

NATURE'S SUNSHINE PRODUCTS, INC.

REGULATORY UPDATE October – December 2016

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This brief newsletter is designed to provide our Members with a snapshot of the key regulatory issues affecting our industry and, where applicable, the Company's role in those issues. Each quarterly newsletter will focus on some of the major developments in our industry since the previous edition. As always, if you have questions or would like more detail, please contact a member of the Nature's Sunshine Legal Department. Finally, we welcome your feedback. Please let us know what we can do better. **This is for NSP Members/Distributors/ Managers and not for public dissemination.**

Trump: Good or bad news for the supplements industry?

From 'doom to 'more self-governance', the prospect of a Trump presidency has provoked alarm and delight in equal measure. We asked you what a Trump presidency would mean for supplements and the results are in. See <http://www.nutraingredients-usa.com/Markets/Trump-Good-or-bad-news-for-the-supplements-industry-Our-survey-results-are-in>

Where Does the Dietary Supplements Industry Stand Two Years after the New York Attorney General's Investigation?

It gives those in the supplement industry—not just retailers but suppliers, manufacturers, and marketers alike—a much-deserved time-out in which to take a breath, take stock of the investigation's fallout, and take a good hard look at how they've been operating, and improving, since. See <http://www.nutritionaloutlook.com/regulatory/where-does-dietary-supplements-industry-stand-two-years-after-new-york-attorney-general%E2%80%99s>

JAMA rejects cranberry for UTI; industry says Yale study infected with fault

The cranberry industry and academics have rubbished a cranberry-UTI study and accompanying commentary published in *JAMA* in the past week, saying the research is “misleading” and “suffering from fatal flaws.” See <http://www.nutraingredients.com/Research/JAMA-rejects-cranberry-for-UTI-industry-says-Yale-study-infected-with-fault>

Slowing global trade, surging online sales: How markets are changing

A recent article detailing a downturn in global trade mirrors the mood in some international markets, a consultant said. But perhaps more important than macro-economic concerns are the rapid shift of retailing modes in those markets, especially in China. See <http://www.nutraingredients-usa.com/Ingredients/Antioxidants-carotenoids/Slowing-global-trade-surg-ing-online-sales-How-markets-are-changing>

Why Health Canada's proposed overhaul of NHP regulations are a concern to the industry

Health Canada is proposing to significantly change how natural health products and dietary supplements are regulated, with industry sources telling us the proposals are a concern. See <http://www.nutraingredients-usa.com/Regulation/Why-Health-Canada-s-proposed-overhaul-of-NHP-regs-are-a-concern-to-the-industry>

Vemma's FTC Settlement Points Out Pyramid Scheme Charge

FTC makes clear in the settlement that Vemma was charged with violations including "operating an unlawful pyramid scheme" and that it agreed to compensate its independent distributors only for retail sales. "There have to be real sales to real people," says FTC attorney Lois Greisman. See <https://rose.pharmamedtechbi.com/RS108966/Vemmas-FTC-Settlement-Points-Out-Pyramid-Scheme-Charge>

UNPA brands FDA's finished product focus in NDI guidance as unworkable & unlawful

Requiring NDI notifications on almost every new product will create a situation in which few companies will be able to comply with the new draft guidance, the United Natural Products Alliance said. See <http://www.nutraingredients-usa.com/Regulation/UNPA-brands-FDA-s-finished-product-focus-in-NDI-guidance-as-unworkable-and-unlawful>

ABC Requests FDA to Continue to Revise the NDI Draft Guidance

ABC sets forth in its comments to the FDA that the draft guidance exceeds the original intent of Congress behind the Dietary Supplement Health and Education Act of 1994 (DSHEA)2 — the hallmark piece of bipartisan legislation that created a regulatory framework specific to dietary supplements — and requests FDA to revise the 2016 draft guidance to more closely align with the intent and explicit text of DSHEA. See

<http://cms.herbalgram.org/press/2016/ABCRequestsFDAtoContinuetoRevisetheNewDietaryIngredientDraftGuidance.html?t=1481648587&ts=1481648595&signature=e02d12cea2313e4498316469fd3628c7&ts=1482447541&signature=b52bd10dc8912a88db4cda0eb2273ff6>

IPA recommends expanded grandfathered list for probiotics

The International Probiotics Association has urged the FDA to expanded the 'grandfathered list' dietary ingredients to include bacterial strains globally recognized as used historically in foods. See <http://www.nutraingredients-usa.com/Regulation/IPA-recommends-expanded-grandfathered-list-for-probiotics>