(e) The principle that financial reporting should provide information about an enterprise's financial performance during a period was violated. Investors and creditors often use information about the past to help in assessing the prospects of an enterprise. Thus, although investment and credit decisions reflect investors' expectations about future enterprise performance, those expectations are commonly based at least partly on evaluations of past enterprise performance (FASB Statement of Concepts No. 1, ¶42);

(f) The principle that financial reporting should be reliable in that it represents what it purports to represent was violated. That information should be reliable as well as relevant is a notion that is central to accounting (FASB Statement of Concepts No. 2, ¶¶58-59);

(g) The principle of completeness, which means that nothing is left out of the information that may be necessary to insure that it validly represents underlying events and conditions was violated (FASB Statement of Concepts No. 2, ¶79); and

(h) The principle that conservatism be used as a prudent reaction to uncertainty to try to ensure that uncertainties and risks inherent in business situations are adequately considered was violated. The best way to avoid injury to investors is to try to ensure that what is reported represents what it purports to represent (FASB Statement of Concepts No. 2, ¶¶95, 97).

43. Further, the undisclosed adverse information concealed by defendants during the Class Period is the type of information which, because of SEC regulations, regulations of the national stock exchanges and customary business practice, is expected by investors and securities analysts to be disclosed and is known by corporate officials and their legal and financial advisors to be the type of information which is expected to be and must be disclosed.

LOSS CAUSATION/ECONOMIC LOSS

44. By misrepresenting its financial statements, the defendants presented a misleading picture of NSPI's business and prospects. Thus, instead of truthfully disclosing during the Class Period that NSPI's business was not as healthy as represented, NSPI falsely overstated its net income.

45. These claims of profitability caused and maintained the artificial inflation in NSPI's stock price throughout the Class Period and until the truth was revealed to the market.

46. Defendants' false and misleading statements had the intended effect and caused NSPI stock to trade at artificially inflated levels throughout the Class Period, reaching as high as $23.24 per share.

47. On February 17, 2006, defendants were forced to publicly disclose that NSPI had improperly reported its income, causing its stock to drop to $17 per share.

48. Later, as NSPI further confirmed the extent of the misstatements on March 20, 2006, its stock dropped even farther, to $14 per share, as more inflation was removed from NSPI's stock price, causing real economic loss to investors who had purchased the stock during the Class Period. Subsequently, NSPI announced it had received a notice of non-compliance from the NASDAQ, causing the stock to drop to below $12 per share.

49. As a direct result of defendants' admissions and the public revelations regarding the truth about NSPI's overstatement of income and its actual business prospects going forward, NSPI's stock price plummeted 40%, falling from $18 per share on February 16, 2006 to $11.68 per share on March 24, 2006, a drop of $6.32 per share. This drop removed inflation from NSPI's stock price.

COUNT I

For Violation of §10(b) of the 1934 Act and Rule 10b 5 Against All Defendants

50. Plaintiff incorporates ¶¶1-49 by reference.

51. During the Class Period, defendants disseminated or approved the false statements specified above, which they knew or deliberately disregarded were misleading in that they contained misrepresentations and failed to disclose material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

52. Defendants violated §10(b) of the 1934 Act and Rule 10b-5 in that they:

(a) employed devices, schemes and artifices to defraud;

(b) made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or

(c) engaged in acts, practices and a course of business that operated as a fraud or deceit upon plaintiff and others similarly situated in connection with their purchases of NSPI common stock during the Class Period.

53. Plaintiff and the Class have suffered damages in that, in reliance on the integrity of the market, they paid artificially inflated prices for NSPI common stock. Plaintiff and the Class would not have purchased NSPI common stock at the prices they paid, or at all, if they had been aware that the market prices had been artificially and falsely inflated by defendants' misleading statements.

54. As a direct and proximate result of these defendants' wrongful conduct, plaintiff and the other members of the Class suffered damages in connection with their purchases of NSPI common stock during the Class Period.

COUNT II

For Violation of §20(a) of the 1934 Act Against All Defendants

55. Plaintiff incorporates ¶¶1-54 by reference.

56. Defendants Faggioli, Hogge and Huff acted as controlling persons of NSPI within the meaning of §20(a) of the 1934 Act. By reason of their positions as CEO, President and Chairman, Executive Vice President, and CFO of NSPI, and their ownership of NSPI stock, Faggioli, Hogge and Huff had the power and authority to cause NSPI to engage in the wrongful conduct complained of herein. NSPI controlled Faggioli, Hogge and Huff and all of its employees. By reason of such conduct, defendants are liable pursuant to §20(a) of the 1934 Act.

CLASS ACTION ALLEGATIONS

57. Plaintiff brings this action as a class action pursuant to Rule 23 of the Federal Rules of Civil Procedure on behalf of all persons who purchased NSPI common stock on the open market during the Class Period (the "Class"). Excluded from the Class are defendants.

58. The members of the Class are so numerous that joinder of all members is impracticable. The disposition of their claims in a class action will provide substantial benefits to the parties and the Court. NSPI has more than 15 million shares of stock outstanding, owned by hundreds if not thousands of persons.

59. There is a well-defined community of interest in the questions of law and fact involved in this case. Questions of law and fact common to the members of the Class which predominate over questions which may affect individual Class members include:

(a) whether the 1934 Act was violated by defendants;

(b) whether defendants omitted and/or misrepresented material facts;

(c) whether defendants' statements omitted material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading;

(d) whether defendants knew or deliberately disregarded that their statements were false and misleading;

(e) whether the price of NSPI's common stock was artificially inflated; and

(f) the extent of damage sustained by Class members and the appropriate measure of damages.

60. Plaintiff's claims are typical of those of the Class because plaintiff and the Class sustained damages from defendants' wrongful conduct.

61. Plaintiff will adequately protect the interests of the Class and has retained counsel who are experienced in class action securities litigation. Plaintiff has no interests which conflict with those of the Class.

62. A class action is superior to other available methods for the fair and efficient adjudication of this controversy.

PRAYER FOR RELIEF

WHEREFORE, plaintiff prays for judgment as follows:

A. Declaring this action to be a proper class action pursuant to Fed. R. Civ. P. 23;

B. Awarding plaintiff and the members of the Class damages, interest and costs;

C. Awarding plaintiff reasonable costs and attorneys' fees; and

D. Awarding such equitable/injunctive or other relief as the Court may deem just and proper.

JURY DEMAND

Plaintiff demands a trial by jury.

DATED: April 3, 2006

ANDERSON & KARRENBERG
SCOTT A. CALL

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SCOTT A. CALL

700 Chase Tower
50 West Broadway
Salt Lake City, UT 84101
Telephone: 801/534-1700
801/364-7697 (fax)

LERACH COUGHLIN STOIA GELLER
RUDMAN & ROBBINS LLP
WILLIAM S. LERACH
DARREN J. ROBBINS
655 West Broadway, Suite 1900
San Diego, CA 92101-3301
Telephone: 619/231-1058
619/231-7423 (fax)

LAW OFFICES OF MARC S. HENZEL
MARC S. HENZEL
273 Montgomery Avenue, Suite 202
Bala Cynwyd, PA 19004
Telephone: 610/660-8000
610/660-8080 (fax)

Attorneys for Plaintiff