

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS—DALLAS DIVISION**

GARY ZAGAMI, BRIAN KELLY, AND RICK
PATMORE, on behalf of themselves and all
others similarly situated,

Plaintiffs,

v.

NATURAL HEALTH TRENDS CORP., MARK
D. WOODBURN, TERRY L. LaCORE and
RANDALL A. MASON,

Defendants.

Civil Action No.: 3-06-CV-1654-D

NOTICE OF PENDENCY AND SETTLEMENT OF CLASS ACTION

If you purchased or otherwise acquired the common stock (“Stock”) of Natural Health Trends Corporation (“NHTC”) during the period from April 16, 2002 through and including November 15, 2005 you could get a payment from a class action settlement (the “Settlement”).

Under law, a federal court has authorized this notice.

- If approved by the Court, the settlement will provide \$2,750,000, plus interest (the “Settlement Amount”), to pay claims of investors who purchased NHTC Stock during the period from April 16, 2002 through and including November 15, 2005 (the “Class Period”).
- The Settlement represents an average recovery of \$0.56 per share of NHTC Stock for the 4.9 million shares outstanding *and* available for purchase during the Class Period. All NHTC share price, share amounts, and estimates of per share recovery contained in this Notice reflect NHTC’s March 2003 1 for 100 reverse stock split. This estimate solely reflects average recovery per outstanding share of NHTC Stock. This is not an estimate of the actual recovery per share you should expect. Your actual recovery will depend on the aggregate losses of all Class Members, the date(s) you purchased and sold NHTC Stock and the total number of claims filed.
- Attorneys for the Lead Plaintiffs (“Class Counsel”) intend to ask the Court to award them fees of up to one-third of the Settlement Amount, reimbursement of litigation expenses not to exceed \$75,000, and awards to each of the Lead Plaintiffs not to exceed \$4,500. Collectively, the attorneys’ fees and expenses are estimated to average \$0.19 per share of NHTC Stock. If approved by the Court, these amounts will be paid from the Settlement Fund.
- The approximate recovery, after deduction of attorneys’ fees and expenses approved by the Court, is an average of \$0.37 per share of NHTC Stock. This estimate is based on the assumptions set forth in the preceding paragraph. Your actual recovery, if any, will vary depending on your purchase price and sales price and the number of Proof of Claim forms filed.
- The Settlement resolves the lawsuit concerning whether Defendants violated the federal securities laws by failing to disclose \$2.75 million of related party transactions between NHTC and individual defendants Mark Woodburn (“Woodburn”) and Terry LaCore (“LaCore”). Defendants deny the allegations in the lawsuit and deny any wrongdoing. The Defendants and Lead Plaintiffs disagree on liability and damages.
- Your legal rights will be affected whether you act or do not act. If you do not act, you may permanently forfeit your right to recover on this claim. Therefore, you should read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

SUBMIT A CLAIM FORM NO LATER THAN JUNE 26, 2009.	The only way to get a payment.
EXCLUDE YOURSELF NO LATER THAN JUNE 26, 2009.	Get no payment. This is the only option that allows you to be part of any other lawsuit against Defendants about the legal claims in this case.
OBJECT NO LATER THAN JUNE 26, 2009.	Write to the Court about why you do not like the settlement.
GO TO A HEARING ON JULY 17, 2009 AT 11:00 A.M.	Speak in Court about the fairness of the settlement.
DO NOTHING	Get no payment. Give up rights.

INQUIRIES

Please do not contact the Court regarding this notice. All inquiries concerning this Notice, the Proof of Claim form, or any other questions by Class members should be directed to:

Natural Health Trends Securities Litigation
Claims Administrator
c/o Strategic Claims Services
P.O. Box 230
Media, PA 19063
Tel: (866) 274-4004
www.strategicclaims.net

COMMON QUESTIONS AND ANSWERS CONCERNING THE SETTLEMENT

1. Why did I get this Notice?

You or someone in your family may have acquired NHTC Stock during the Class Period.

2. What is this lawsuit about?

The case is known as *Gary Zagami, et al. v. Natural Health Trends Corp., et al.*, 3-06-CV-1654-D (the “Class Action”), and the Court in charge of the case is the United States District Court for the Northern District of Texas, Dallas Division.

The Class Action involves whether, in violation of federal securities laws, NHTC and three of its principal officers and directors violated the federal securities laws by failing to disclose \$2.75 million of material related party transactions between NHTC and individual defendants Woodburn and LaCore. NHTC, Woodburn, LaCore, and Randall A. Mason (“Mason”) are the Defendants. All Defendants deny they did anything wrong. The Settlement resolves all of the claims in the Class Action.

3. Why is this a class action?

In a class action, one or more persons and/or entities, called Lead Plaintiffs, sue on behalf of all persons and/or entities who have similar claims. All of these persons and/or entities are referred to collectively as a Class, and these individual persons and/or entities are known as Class Members. One court resolves all of the issues for all Class Members, except for those Class Members who exclude themselves from the Class.

4. Why is there a Settlement?

Lead Plaintiffs and Defendants do not agree regarding the merits of Plaintiffs’ allegations with respect to liability or the average amount of damages per share that would be recoverable if Lead Plaintiffs were to prevail at trial on each claim. The issues on which the Lead Plaintiffs and Defendants disagree include: (1) whether Defendants made any materially false and misleading statements; (2) whether Defendants made the statements with the requisite knowledge; (3) whether the statements were the cause of the investors’ alleged damages; and (4) the amount of damages, if any, suffered by investors.

This matter has not gone to trial and the Court has not decided in favor of either Plaintiffs or Defendants. Instead, Plaintiffs and Defendants have agreed to settle the Class Action. The Lead Plaintiffs and Class Counsel believe the settlement is best for all Class Members because of the risks associated with continued litigation and the nature of the defenses raised by the Defendants. Moreover, even if Plaintiffs win at trial, and also withstand Defendants’ inevitable challenge on appeal, Plaintiffs would likely not be able to collect some, or all, of the Judgment.

5. How do I know if I am part of the Class settlement?

To be a Class Member, you must have purchased or otherwise acquired NHTC Stock during the period from April 16, 2002 through and including November 15, 2005, and suffered losses in your investment.

6. Are there exceptions to being included?

Yes. You are not a Class Member if you are a Defendant, an immediate family member of any Defendant, a Defendant’s legal representative, heir, predecessor, successor or assign or any entity in which any Defendant has or had a controlling interest, or any person who has separately filed actions against one or more of the Defendants based in whole or in part on any claim arising out of or relating to any of the acts, omissions, misrepresentations, facts, events, matters, transactions or occurrences referred to in the Class Action. Also, if you exclude yourself from the Class, as described below, you are not a part of the Class.

7. What does the Settlement provide?

a. **What is the Settlement Fund?** The proposed Settlement calls for Defendants to create a Settlement Fund in the amount of \$2,750,000 called the “Gross Settlement Fund,” of which \$2,500,000 has already been deposited into an interest bearing account. The Settlement is subject to Court approval. Also, subject to the Court’s approval, a portion of the Gross Settlement Fund will be used to pay Lead Plaintiffs’ attorneys’ fees and reasonable litigation expenses and any award to Lead Plaintiffs. A portion of the Gross Settlement Fund will also be used to pay taxes due on interest earned by the Gross Settlement Fund, if necessary, and any notice and claims administration expenses permitted by the Court. After the foregoing deductions from the Gross Settlement Fund have been made, the amount remaining (the “Net Settlement Fund”) will be distributed to Class Members who submit valid claims.

b. **What can you expect to receive under the proposed Settlement?** Your share of the Net Settlement Fund will or may depend on: (i) the number of claims filed; (ii) the dates you purchased and sold NHTC Stock; (iii) the prices of your purchases and sales; (iv) the amount of administrative costs, including the costs of notice; and (v) the amount awarded by the Court to Lead Plaintiffs and Class Counsel for attorneys’ fees, costs and expenses.

The compensable loss per share (“Recognized Loss”) for each claimant shall be determined based on the inflation in the share price caused by the alleged fraud at the date of purchase minus the inflation in share price at the date of sale. Inflation in the share price shall be determined by the price paid or received in each transaction multiplied times the inflation percentage applicable to the transaction date. Zero for shares sold prior to October 7, 2005; 27.1% for shares purchased before October 7, 2005 and sold between October 7, 2005 and November 15, 2005; 8.1% for shares purchased after October 7, 2005; and 35.2% for shares purchased before October 7, 2005 and sold on or after November 15, 2005. The inflation percentage is adjusted to reflect that portion of the declines in the share price of Natural Health Trends Corp. that can be explained by identified events that revealed corrective information (October 6, 2005 and November 15, 2005) as determined by an event study by Plaintiffs’ damages expert and as a result of deliberations of Lead Plaintiffs and Class Counsel.

The Recognized Loss of each Authorized Claimant shall be calculated according to the following formula:

1. For Shares purchased during the period April 16, 2002 through and including October 6, 2005, recognized per share loss is calculated as follows:
 - i) For each Share sold on or before October 6, 2005, the Recognized Loss is zero.
 - ii) For each Share sold after October 6, 2005 and prior to November 15, 2005, the Recognized Loss is the purchase price paid, less the sales price, multiplied times 27.1% (the applicable inflation percentage).
 - iii) For each Share sold on or between November 15, 2005 and February 10, 2006, the Recognized Loss shall be the purchase price minus the greater of the sale price or the mean closing share price for each of the trading days from February 10, 2006 to the date of sale, multiplied times 35.2% (the applicable inflation percentage for both news disclosures).
 - iv) For each Share sold or held on or after February 10, 2006, the Recognized Loss shall be the purchase price minus the greater of the sale price or \$10.00, multiplied times 35.2% (the applicable inflation percentage).
2. For Shares purchased during the period October 7, 2005 through and including November 15, 2005, recognized per share loss is calculated as follows:
 - i) For each Share sold before November 15, 2005, the Recognized Loss is zero.
 - ii) For each Share sold on or between November 15, 2005 and February 10, 2006, the Recognized Loss is the purchase price minus the greater of the sale price or the mean closing share price for each of the trading days from February 10, 2006 to the date of sale, multiplied times 8.1% (the applicable inflation percentage).
 - iii) For each Share sold or held on or after February 10, 2006, the Recognized Loss shall be the purchase price minus the greater of the sale price or \$10.00, multiplied times 8.1% (the applicable inflation percentage).

c. **Are there any further limitations on the amount I may receive?**

i) To the extent there are sufficient funds in the Net Settlement Fund, each Class Member with a Recognized Loss that satisfies the requirements approved by the Court (“Authorized Claimant”) will receive an amount equal to the Authorized Claimant’s Recognized Loss described above. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total Recognized Loss of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant’s Recognized Loss bears to the total of the Recognized Losses of all Authorized Claimants.

ii) For Class members who conducted multiple transactions in NHTC Stock during the Class Period, the earliest subsequent sale shall be matched first against those shares in the Claimant's opening position on the first day of the Class Period, and then matched chronologically thereafter against each purchase made during the Class Period.

iii) Transactions during the Class Period resulting in a gain shall be netted against the Class Members transactions resulting in a loss to arrive at the Recognized Loss.

iv) Any Class members whose collective transactions in NHTC Stock during the Class Period resulted in a net gain shall not be entitled to share in the Net Settlement Fund.

v) The purchase and sales prices exclude any brokerage commissions, transfer taxes or other fees.

vi) The covering purchase of a short sale is not an eligible purchase. Gifts and transfers are not eligible purchases.

vii) Shares of stock sold at a loss before October 7, 2005 are not entitled to or allocated any payment from the Net Settlement Fund for any such shares.

8. How can I get a payment?

To qualify for a payment, you must send in a form entitled "Proof of Claim and Release form." This claim form is attached to this Notice. You may also obtain a claim form on the Internet at www.strategicclaims.net. Read the instructions carefully, fill out the form, sign it, and mail the claim form together with all documentation requested in the form, postmarked no later than June 26, 2009, to:

Natural Health Trends Securities Litigation
Claims Administrator
c/o Strategic Claims Services
P.O. Box 230
Media, PA 19063

The Claims Administrator will process your claim and determine whether you are an "Authorized Claimant."

9. What am I giving up to get a payment or stay in the Class?

Unless you exclude yourself, you will remain in the Class. That means that if the Settlement is approved, you and all Class Members will release (agreeing never to sue, continue to sue, or be part of any other lawsuit) all claims against Defendants and all other persons and entities in connection with your acquisition of NHTC Stock during the Class Period. It also means that all of the Court's orders will apply to you and legally bind you. If you sign the claim form, you are agreeing to a "Release of Claims," which will bar you from ever filing a lawsuit against any person or entity to recover losses from the acquisition or sale of NHTC Stock during the Class Period. That means you will accept a share in the Net Settlement Fund as sole compensation for any losses you have suffered in the acquisition and sale of NHTC Stock during the Class Period.

10. How do I get out of the Settlement?

If you do not want to receive a payment from this Settlement, and you want to keep the right to sue or continue to sue Defendants on your own based on the legal claims raised in this Class Action, then you must take steps to get out of the Settlement. This is called excluding yourself from—or "opting out" of—the Settlement. To exclude yourself from the Settlement, you must mail a letter stating you want to be excluded as a Class Member from *Gary Zagami, et al. v. Natural Health Trends Corp., et al.*, 3-06-CV-1654-D. Be sure to include your name, address, telephone number and your signature, along with an accurate list of all of your purchases and sales of NHTC Stock. You must mail your exclusion request, postmarked no later than June 26, 2009, to:

Natural Health Trends Securities Litigation
Claims Administrator
c/o Strategic Claims Services
P.O. Box 230
Media, PA 19063

You cannot exclude yourself by telephone or by e-mail. If you ask to be excluded, you will not receive a settlement payment, and you cannot object to the Settlement. If you ask to be excluded, you will not be legally bound by anything that happens in this Class Action.

11. If I do not exclude myself, can I sue Defendants for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Defendants for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately, since you may have to exclude yourself from this Class to continue your own lawsuit.

12. Do I have a lawyer in this case?

The Court appointed the Rosen Law Firm, P.A. to represent you and the other Class Members. These lawyers are called Lead Plaintiffs' Counsel or Class Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

13. How will the lawyers be paid?

Class Counsel have expended considerable time litigating this action on a contingent fee basis, and have paid for the expenses of the litigation themselves and have not been paid attorneys' fees in advance of this Settlement with the expectation that if they are successful in recovering money for the Class, they will receive attorneys' fees and be reimbursed for their litigation expenses from the Gross Settlement Fund, as is customary in this type of litigation. Class Counsel will not receive attorneys' fees or be reimbursed for their litigation expenses except from the Gross Settlement Fund. Therefore, Class Counsel will file a motion asking the Court at the Fairness Hearing to make an award of attorneys' fees in an amount not to exceed one-third the Settlement amount, for reimbursement of reasonable litigation expenses not to exceed \$75,000, and awards to each of the Lead Plaintiffs in an amount not to exceed \$4,500 per award. The Court may award less than these amounts. Any amounts awarded by the Court will come out of the Gross Settlement Fund.

14. How do I tell the Court that I do not like the Settlement?

You can tell the Court you do not agree with the Settlement, any part of the Settlement, or Class Counsel's motion for attorneys' fees, and that you think the Court should not approve the Settlement, by mailing a letter stating that you object to the Settlement in *Gary Zagami, et al. v. Natural Health Trends Corp., et al.*, 3-06-CV-1654-D. Be sure to include your name, address, telephone number, your signature, a list of your purchases and sales of NHTC Stock in order to show your membership in the Class, and all of the reasons you object to the Settlement. Be sure to mail the objections to the three different places listed below, postmarked no later than June 26, 2009, so the Court will consider your views:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
Clerk of the Court United States District Court Northern District of Texas 1100 Commerce Street Dallas, TX 75242-1310	Laurence M. Rosen, Esq. Phillip Kim, Esq. THE ROSEN LAW FIRM, P.A. 350 Fifth Avenue, Suite 5508 New York, New York 10118	Paul R. Bessette GREENBERG TRAURIG, LLP 600 Congress Avenue, Suite 300 Austin, TX 78701-3911

15. What is the difference between objecting and requesting exclusion?

Objecting is simply telling the Court you do not like something about the Settlement. You can object only if you stay in the Class. Requesting exclusion is telling the Court you do not want to be part of the Class and Settlement. If you exclude yourself, you cannot object to the Settlement because it no longer concerns you.

16. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Fairness Hearing on July 17, 2009, at 11:00 a.m., at the United States District Court for the Northern District of Texas, Dallas Division, 1100 Commerce Street, Dallas, TX 75242-1310. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate and whether to approve the Settlement. If there are objections, the Court will consider them, and the Court will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay Class Counsel for attorneys' fees and expenses.

17. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. However, you are welcome to attend at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mail your written objection on time, the Court will consider it.

18. What happens if I do nothing at all?

If you do nothing, you will not receive a payment from the Settlement. However, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants about the claims made in this case ever again.

DATED: April 6, 2009.

BY ORDER OF THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS,
DALLAS DIVISION

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**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS—DALLAS DIVISION**

GARY ZAGAMI, BRIAN KELLY, AND RICK
PATMORE, on behalf of themselves and all
others similarly situated,

Plaintiffs,

v.

NATURAL HEALTH TRENDS CORP., MARK
D. WOODBURN, TERRY L. LaCORE and
RANDALL A. MASON,

Defendants.

Civil Action No.: 3-06-CV-1654-D

**Natural Health Trends Securities Litigation
Claims Administrator
c/o Strategic Claims Services
P.O. Box 230
Media, PA 19063**

PROOF OF CLAIM AND RELEASE

Deadline for Submission: June 26, 2009

IF YOU PURCHASED SHARES IN NATURAL HEALTH TRENDS CORPORATION (“NHTC”) DURING THE PERIOD FROM APRIL 16, 2002 THROUGH NOVEMBER 15, 2005, INCLUSIVE (THE “CLASS PERIOD”) AND WERE DAMAGED THEREBY, YOU ARE A “CLASS MEMBER” AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT PROCEEDS.

IF YOU ARE A CLASS MEMBER, YOU MUST COMPLETE AND SUBMIT THIS FORM IN ORDER TO BE ELIGIBLE FOR ANY SETTLEMENT BENEFITS.

YOU MUST COMPLETE AND SIGN THIS PROOF OF CLAIM AND RELEASE (“PROOF OF CLAIM”) AND MAIL IT BY FIRST CLASS MAIL, POSTMARKED NO LATER THAN JUNE 26, 2009 TO THE FOLLOWING ADDRESS:

Natural Health Trends Securities Litigation
Claims Administrator
c/o Strategic Claims Services
P.O. Box 230
Media, PA 19063

YOUR FAILURE TO SUBMIT YOUR CLAIM BY JUNE 26, 2009 WILL SUBJECT YOUR CLAIM TO REJECTION AND PRECLUDE YOUR RECEIVING ANY MONEY IN CONNECTION WITH THE SETTLEMENT OF THIS ACTION. DO NOT MAIL OR DELIVER YOUR CLAIM TO THE COURT OR TO ANY OF THE PARTIES OR THEIR COUNSEL AS ANY SUCH CLAIM WILL BE DEEMED NOT TO HAVE BEEN SUBMITTED. SUBMIT YOUR CLAIM ONLY TO THE CLAIMS ADMINISTRATOR.

CLAIMANT’S STATEMENT

1. I (we) purchased common stock in NHTC and was (were) damaged thereby. (Do not submit this Proof of Claim if you did not purchase NHTC common stock during the designated Class Period).
2. By submitting this Proof of Claim, I (we) state that I (we) believe in good faith that I am (we are) a Class Member as defined above and in the Notice of Pendency and Settlement of Class Action (the “Notice”), or am (are) acting for such person(s); that I am (we are) not a Defendant in the Actions or anyone excluded from the Class; that I (we) have read and understand the Notice; that I (we) believe that I am (we are) entitled to receive a share of the Net Settlement Fund; that I (we) elect to participate in the proposed Settlement described in the Notice; and that I (we) have not filed a request for exclusion. If you are acting in a representative capacity on behalf of a Class Member (e.g., as an executor, administrator, trustee, or other representative), you must submit evidence of your current authority to act on behalf of that Class Member. Such evidence would include, for example, letters testamentary, letters of administration, or a copy of the trust documents.

3. I (we) consent to the jurisdiction of the Court with respect to all questions concerning the validity of this Proof of Claim. I (we) understand and agree that my (our) claim may be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to my (our) status as a Class Member(s) and the validity and amount of my (our) claim. No discovery shall be allowed on the merits of the Securities Cases or Settlement in connection with processing of the Proof of Claim.
4. I (we) have set forth where requested below all relevant information with respect to each purchase of NHTC common stock during the Class Period, and each sale, if any, of such securities. I (we) agree to furnish additional information to the Claims Administrator to support this claim if requested to do so.
5. I (we) have enclosed photocopies of the stockbroker's confirmation slips, stockbroker's statements, or other documents evidencing each purchase, sale or retention of NHTC common stock listed below in support of my claim. IF ANY SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN A COPY OR EQUIVALENT DOCUMENTS FROM YOUR BROKER BECAUSE THESE DOCUMENTS ARE NECESSARY TO PROVE AND PROCESS YOUR CLAIM.
6. I (we) understand that the information contained in this Proof of Claim is subject to such verification as the Claims Administrator may request or as the Court may direct, and I (we) agree to cooperate in any such verification. (The information requested herein is designed to provide the minimum amount of information necessary to process most simple claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your recognized claim. In some cases, the Claims Administrator may condition acceptance of the claim based upon the production of additional information, including, where applicable, information concerning transactions in any derivatives securities such as options.)
7. Upon the occurrence of the Effective Date, I (we) agree and acknowledge that my (our) signature(s) hereto shall effect and constitute a full and complete release, remise and discharge by me (us) and my (our) heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, predecessors, successors, attorneys, insurers and assigns (or, if I am (we are) submitting this Proof of Claim on behalf of a corporation, a partnership, estate or one or more other persons, by it, him, her or them, and by its, his, her or their heirs, executors, administrators, predecessors, successors, and assigns) of each of the "Released Parties" of all "Released Claims," as defined in the Notice.
8. NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All Claimants MUST submit a manually signed paper Proof of Claim form listing all their transactions whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at 1-866-274-4004 or visit their website at www.strategicclaims.net to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the Claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

**SCHEDULE OF TRANSACTIONS IN NHTC SECURITIES
NHTC COMMON STOCK TRANSACTIONS**

Beginning Holdings:

A. State the total number of shares of NHTC common stock owned at the close of trading on April 15, 2002, long or short (*must be documented*): _____

Check Here If Documentation Is Enclosed

Purchases:

B. Separately list each and every open market purchase of NHTC common stock during the period from April 16, 2002 through November 15, 2005, inclusive, and provide the following information (*must be documented*):

Trade Date (List Chronologically) (Month/Day/Year)	Number of Shares Purchased	Price	Total Cost (Excluding Commissions, Taxes, and Fees)	Check Here If Documentation Is Enclosed
□□/□□/□□□□	□□□□□□	\$□,□□□□.□□	\$□□,□□□□.□□	<input type="checkbox"/>
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C. Total purchase(s) of NHTC common stock during the period of November 16, 2005 to February 10, 2006, inclusive: _____ (if none, write "none" or "0")

Sales:

D. Separately list each and every sale of NHTC common stock during the period from April 16, 2002 through February 10, 2006, inclusive, and provide the following information (*must be documented*):

Trade Date (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Price	Total Proceeds (Excluding Commissions, Taxes, and Fees)	Check Here If Documentation Is Enclosed
□□/□□/□□□□	□□□□□□	\$□,□□□□.□□	\$□□,□□□□.□□	<input type="checkbox"/>
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□□/□□/□□□□	□□□□□□	\$□,□□□□.□□	\$□□,□□□□.□□	<input type="checkbox"/>

Ending Holdings:

E. State the total number of shares of NHTC common stock owned at the close of trading on February 10, 2006, long or short (*must be documented*): _____

Check Here If Documentation Is Enclosed

If additional space is needed, attach separate, numbered sheets, giving all required information, substantially in the same format, and print your name and Social Security or Taxpayer Identification number at the top of each sheet.

SUBSTITUTE FORM W-9

Request for Taxpayer Identification Number ("TIN") and Certification:

Enter taxpayer identification number below for the Beneficial Owner(s). For most individuals, this is your Social Security Number. The Internal Revenue Service ("I.R.S.") requires such taxpayer identification number. If you fail to provide this information, your claim may be rejected.

Social Security Number: -- OR Employer Identification Number: -
(for individuals) (for estates, trusts, corporations, etc.)

Certification

I (We) certify that I am (we are) NOT subject to backup withholding under the provisions of Section 3406 (a)(1)(c) of the Internal Revenue Code because: (a) I am (We are) exempt from backup withholding, or (b) I (We) have not been notified by the I.R.S. that I am (we are) subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the I.R.S. has notified me (us) that I am (we are) no longer subject to backup withholding.

NOTE: If you have been notified by the I.R.S. that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above.

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

Signature of Claimant (If this claim is being made on behalf of Joint Claimants, then each must sign)

(Signature)

(Signature)

(Capacity of person(s) signing, e.g. beneficial purchaser(s), executor, administrator, trustee, etc.)
Check here if proof of authority to file is enclosed.
(See Item 2 on Page 2 for instructions)

Date: _____

THIS PROOF OF CLAIM MUST BE SUBMITTED NO LATER THAN JUNE 26, 2009, AND MUST BE MAILED TO:

**Natural Health Trends Securities Litigation
Claims Administrator
c/o Strategic Claims Services
P.O. Box 230
Media, PA 19063**

A Proof of Claim received by the Claims Administrator shall be deemed to have been submitted when posted, if mailed by June 26, 2009 and if a postmark is indicated on the envelope and it is mailed first class, and addressed in accordance with the above instructions. In all other cases, a Proof of Claim shall be deemed to have been submitted when actually received by the Claims Administrator.

You should be aware that it will take a significant amount of time to process fully all of the Proofs of Claim and to administer the Settlement. This work will be completed as promptly as time permits, given the need to investigate and tabulate each Proof of Claim. Please notify the Claims Administrator of any change of address.

Natural Health Trends Securities Litigation
c/o Strategic Claims Services
Claims Administrator
P.O. Box 230
Media, PA 19063

FIRST CLASS MAIL
U.S. POSTAGE
PAID
PERMIT NO. 138
PHILADELPHIA, PA

FIRST CLASS MAIL

PLEASE FORWARD—IMPORTANT LEGAL NOTICE

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

Reminder Checklist:

1. Please be sure to sign the Proof of Claim on page 11. If the Proof of Claim is submitted on behalf of joint claimants, then both claimants must sign.
2. Please remember to attach supporting documents. Do **NOT** send any stock certificates. Keep copies of everything you submit.
3. Do **NOT** use highlighter on the Proof of Claim or any supporting documents.
4. Keep a copy of your claim form for your records.
5. If you move after submitting this Proof of Claim, please notify the Claims Administrator of the change in your address.

NOTE: RECEIPT ACKNOWLEDGMENT NEEDED

The Claims Administrator will send a written confirmation of its receipt of your Proof of Claim. Do not assume your claim is submitted until you receive written confirmation of its receipt. Your claim is not deemed fully filed until the Claims Administrator sends you written confirmation of its receipt of your Proof of Claim. If you do not receive an acknowledgement postcard within thirty (30) days of your mailing the Proof of Claim, then please call the Claims Administrator toll free at 1-866-274-4004.