United States
Securities and Exchange Commission

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **March 29, 2006**

Nature's Sunshine Products, Inc.

(Exact name of registrant as specified in its charter)

Utah	**0-8707**	**87-0327982**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

75 East 1700 South
Provo, Utah 84606
(Address of principal executive offices) (Zip Code)

(801) 342-4300
(Registrant's telephone number, including area code)

Check the appropriate box below if the form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 to Form 8-K):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 24.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 40.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement

Nature's Sunshine Products, Inc. (the "Company") is a party to a consulting agreement with Robert K. Bowen and employment agreements with each of Greg Halliday and Robert Shaffer, a description of which are included in Item 5.02 below and incorporated in this Item by reference.

Item 4.01 Change in Registrant's Certifying Accountant

On March 31, 2006, the Company received a letter from KPMG LLP ("KPMG") after business hours pursuant to which KPMG resigned as the Company's independent registered public accounting firm. A copy of the KPMG letter is attached to this Form 8-K as Exhibit 99.1.

As previously disclosed, an investigation regarding the Company is currently being overseen by a Special Committee appointed by the Audit Committee. The Audit Committee has engaged a nationally recognized independent law firm to assist in the investigation and the law firm, in turn, engaged a nationally recognized independent accounting firm to provide further assistance. On March 15, 2006, the Audit Committee received an oral preliminary report (the "Preliminary Report") from the independent law firm and the independent accounting firm assisting in the investigation (the "Investigative Team") on the findings of the investigation to date. The Preliminary Report indicated that the Company had certain internal control weaknesses and had engaged in potential violations of law. The Preliminary Report also contained remedial measures recommended to be taken by the Company in connection with the issues raised in the investigation. Representatives of KPMG were present for the Preliminary Report by the Investigative Team. Based on the Preliminary Report, the Audit Committee, in consultation with KPMG, determined that certain of the Company's previously issued financial statements should no longer be relied upon and reported such determination in a Current Report on Form 8-K filed on March 20, 2006, although the exact amount of any errors and the periods to which they relate had not been determined and finalized. On March 22, 2006, the Audit Committee met with the Investigative Team to further discuss the Preliminary Report and the status of the investigation and representatives KPMG attended the meeting.

On March 24, 2006, KPMG requested a meeting with the members of the Audit Committee other than Franz Cristiani, the then Chairman of the Audit Committee, which was held on March 26, 2006. At the March 26th meeting, KPMG informed the members of the Company's Board present that, based on its interpretation of the findings presented in the Preliminary Report and subsequent meetings with the Audit Committee and the Investigative Team, KMPG required that (i) all of the recommended remedial measures in the Preliminary Report be implemented and, on or before April 10, 2006, the Company provide KPMG with a plan of remediation covering the implementation of such measures; (ii) the Board be enhanced to add additional independent members; and (iii) Franz Cristiani be removed from the Board by the end of the day March 28, 2006. The Board members then requested that they be given until April 10, 2006 (the day on which the remediation plan was due to KPMG) to make a determination with regard to the removal of Mr. Cristiani given that the Investigative Team only recommended that Mr. Cristiani be replaced as the Chairman of the Audit Committee not that he be removed from the Audit Committee or the Board. KPMG indicated they would take the request under consideration.

On the evening of March 27, 2006, KPMG sent a letter to the Chairman of the Board indicating that KPMG believed that, by the close of business on March 29, 2006, Mr. Faggioli,

the then Chief Executive Officer of the Company, must be terminated and Mr. Cristiani must be removed from the Board and that KPMG might find it necessary to resign as the Company's independent auditors if the appropriate remedial measures were not taken. A copy of the March 27th letter is attached to this Form 8-K as Exhibit 99.2.

On March 29, 2006, Franz Cristiani was replaced by Larry Deppe as the Chairman of the Audit Committee. In addition, as described in Item 5.02 below, pending the conclusion of the investigation, Douglas Faggioli stepped down as President, Chief Executive Officer and Director of the Company and the functions of President and Chief Executive Officer were assigned to an executive committee consisting of four officers of the Company. The Investigative Team and the Special Committee agreed that replacing Mr. Cristiani with Mr. Deppe and the interim steps regarding Mr. Faggioli were appropriate and consistent with their recommendations. In addition, on March 29th, Robert K. Bowen, a consultant to the Audit Committee acting as a member of the Special Committee, was elected to the Board and appointed to the Audit Committee. The Company sent a letter to KPMG on March 29th indicating that (i) the Company planned to provide KPMG with a plan of remediation on or before April 10th; (ii) the Company had added Mr. Bowen to the Board in an effort to enhance the Board; and (iii) actions consistent with the recommendations made by the Investigative Team had been taken with respect to Messrs. Cristiani and Faggioli. The Company's March 29th letter to KPMG is attached to this 8-K as Exhibit 99.3.

On March 30, 2006, after further discussion with KPMG, during which KPMG insisted that the immediate removal of Mr. Cristiani from the Board and termination of Mr. Faggioli were necessary, the Board of Directors met and, in the interest of resolving the matter with KPMG, Franz Cristiani offered to resign from the Board. Representatives of the Board presented Mr. Cristiani's proposed resignation and reaffirmed Mr. Faggioli's limited, non-executive role at the Company pending the investigation's outcome to representatives of KPMG on the afternoon of March 30th. On the evening of March 30th KPMG indicated that Mr. Faggioli's continuing as an employee, even though in line with the recommendation of the Independent Investigators, was not acceptable and that, in addition to Mr. Cristiani's resigning, Mr. Faggioli would need to be terminated as an employee by 5:00 p.m. Mountain Standard Time on March 31, 2006 or KPMG would resign as the Company's independent auditors. The Company's Board met on March 31, 2006 to discuss KPMG's position and the Board subsequently asked for an extension until Monday, April 3, 2006, to provide KPMG with its decision. KPMG did not grant the extension. Instead, on the evening of March 31, 2006, KPMG tendered its resignation.

Because of its previously disclosed ongoing internal investigation, the Company has not yet filed a Form 10-K for the fiscal year ended December 31, 2005 and KPMG did not complete its audit of the Company's financial statements at and for the fiscal year ended December 31, 2005. The reports of KPMG on the consolidated financial statements of the Company as of and for the fiscal years ended December 31, 2004 and 2003, did not contain an adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope, or accounting principles except that:

- The reports of KPMG for both the fiscal year ended December 31, 2004 and the fiscal year ended December 31, 2003 indicate that KPMG did not audit the financial statements of Nature's Sunshine Korea, Ltd., a wholly owned subsidiary of the Company, as of December 31, 2002 and for the year then ended, that such

  statements were audited by other auditors whose report was furnished to KPMG, and KPMG's opinion, insofar as it relates to the amounts included for Nature's Sunshine Korea, Ltd. as of December 31, 2002 and for the year then ended, is based solely on the report of other auditors.

- The report of KPMG for the fiscal year ended December 31, 2003 indicates that the consolidated statements of income and comprehensive income, shareholders' equity, and cash flows for the year ended December 31, 2001 were audited by other auditors who have ceased operations and that those auditors, based in part on the report of other auditors, "expressed an unqualified opinion on those financial statements, before the reclassification described in Note 1 to the consolidated financial statements, in their report dated February 7, 2002."

- The report of KPMG for the fiscal year ended December 31, 2003 was modified as follows: "As discussed in Note 1 to the consolidated financial statements, the Company has restated its financial statements for the year ended December 31, 2002" and "As described in Note 1, the 2001 financial statements have been reclassified to reflect the adoption of Emerging Issues Task Force Issue No. 01-9, 'Accounting for Consideration Given by a Vendor to a Customer (Including a Reseller of the Vendor's Products),' which was adopted by the Company as of January 1, 2002. We audited the reclassification adjustments and, in our opinion, such adjustments are appropriate and were properly applied. However, we were not engaged to audit, review or apply any procedures to the 2001 consolidated financial statements of Nature's Sunshine Products, Inc. other than with respect to such adjustments and accordingly, we do not express an opinion or any other form of assurance on the 2001 financial statements taken as a whole."

Representatives of KPMG have discussed with the Audit Committee that, because of the issues outlined in the Preliminary Report, KPMG can no longer rely on management's representations previously delivered to KPMG and the issues raised in the investigation may impact the reliability of KPMG's previously issued audit reports. In addition, in its March 31st letter and in previous discussions, KPMG indicated that the potential illegal acts uncovered in the investigation appear to have had a material effect on the financial statements of the Company. As discussed above, the Audit Committee conferred with KPMG about the impact of the issues raised in the Preliminary Report on the Company's financial statement and determined that certain of the Company's previously issued financial statements should no longer be relied upon although the exact amount of any errors and the periods to which they relate had not been determined and finalized.

Except to the extent discussed above in this Form 8-K, for the fiscal years ended December 31, 2003 and December 31, 2004 and through the date of this report, there were no disagreements with KPMG on any matter of accounting principles or practices, financial statement disclosure or audit scope or procedure which, if not resolved to the satisfaction of KPMG, would have caused it to make reference to the subject matter of such disagreement in its reports on the financial statements for such fiscal years. Nor, except to the extent discussed above in this Form 8-K, were there any reportable events within the meaning of Item 304(a)(1)(v) of Regulation S-K for the fiscal years ended December 31, 2003 and December 31, 2004 and through the date of this report. With respect to the matters discussed above in this

Form 8-K, the Audit Committee has authorized KPMG to respond fully to inquiries of any successor accountant.

The Company is in the process of obtaining a new independent registered public accounting firm.

The Company has provided KPMG a copy of this Form 8-K and requested KPMG to furnish a letter addressed to the Securities and Exchange Commission stating whether it agrees with the statements made herein, and, if not, stating the respects in which it does not agree. The Company has requested that KPMG provide such letter as soon as possible, so that the Company can file such letter as an Exhibit to this Current Report on an amended Form 8-K within ten (10) business days after the date this report is filed with the Securities and Exchange Commission.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

On March 29, 2006, pending the conclusion of the ongoing internal investigation regarding the Company, Douglas Faggioli stepped down as President, Chief Executive Officer and Director of the Company. During this interim period, Mr. Faggioli will continue as an employee of the Company and the functions of President and Chief Executive Officer will be carried out by an executive committee (the “Executive Committee”) appointed by the Company’s Board on March 29, 2006. The Executive Committee consists of Stephen M. Bunker, John R. DeWyze, Greg Halliday and Robert Shaffer and will be overseen by Kristine Hughes as Chairman of the Company’s Board.

Mr. Bunker, who is 48 years old, joined the Company on March 27, 2006 as the Chief Financial Officer, Vice President of Finance and Treasurer. Prior to joining the Company, Mr. Bunker was Vice President of Finance and Treasurer of Geneva Steel LLC and its predecessor, Geneva Steel Company, since July 2001 where he had broad accounting and financial responsibilities. He joined Geneva’s predecessor company in September 1990 as Corporate Controller. Geneva Steel LLC and its predecessor, Geneva Steel Company, were in the steel production business. A Certified Public Accountant, Mr. Bunker previously was in accounting and audit with Arthur Andersen LLP in Salt Lake City, Utah for six years. Mr. Bunker’s current salary is $175,000.

The Company is in the process of finalizing the terms of an employment agreement with Mr. Bunker and will file a brief description of the terms of such agreement by amendment to its Current Report on Form 8-K filed on March 28, 2006 when the agreement is finalized.

Mr. DeWyze, who is 49 years old, is Executive Vice President and Vice President of Operations of the Company. Mr. DeWyze was named Executive Vice President in 2002 and has been Vice President of Operations since 1997. He began his employment with the Company in 1995. From 1982 to 1995, Mr. DeWyze was employed by Bristol-Myers Squibb. Mr. DeWyze’s current salary is $187,000.

Mr. Halliday, who is 41 years old, was appointed as President — Nature’s Sunshine Products U.S. by the Board on March 29, 2006, and, prior to such appointment, served as Vice President, U.S. Sales and Marketing of the Company since 2001. Mr. Halliday’s current salary is

$163,000. Mr. Halliday’s brother-in-law, Craig Dalley, is the Executive Director of English Sales of the Company and receives a current base salary of $91,008 and received total compensation of $128,704 in 2005.

Mr. Shaffer, who is 50 years old, was appointed as President — Nature’s Sunshine Products International by the Board on March 29, 2006, and, prior to such appointment, served as Vice President, International of the Company since 2002 and Executive Director, International from 1997 to 2001. Mr. Shaffer’s current salary is $168,000.

Each of Messrs. DeWyze, Halliday and Shaffer has entered into employment agreements with the Company. Each such employment agreement provides for the payment of an annual base salary to the officer as well as certain employee benefits and makes the officer eligible to receive discretionary cash bonuses and stock option awards. Each employment agreement has a one-year term that renews automatically unless terminated by the Company or the officer. In the event that the Company terminates or does not renew the officer’s employment without cause (as defined in the agreement) or the officer’s employment terminates as a result of death or incapacity, the officer is entitled to receive his base salary for twelve months. In addition, if the officer’s employment is terminated without cause, he shall receive continued coverage under the Company’s medical and insurance plans for twelve months. The officer agrees not to disparage the Company during the term of the employment agreement. In addition, under the employment agreement, for a period ending one year after the later of the termination of his employment or the date the last severance payment was paid (or would have been paid but for his breach of the agreement or termination for cause) under the agreement, the officer agrees not to solicit any person under contract with the Company or any of the Company’s customers and not to compete with the Company in countries where it does business. The Company can extend this period for up to an additional year if it pays the officer an amount equal to his base salary during this extension.

Mrs. Hughes was a co-founder in 1972 of Hughes Development Corporation, a predecessor of the Company, and has served as an officer or director of the Company and/or its predecessors since 1980. Mrs. Hughes serves on several civic and community boards. The fees paid to Mrs. Hughes for her services as Chairman of the Board during Fiscal 2006 are expected to be $137,584. Mrs. Hughes is the wife of Eugene L. Hughes, one of the Company’s founders and directors who is also a non-executive employee of the Company and currently receives a salary of $203,000. Kenneth Fugal, Mrs. Hughes’ brother, is the Employee Director of Research and Development and receives a current base salary of $101,940 and received total compensation of $116,359 in 2005. Kent Hastings, the son-in-law of Mrs. Hughes, is the Company’s Employee Director of International Compensation Analysis and currently receives a salary of $93,206 and received total compensation of $124,405 in 2005.

On March 29, 2006, the Board elected Robert K. Bowen to serve on the Company’s Board of Directors. Mr. Bowen was also named to the Audit Committee of the Company’s Board of Directors. The annual fees to be paid to Mr. Bowen for his services as a Board member during Fiscal 2006 are expected to be $23,625. A Certified Public Accountant, Mr. Bowen has been a partner at the accounting firm of Hansen, Barnett & Maxwell, P.C. (“Hansen”) since 1980.

Since January of 2006, Mr. Bowen has been a consultant to the Audit Committee serving as a member of the Special Committee overseeing the ongoing internal investigation regarding the Company. However, upon election to the Board and appointment to the Audit Committee, Mr. Bowen’s consulting relationship terminated. In connection with his consulting role, Mr. Bowen entered into a consulting agreement with the Audit Committee, the Company and Hansen. Pursuant to the consulting agreement, Mr. Bowen is entitled to receive $200 an hour for his services and receive reimbursement for expenses. Mr. Bowen’s total consulting fees are estimated to be less than $20,000. In addition, Mr. Bowen and Hansen agreed to keep information regarding the Company confidential and the Company agreed to indemnify Mr. Bowen and Hansen to the full extent permitted by the Utah Revised Business Corporation Act and the Company’s Bylaws.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

Effective March 29, 2006, the Amended and Restated Bylaws of the Company were amended by the Board of Directors to change to permit the Board to appoint an executive committee overseen by the Chairman of the Board to perform the functions of any office of the Company. Previously, the Company's Bylaws only provided for individuals to hold office.

Item 8.01 Other Events.

The Company has begun the process of implementing the remedial measures recommended in the Preliminary Report. In that regard, the Company is working with a nationally recognized executive search firm to locate a Chief Compliance Officer and is considering candidates for an in-house General Counsel position. In addition, six employees have resigned or been terminated in connection with the investigation and the Company has hired a new Chief Financial Officer and certain other employees in the finance department. The Company is also in the process of developing a plan for the implementation of the other remedial measures recommended by the Investigative Team.

The Company previously reported in its Current Report on Form 8-K filed March 20, 2006 that it was considering seeking a further extension from the Nasdaq Listing Qualifications Panel (the "Panel") to file its complete Form 10-Q for the quarter ended September 30, 2006 with the Securities and Exchange Commission and an extension to file its Annual Report on Form 10-K for the fiscal year ended December 31, 2005 with the Securities and Exchange Commission. Because the Company cannot reasonably determine whether it will file the complete 10-Q by April 19, 2006, the latest extension that the Panel can grant under the Marketplace Rules for the 10-Q, the Company has not sought any further filing extensions and expects its common stock to be delisted from the Nasdaq National Market in the immediate future.

Item 9.01 Financial Statements and Exhibits.

(d) The following exhibit is being furnished herewith:

3.1 Amendment to the Company's Amended and Restated Bylaws, effective March 29, 2006.

99.1 Letter from KPMG to the Company, dated March 31, 2006.

99.2 Letter from KPMG to the Company, dated March 27, 2006.

99.3 Letter from KPMG to the Company, dated March 29, 2006.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

April 3, 2006

By: NATURE'S SUNSHINE PRODUCTS, INC.

/s/ Stephen M. Bunker

Name: Stephen M. Bunker
Title: Chief Financial Officer, Vice President of Finance and Treasurer of the Company

EXHIBIT LIST

Exhibit No.	Description
3.1	Amendment to the Company's Amended and Restated Bylaws, effective March 29, 2006.
99.1	Letter from KPMG to the Company, dated March 31, 2006.
99.2	Letter from KPMG to the Company, dated March 27, 2006.
99.3	Letter from KPMG to the Company, dated March 29, 2006.

Exhibit 3.1

Amendments to the Amended and Restated Bylaws of Nature's Sunshine Products, Inc.

Sections 4.1, 4.4 and 4.5 of the Amended and Restated Bylaws of Nature's Sunshine Products, Inc. were amended to read in their entirety as follows:

Section 4.1 Number of Officers. The officers of the Corporation shall be a president, a secretary, and a treasurer, each of whom shall be appointed by the Board of Directors. Such other officers and assistant officers as may be deemed necessary, including any vice presidents, may be appointed by the Board of Directors. If specifically authorized by the Board of Directors, an officer may appoint one or more officers or assistant officers. The same individual may simultaneously hold more than one office in the Corporation. The Board of Directors may appoint a special executive committee, consisting of two or more individuals and overseen by the Chairman of the Board, to perform the functions of any office of the Corporation and such special executive committee shall operate under such procedures as prescribed by the Board of Directors. (16-10a-830)

Section 4.4 Chairman of the Board. The Chairman of the Board shall have the following powers and duties:

(a) to preside at all meetings of the shareholders of the Corporation;

(b) to preside at all meetings of the Board of Directors; and

(c) to oversee the actions and functions of any special executive committee appointed by the Board of Directors to perform the functions of any office of the Corporation.

Section 4.5 President. The president shall be the chief executive officer of the Corporation and, subject to the control of the Board of Directors, shall, in general, supervise and control all of the business and affairs of the Corporation. The president may sign, with the secretary or any other proper officer of the Corporation authorized by the Board of Directors, certificates for shares of the Corporation, the issuance of which shall have been authorized by a resolution of the Board of Directors, and deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time. (16-10a-831)

KPMG LLP
Suite 1500
15 West South Temple
Salt Lake City, UT 84101-9901

Telephone 801 333 8000
Fax 801 237 1552
Internet www.us.kpmg.com

March 31, 2006

Ms. Kristine Hughes, Chairman, Board of Directors
Nature's Sunshine Products, Inc.
75 East 1700 South
Provo, Utah 84606

Mr. Larry Deppe, Chairman, Audit Committee
Nature's Sunshine Products, Inc.
75 East 1700 South
Provo, Utah 84606

Dear Ms. Hughes and Mr. Deppe:

Pursuant to Section 10A of the Securities Exchange Act of 1934 (Section 10A), KPMG LLP (KPMG) has determined that the board of directors and the Audit Committee of Nature's Sunshine Products, Inc. (the Company) have been adequately informed with respect to likely illegal acts that have come to the attention of KPMG during the course of its audit of the Company's financial statements for each of the years in the three-year period ended December 31, 2005 (the Illegal Acts). As you know these Illegal Acts have also been the subject of special investigations conducted by a Special Committee appointed by the Company.

KPMG has also concluded, pursuant to Section 10A(b)(2), that these Illegal Acts appear to have had a material effect on the financial statements of the Company. KPMG has further concluded that the Company has not taken timely and appropriate remedial actions with respect to the Illegal Acts. The Company has failed to terminate its Chief Executive Officer as an employee of the Company even though electronic evidence indicates that he made misrepresentations to KPMG on at least two occasions, and had approved a payment in violation of the Foreign Corrupt Practice Act. The Company has failed to remove the former Chair of its Audit Committee from the Committee and the board of directors even though he was found to have known of the misrepresentations, understood that they "could be considered material from an auditing standpoint and could pose a significant problem to our company," and failed to bring the matter to the attention of the auditors or correct the misrepresentations. KPMG has concluded that the Company's failure to take such timely and appropriate remedial actions warrants KPMG's resignation as the Company's independent auditors. Accordingly, effective immediately, KPMG resigns as the Company's independent auditors.

Section 10A requires the Company to inform the Securities and Exchange Commission (the Commission) by notice not later than one business day after the receipt of this report that the Board has received this report by KPMG. Section 10A further requires that the Company furnish to KPMG a copy of the notice to the Commission.

Please furnish us with a copy of the Company's notice to the Commission of the Company's receipt of this letter by the close of business on Monday, April 3, 2006.

Very truly yours,

KPMG LLP

S. Craig Omer

S. Craig Omer, Managing Partner

cc: Mr. Justin P. Klein, Ballard Spahr Andrews & Ingersoll LLP
Mr. Jay Dubow, Wolf Block LLP

KPMG LLP
Suite 1500
15 West South Temple
Salt Lake City, UT 84101-9901

Telephone 801 333 8000
Fax 801 237 1552
Internet www.us.kpmg.com

March 27, 2006

Ms. Kristine Hughes,
Chairman, Board of Directors
Nature's Sunshine Products, Inc.
75 East 1700 South
Provo, Utah 84606

Re: Follow-up from meeting on March 22, 2006 and March 26, 2006

Dear Ms. Hughes:

We write to follow-up on our meetings on Wednesday, March 22, 2006 and on our telephonic meeting yesterday regarding the status of the remedial actions recommended by the independent investigator and endorsed by the Special Committee. We have had an opportunity to consider their report on the investigation presented to us on March 15, 2006, additional information received on March 22, 2006 and the comments made during our call on March 26, 2006.

While we understand that the investigators are in the process of finalizing their report and that additional remedial actions may be recommended, we believe it is necessary for the Company to act on those recommendations already presented. It is our belief that the Company will need to implement all of the recommendations.

The investigator and the Special Committee have concluded that the Company should terminate Mr. Douglas Faggioli, President and CEO. The investigation found electronic evidence indicating that Mr. Faggioli knew of an alleged fraud in the international operations of the Company yet signed two different representation letters to KPMG LLP (KPMG) (on March 15, 2005 and August 5, 2005) affirming to the contrary, and that he had approved a payment in violation of the Foreign Corrupt Practice Act. We understand that the investigation of Mr. Faggioli is continuing with respect to the transfer tax plan, design and approval of bonuses with reference to the tax plan, and the termination of Mr. Jeff Hill, the former corporate controller of the Company. However, the results of those investigations will not alter the conclusions already reached.

Despite these conclusions, the Company has not taken any remedial action with respect to Mr. Faggioli. To the contrary, at our meeting on March 15, 2006 and March 26, 2006 you stated that the Company would not terminate Mr. Faggioli. Such a response to the investigation and its findings is not acceptable.

The investigator and the Special Committee also recommended that Mr. Franz Cristiani, the chair of the Audit Committee, be removed from that position. The evidence provided by the investigation indicates that Mr. Cristiani was aware of an alleged fraud that, in his words, "could be considered material from an auditing standpoint and could pose a significant problem to our company." Despite being copied on the representations to the contrary being made to KPMG, Mr. Cristiani made no attempt to notify KPMG of these allegations or to correct the inaccurate representations made to KPMG. To date he remains chair of the Audit Committee. In addition to the recommendation, it is our belief that he must be removed from the Audit Committee and the Board of Directors.

With respect to the termination of Mr. Faggioli and the removal of Mr. Cristiani from the Audit Committee and Board of Directors it is our belief that it is necessary that these steps be taken by the close of business on Wednesday, March 29, 2006.

While we understand that the Company may require a short period of time to implement the remaining recommended remedial measures, we would expect the Company to be in a position to share with us its plans by Monday, April 10, 2006.

As part of its remediation plan the Company also should consider whether additional actions are necessary to address identified weaknesses in the internal control structure of the Company. We also believe it will be necessary for the Company to assess the structure of the Board of Directors and provide for a majority of independent directors.

As discussed previously, KPMG will assess the objectivity and adequacy of the investigation, and consider the implications of its findings on other aspects of the audit, including the reliability of representations provided to us. Accordingly, absent timely remedial action, KPMG will be unable to complete our audit and may find it necessary to withdraw from the engagement.

Please contact me as soon as possible in order to schedule a meeting to review the Company's remediation plan.

Very truly yours,

KPMG LLP

J. Craig Omer

S. Craig Omer, Audit Partner

cc: Mr. Larry Deppe, Special Committee
Mr. Justin P. Klein, Ballard Spahr Andrews& Ingersoll LLP
Mr. Jay Dubow, Wolf Block LLP

Exhibit 99.3

March 29, 2006

Via Electronic Mail, Facsimile and Federal Express

S. Craig Omer
Audit Partner
KPMG LLP
Suite 1500
15 West South Temple
Salt Lake City, Utah 84101-9901

Re: Letter from KPMG LLP dated March 27, 2006

Dear Mr. Omer:

The Board of Directors of Nature's Sunshine Products, Inc. (the "Company"), has considered the points made in KPMG LLP's ("KPMG") March 27, 2006 letter to Kristine Hughes and wishes to provide KPMG with the Board's response. The Board is committed to taking prompt actions to address the issues raised in the ongoing independent investigation being overseen by the Special Committee, including implementing the remedial measures recommended by the independent investigators. With the concurrence of the independent investigators, certain personnel actions will await receipt of the final report. As you know, we have already begun to implement many of the recommended remedial measures and will provide KPMG with our plan, including a timetable, for implementing the remedial measures on or before April 10, 2006, as requested.

In accordance with the recommendations of the independent investigators, on March 29, 2006, Franz Cristiani was replaced by Larry Deppe as the Chairman of the Audit Committee. In addition, in an effort to enhance our Board of Directors and Audit Committee, Robert Bowen, who has been serving as an advisor to the Audit Committee in connection with the investigation, has been elected to the Board and placed on the Audit Committee.

Pending the conclusion of the investigation, the function of chief executive officer will be performed by an executive committee consisting of Stephen Bunker, Chief Financial Officer; John DeWyze, Executive Vice President, Operations; Robert Shaffer, President—Nature's Sunshine Products International; and Greg Halliday, President—Nature's Sunshine Products U.S., and overseen by me as Chairman of the Board. During this interim period, Douglas Faggioli will continue as an employee of the Company but will not be a member of the Board. The independent investigators have agreed that these interim steps are appropriate and consistent with their recommendations.

In addition, the Company has voluntarily disclosed the potential violations of law raised in the investigation to the U.S. Department of Justice and U.S. Securities and Exchange Commission as noted in its current report on Form 8-K filed on March 20, 2006 and has notified

the Nasdaq that the Company will not file its complete Form 10-Q for the quarter ended September 30, 2005 or its Form 10-K for the fiscal year ended December 31, 2005 by March 31, 2006. As a result, the Company expects that its common stock will be delisted from the Nasdaq National Market.

Please contact me at 801-342-4401 if you would like to discuss the matters set out in this letter.

Sincerely,

Kristine Hughes

Kristine Hughes,
on behalf of the Board of Directors of
Nature's Sunshine Products, Inc.