UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

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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): AUGUST 7, 2017

000-15701

(Commission file number)

NATURAL ALTERNATIVES INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

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

Delaware (State of incorporation)

84-1007839 (IRS Employer Identification No.)

1535 Faraday Avenue Carlsbad, California 92008 (Address of principal executive offices)

(760) 744-7340 (Registrant's telephone number)

provisions:
□ 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 240.14a-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 240.13e-4(c))
Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.
Emerging growth company \square
If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. \square

Item 1.01 Entry into a Material Definitive Agreement.

On August 7, 2017, Natural Alternatives International, Inc. ("NAI") and its wholly owned subsidiary Natural Alternatives International, Europe S.A. entered into three agreements ("Agreements"), with The Juice Plus+ Company LLC ("Juice Plus+"). The Agreements are an Exclusive Manufacturing Agreement, a Restricted Stock Award Agreement, and an Irrevocable Proxy. Pursuant to the Exclusive Manufacturing Agreement Juice Plus+ has granted NAI exclusive rights to manufacture and supply Juice Plus+ with certain Juice Plus+ products within 24 countries that Juice Plus+ currently sells those products. Pursuant to the Restricted Stock Award Agreement, NAI has agreed to grant 500,000 shares of NAI common stock to Juice Plus+, (the "Shares"), and Juice Plus+ has agreed the Shares are subject to certain restrictions and risk of forfeiture. Pursuant to the Irrevocable Proxy, Juice Plus+ has granted to the NAI Board of Directors Juice Plus+'s right to vote the Shares as long as they are subject to the associated risk of forfeiture. The Agreements are for a term of 5 years, and may be terminated by either party only on the occurrence of specified events. A copy of the Agreements are attached hereto as Exhibits 10.45, and 10.46, and are incorporated herein.

Item 3.02 Unregistered Sales of Equity Securities.

Pursuant to the Restricted Stock Award Agreement NAI will issue 500,000 unregistered shares of its Common Stock to Juice Plus+. The Shares, and any dividends that may be paid on the Shares are subject to forfeiture in the event the Exclusive Manufacturing Agreement is terminated by NAI for cause or by Juice Plus+ without cause. The restrictions and risks of forfeiture lapse as to 100,000 of the Shares on each August 7th commencing August 7, 2018.

Item 7.01. Regulation FD Disclosure.

On August 11, 2017, the registrant issued a press release announcing its entering into the Agreements. A copy of this press release is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

The following Exhibits are filed with this Report.

Exhibit Number

10.45	Exclusive Manufacturing Agreement
10.46	Restricted Stock Award Agreement and Irrevocable Proxy
99.1	Press release of the registrant dated August 11, 2017.

SIGNATURES

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

Natural Alternatives International, Inc.

Date: August 11, 2017

By: /s/ Kenneth E. Wolf

Kenneth E. Wolf

President

EXCLUSIVE MANUFACTURING AGREEMENT

THIS EXCLUSIVE MANUFACTURING AGREEMENT (the "Agreement") is entered into effective as of this 7th day of August, 2017 (the "Effective Date"), by and between THE JUICE PLUS+ COMPANY, LLC (formerly known as NSA, Inc. or NSA, LLC), a Tennessee limited liability company having a place of business at 140 Crescent Drive, Collierville, Tennessee 38017 ("Juice Plus+"), NATURAL ALTERNATIVES INTERNATIONAL EUROPE LTD./SA/AG, a Swiss corporation ("NAIE") having a place of business at Centro Galleria 1, Via Cantonale, 6928 Manno, Switzerland, and NATURAL ALTERNATIVES INTERNATIONAL, INC., a Delaware corporation ("NAI") having a place of business at 1535 Faraday Avenue, Carlsbad, CA 92008 (NAIE and NAI collectively referred to herein as "Seller") (each a "Party," and collectively the "Parties").

WHEREAS, Seller contract manufactures customized nutritional supplements and related products on behalf of nutrition companies;

WHEREAS, Juice Plus+ is the owner and/or exclusive licensee of the specifications and formulations of certain nutritional products currently marketed under the trademark Juice Plus+®; and

WHEREAS, Juice Plus+ and Seller desire for Seller to be the exclusive manufacturer and supplier of such nutritional products for and on behalf of Juice Plus+ for resale in the Territory (as hereinafter defined) through Juice Plus+'s Third Party distributors and licensees;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

- 1. <u>Definitions</u>. The following terms shall have the following meanings as used in this Agreement:
- 1.1 "Affiliate" shall mean, except as provided below, an entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with a Party.
- 1.2 "Applicable Law" shall mean all laws, rules, regulations and requirements applicable to the Production of any Product, including but not limited to laws of the United States when the Product is designated by Juice Plus+ to be distributed in the United States, and the applicable laws of other countries or jurisdictions when the Product is designated by Juice Plus+ to be distributed in those jurisdictions. When they are applicable the Applicable Law of the United States shall include the U.S. Federal Food, Drug and Cosmetic Act of 1938, as amended (the "FDCA"), the rules and regulations promulgated thereunder, and all current good manufacturing practices which may be applicable to a Product, including but not limited to those promulgated by the U.S. Food and Drug Administration (the "FDA").

- 1.3 "Business Day" shall mean Monday through Friday, inclusive, during posted business hours, except for national or other holidays in the applicable country or jurisdiction in the Territory.
- 1.4 "Commercially Reasonable Efforts" shall mean, with respect to a Seller's obligations under this Agreement to Produce and supply Juice Plus+ with Products, the level of efforts required to carry out such obligations in a sustained manner consistent with the efforts a high quality nutritional products contract manufacturer would devote to a similar obligation, based on conditions then prevailing.
- 1.5 **"Competing Products"** shall mean whole food based nutrition products containing blended fruit, berry and/or vegetable juice powders and which are substantially similar to the Products.
- 1.6 "Confidential Information" shall mean all techniques and data specifically relating to development, use or sale of Products, including, but not limited to inventions, practices, methods, knowledge, know-how, skill, experience, test data including analytical and quality control data, nutritional data, regulatory submissions, correspondence and communications, marketing, pricing, distribution, cost, sales, patent and legal data or descriptions, and compositions of matter, assays, formulations and Standards relating to development, use or sale of Products, as well as all other non-public information pertaining to Juice Plus+, its products, and its business, customers, suppliers and distributors, all of which is proprietary to and a trade secret of Juice Plus+ except for any portion of such information or materials which (i) is publicly disclosed by Juice Plus+, either before or after it becomes known to Seller; (ii) was known to Seller, without obligation to keep it confidential, prior to when it was received from Juice Plus+; (iii) is subsequently disclosed to Seller by a Third Party lawfully in possession thereof without obligation to keep it confidential; (iv) has been publicly disclosed other than by Seller and without breach of an obligation of confidentiality with respect thereto; or (v) has been independently developed by Seller without the aid, application or use of Confidential Information, as demonstrated by competent written evidence.
- 1.7 "**Control**" shall mean possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Party, whether through the ownership of voting securities, the ownership of all or substantially all assets, by contract, or otherwise.
- 1.8 "Enforcement Action" shall mean any action taken by any government agency against Seller or any Product manufactured by Seller for Juice Plus+ under this Agreement which involves (i) the seizure or recall of Product as a result of a failure by Seller to Produce the Product in accordance with the Standards, (ii) an instruction to cease Producing any Product due to the failure by Seller to Produce the Product in accordance with the Standards, or (iii) a fine relating to purported violations of any Applicable Law governing the Production of any Product based upon a failure by Seller to Produce the Product in accordance with the Standards.
- 1.9 **"Forecast"** means, with respect to any period, a good faith projection or estimate by Juice Plus+ of its requirements for Products during each month of the period.

- 1.10 "Master Distributor" shall mean Juice Plus+'s Third Party independent distributors and international licensees as such may be designated in any Purchase Order.
- 1.11 **"Produce"** and **"Production"** shall mean the manufacture, testing, packaging, storage, labeling, shipment, and delivery of Products to Juice Plus+.
- 1.12 **"Products**" shall mean the Juice Plus+ nutritional products listed on the attached <u>Exhibit A</u> and any New Products added to this Agreement as set forth in Section 14, and any modification or addition thereto set forth in a subsequent written memorandum signed by the Parties which expressly refers to and adds such product to be included in this Agreement (each a "**Product**").
- 1.13 "Purchase Order" shall mean a purchase order executed by an officer of Juice Plus+ or their written designee and issued by Juice Plus+ to Seller hereunder, which may, among other things, specify items such as: (a) the Product(s) to be purchased, (b) the quantity of each Product ordered; (c) the delivery date; (d) the unit price for each Product to be purchased; and (e) the billing address; and (f) any special or unusual terms and conditions of the Purchase Order.
- 1.14 "**Standards**" shall mean the detailed formulations and specifications for the Production of each Product, including the ingredients, manufacturing, testing, packaging, labeling, storage and quality standards (including, but not limited to, a Quality Agreement) for each Product, as shall be provided by Juice Plus+ to Seller and agreed to in writing by Seller, as such Standards may be amended by any subsequent written memorandums signed by the Parties expressly referring to this Agreement.
- 1.15 "**Territory**" shall mean the countries and/or regions listed on <u>Exhibit B</u>, and any additional countries and/or regions as may be mutually agreed upon by the Parties in any subsequent written memorandums signed by the Parties which expressly refer to this Agreement.
 - 1.16 "Term" shall mean the term of this Agreement as defined in Section 13.
 - 1.17 **"Third Party"** shall mean any person or entity other than Juice Plus+ or Seller or an Affiliate of either of them.
- Manufacture and Supply. Subject to the terms and conditions of this Agreement, Seller shall be the exclusive manufacturer and supplier to Juice Plus+ of Products for distribution in the Territory. During the Term, Juice Plus+ shall purchase exclusively from Seller, and Seller agrees to Produce for Juice Plus+, all of Juice Plus+'s requirements for the Products in the Territory in accordance with and subject to the provisions of this Agreement. The Parties acknowledge and agree that the payment and/or fulfillment after the Effective Date of any purchase order for Products issued by Juice Plus+ to a Third Party supplier prior to the Effective Date shall not constitute a breach of Juice Plus+'s obligation hereunder to exclusively purchase Products from Seller. In addition, the Parties agree that notwithstanding anything else to the contrary stated herein, Juice Plus+ may purchase Products from a Third Party manufacturer from time to time during the Term for sale in the Territory; provided, however, that such purchases from Third Party manufacturers shall not exceed two and one-half percent (2.5%) of Juice Plus+'s requirements for the Products in the Territory during the prior twelve (12) month period, and provided Juice Plus+ provides a certification to Seller signed by the Chief Executive Officer of Juice Plus+ within thirty (30) days following the end of the twelve month period certifying to Seller the Third Party manufacturer(s) used, the Products purchased from each Third Party manufacturer, the quantity of each Product purchased from each Third Party manufacturer, and the country(ies) each Product(s) are distributed into, for all Products purchased from any Third Party manufacturer during the twelve (12) month period.

- 2.1 <u>Compliance with Applicable Law, Warranties, and Standards</u>. Seller shall Produce the Products in accordance with Applicable Law, the warranties contained in <u>Section 6</u>, and the Standards. Seller shall conduct in-process inspections, final inspections and perform quality assurance testing to ensure that all Products are Produced in compliance with the Standards. Seller shall not make any changes to or otherwise deviate from the Standards without the express prior written consent of Juice Plus+. To insure compliance with this Agreement, Seller shall retain a consumer unit sample of each batch and lot of Products Produced by Seller for a period of five (5) years from the Production date of each Product.
- 2.2 **Parts, Labor and Materials.** Seller shall provide all parts, labor, and materials necessary to perform Seller's obligations under the terms of this Agreement. Except as otherwise approved in writing by Juice Plus+ Seller shall maintain an inventory of raw materials used in the Production of the Products, and begin the manufacturing process, both as necessary to meet Juice Plus+'s forecast of anticipated monthly Purchase Orders (as set forth in Section 5). Seller shall maintain such inventory on a FIFO basis.
- Inspection Rights. All Products shall be subject to inspection by Juice Plus+. Seller shall provide and maintain an inspection procedure and quality assurance program for the Products and their Production processes. All inspection records maintained by Seller shall be made available to Juice Plus+, at a reasonable time, upon request. Juice Plus+ or its representatives may review Seller's performance of the work under this Agreement including development, formulation, Production and testing of the Products, the design of the manufacturing process used to Produce them, and their operation. To review the work, Juice Plus+ or its representatives may visit the sites where Seller and/or Seller's subcontractors and agents perform the process, or Juice Plus+ or its representatives may review all documentation related to Seller's performance of the work hereunder. Juice Plus+ may review such documentation at Seller's site or request Seller to provide copies for review, and Seller shall provide such copies if so requested. When Juice Plus+ elects to inspect a site, it shall visit the site(s) during normal business hours and shall have access to documentation, both following reasonable notice to Seller.
- 2.4 **Quality Control and Product Information.** Upon receipt of a request from Juice Plus+ for information relating to formulation, sources of ingredients, suppliers, subcontractors or other information relating to the Products, Seller shall, as soon as reasonably possible (but, in any event, not to exceed fourteen (14) days), provide all requested information and cooperate fully and to the extent reasonably requested by Juice Plus+.

- 2.5 **Packaging and Labeling.** Seller shall label and package the Products in accordance with the Standards. Upon request, Seller shall consult with Juice Plus+ regarding labeling, and Seller shall submit sample labeling to Juice Plus+ for approval. All Product labeling must be approved in writing by Juice Plus+ before labels are applied to Products. Additional costs incurred as a result of future modifications to the packaging of the Products requested by Juice Plus+ shall be paid by Juice Plus+, provided Seller provides an accounting of those additional costs to Juice Plus+'s satisfaction. Seller shall be responsible for procurement of materials, any testing required and obtaining Juice Plus+'s approval of all packaging.
- 2.6 <u>Subcontractors and Suppliers.</u> Seller currently utilizes certain subcontractors and suppliers set forth in the Standards or specified by Juice Plus+ in a subsequent written memorandum signed by the Parties and expressly referring to this Agreement, which are approved by Juice Plus+ for Seller to use to perform its obligations hereunder ("Approved Contractors"). Seller shall not utilize any subcontractors or suppliers other than the Approved Contractors in the manufacturing process, without obtaining the prior written consent of Juice Plus+. Seller shall not be required to obtain the consent of Juice Plus+ before changing subcontractors or suppliers involved solely in the labeling of Product.
- Batch, Lot, and Identification Codes. Each Product manufactured by Seller under this Agreement shall be identified by a lot number that is linked to the manufacturing Batch Number of the Product and location, time and shift of final packaging. The term "Batch Number" shall mean a number which is assigned to a single production run of a Product manufactured by Seller. The size of a standard production run of each Product shall be set forth in the Standards or specified by Juice Plus+ in a subsequent written memorandum signed by the Parties and expressly referring to this Agreement. In addition, Seller shall place such additional identification codes/numbers on all consumer and/or shipping packaging as are set forth on a written memorandum signed by the Parties and expressly referring to this Agreement.
- 2.8 <u>Certificates of Analysis</u>. Seller shall ensure that an appropriate certificate of analysis accompanies each shipment of Products delivered to Juice Plus+. The certificate shall, at a minimum, provide an analysis of the Products contained in the shipment, as well as the input amounts of all components of the Products with label claims, and the results of all assays performed) and the bar-coded information in the form set forth in the Standards. Juice Plus+ shall have the right to reject any shipment of Products if such shipment is received by Juice Plus+ without a certificate of analysis. Seller shall also maintain certificates of analysis from all suppliers of materials blended into the Products, and insure that these conform to the Standards.
- 2.9 **Expiration Date.** Each Product Produced by Seller under this Agreement shall display an expiration date consisting of month and year. Unless otherwise set forth in the Standards, no Product shall have a stated shelf life more than two (2) years.
- 2.10 <u>Certifications and Good Manufacturing Practices</u>. Seller shall maintain all manufacturing certifications necessary to permit Seller to Produce Product for Juice Plus+ in compliance with Applicable Law.

- 2.11 **Consideration for Exclusivity.** As a condition for the exclusivity granted to Seller by Juice Plus+ herein, Seller shall issue restricted common stock of NAI to Juice Plus+ pursuant to the terms of the Restricted Stock Award Agreement, a copy of which is attached hereto as Exhibit D provided Juice Plus+ concurrently therewith enters into an irrevocable proxy granting the NAI Board of Directors the right to vote the restricted shares as set forth in the Irrevocable Proxy set forth in Exhibit D.
- 3. **Purchase Price and Purchase Price Adjustments.** The purchase price to be paid by Juice Plus+ for each Product shall be listed in written memoranda signed by the Parties expressly referring to this Agreement. Seller agrees to take Commercially Reasonable Efforts to maintain Product production costs at levels consistent with or below such costs as of the date of this Agreement.

In the event that Seller's costs relating specifically to the production of the Products increase or decrease materially as a result of changes in material costs, Seller shall provide Juice Plus+ documentation evidencing such cost changes in a form reasonably satisfactory to Juice Plus+. For purposes of this Section 3, Product production costs shall be delivered by Seller to Juice Plus+ and examined quarterly, with the first such examination to occur on the first business day following the date three months after the Effective Date. Upon Juice Plus+'s reasonable satisfaction and confirmation of the changes in Product production related costs, the increased or decreased costs shall be reflected in a corresponding change in the purchase price of the Products paid by Juice Plus+ to Seller on a per Product basis and shall be reflected in a subsequent written memorandum signed by the Parties expressly referring to this Agreement. Any increase or decrease in purchase price shall become effective ninety (90) days after such increase or decrease is determined by Juice Plus+ and Seller. In the event Juice Plus+ identifies and secures a reduction in the cost of materials included in a Product, the price paid for the Product or Products impacted by such a reduction in material cost shall be adjusted by an amount equal to the cost of materials saving and the adjusted price shall apply to all subsequent shipments of such Product or Products which include the lower cost material.

In addition, beginning in the fourth year of the Term of this Agreement, and no more often than annually thereafter, in the event that Seller's costs relating specifically to the production of the Products increase materially as a result of changes in labor costs included in the price paid by Juice Plus+ for any Product during the prior period since the last such price adjustment if any, but in no event greater than the increase for that period in the Consumer Price Index for the location of the labor, Seller shall provide Juice Plus+ documentation evidencing such cost increase in a form reasonably satisfactory to Juice Plus+. Following Juice Plus+ approval which shall not be unreasonably withheld, conditioned or delayed, such change shall constitute an increase in the price paid by Juice Plus+ for that Product equal to the increase in the cost of labor incurred by Seller in the preceding period, but in no event greater than the increase for that period in the Consumer Price Index for the location of the labor, and the increased price shall apply to all subsequent shipments of that Product.

In the event Seller though its own initiative identifies and secures a reduction in the cost of materials included in a Product by taking some action itself (other than simply market rate change in material cost) (such as but not limited to Seller locating an alternate Approved Contractor for Juice Plus+ consideration and approval, or Seller offering to purchase fixed or minimum quantities at no risk to Juice Plus+, or Seller offering to fix purchase prices for a set period at no risk to Juice Plus+, or any other cost of material reduction initiative initiated by Seller), then Seller shall provide Juice Plus+ documentation evidencing such cost of material reduction initiative in a form reasonably satisfactory to Juice Plus+, and, following Juice Plus+ approval which shall not be unreasonably withheld, conditioned or delayed, and the implementation of the cost saving initiative by Seller, the price paid for the Product or Products impacted by a reduction in material cost obtained in this fashion by Seller, shall be adjusted equal to fifty percent (50%) of the cost of materials saving and the adjusted price shall apply to all subsequent shipments of that Product or Products.

Anytime there is a change in the Standards for any Product the parties shall meet and confer, modify the applicable pricing memorandum, and sign a revised memorandum for that Product expressly referring to this Agreement and including a modification to the price paid by Juice Plus+ for that Product equal to the change in cost of Production of that Product resulting from the change in Standards. A change in a supplier or subcontractor or the nature or source of an included material required by Juice Plus+ or Applicable Law, or any change in manufacturing process required by Juice Plus+ or Applicable Law, shall constitute a change in the Standards for that Product pursuant to this Agreement.

4. <u>Payment Terms</u>. Seller shall submit invoices to Juice Plus+ via email or other satisfactory electronic transmission upon each shipment of Products. Payment in full shall be due from Juice Plus+ within thirty (30) days of the date of the invoice. Unless otherwise agreed in writing by the parties, invoices submitted by NAIE shall be paid in Euros, and invoices submitted by NAI shall be paid in United States Dollars. Juice Plus+ shall receive a two percent (2%) discount for payments made on or before the tenth (10th) day after the date of the invoice. All payments shall be made via wire transfer pursuant to wire instructions provided to Juice Plus+ by Seller. Juice Plus+'s payment of each invoice shall be subject to its rights under <u>Section 9</u> of this Agreement.

5. **Ordering Procedures.**

Purchase Orders. Seller's authorization to perform work under this Agreement will be given by Juice Plus+ in the form of a Purchase Order. Except as otherwise set forth herein Juice Plus+ will not pay Seller for Products or charges for Products unless the Products are Produced, and the charges were incurred, to fill an authorized Purchase Order previously submitted to Seller by Juice Plus+. A Purchase Order is the authorization by Juice Plus+ to order materials, allocate labor or equipment, or enter into any other commitments for the Production of the Products. Juice Plus+ shall issue Purchase Orders for delivery of Products at Juice Plus+'s discretion. Within 48 hours of receipt of a Purchase Order, Seller shall send Juice Plus+ written confirmation of such receipt and shall confirm the delivery date for such Products. Except as otherwise set forth herein or agreed to in writing by the parties, Juice Plus+ shall not be responsible for work performed, material purchased or other commitments or expenses incurred by Seller other than as stated in a Purchase Order provided by Juice Plus+.

- 5.2 **Forecasts**. In order to assist Seller to most efficiently fulfill Purchase Orders, on the last business day of each month during the Term, Juice Plus+ shall provide Seller a good faith rolling forecast of Juice Plus+'s anticipated monthly Purchase Orders to be issued to Seller for the next twelve (12) month period, broken down by Product. Such forecasts shall in no way obligate Juice Plus+ to issue Purchase Orders based thereon, or except as otherwise set forth herein create responsibility for any charges incurred by Seller unless and until Juice Plus+ issues an authorized Purchase Order.
 - 6. **Representations, Warranties and Covenants.** The Parties hereby expressly represent, warrant, and covenant to each other as follows:
- 6.1 <u>Manufacturing</u>. Seller represents and warrants to Juice Plus+ that all Produced hereunder: (i) shall be Produced in conformance with the Standards; (ii) shall be of merchantable quality, in conformance with Acceptable Quality Levels ("AQL") for defects as set forth in the Standards, and shall not be adulterated, (ii) shall be manufactured, packaged, and labeled in conformity with Applicable Law, (iii) shall be delivered free and clear of all liens, security interests, and/or encumbrances of any type or nature, and (iv) will have a shelf life equal to or in excess of the shelf life specified in the Standards.
- 6.2 **Legal Requirements.** Should the requirements of any Applicable Law specify requirements that are different than those contained in the Standards, Juice Plus+ will modify the Standards to comply with Applicable Law. Seller shall not change any Standards without the prior written consent of Juice Plus+. In the event, any Party becomes aware of facts that indicate a Product produced in accordance with the Standards would not comply with Applicable Law they shall notify the other Parties in writing. In the event Seller and Juice Plus+ fail to agree on any modification that Seller deems is required for the Standards for any Product to comply with all Applicable Law, Seller shall not be obligated to manufacture any Product in accordance with any Standard that Seller deems to be non-conforming, and the Parties shall negotiate in good faith to resolve the issue.
- 6.3 **Labeling.** Juice Plus+ shall ensure the Standards for packaging, labeling, and Products shall be, to the extent required, approved by the appropriate regulatory agencies in each jurisdiction in which the Products are to be sold. Seller shall ensure no Product contained in any shipment now or hereafter made to Juice Plus+ by Seller will, at the time of such shipment or delivery, be adulterated, mislabeled, misbranded or otherwise not in conformance with the Standards.
- 6.4 **Continuing Effect.** The representations, warranties, and covenants contained herein shall be continuing representations, warranties, and covenants and shall be binding upon the Parties with respect to all Products.
- **Delivery of Products.** All Products are delivered FOB Seller's manufacturing facilities, or Approved Contractors. Currently Seller's manufacturing facilities are in Vista, California, and Manno, Switzerland. Upon notice provided by Seller and in conformance with the applicable Purchase Order Juice Plus+ shall, or shall have its agents, pick up all completed Products from Seller's or Approved Contractors manufacturing facilities and deliver Products in an appropriate manner and with due care to the location instructed by Juice Plus+. It is the responsibility of Seller to schedule production and time for delivery (FOB Seller's manufacturing facility) of all Products ordered under this Agreement in compliance with the terms set forth in the applicable Purchase Order. Seller's delivery of 95%-105% of the quantity set forth in any Purchase Order shall constitute compliance with the applicable Purchase Order. In the event Seller becomes unable to or fails to produce and deliver Juice Plus+'s requirements for the Products in the Territory in accordance with the provisions of this Agreement, Juice Plus+ may, in addition to any other rights it has pursuant to the terms of this Agreement, and without any liability to Seller, have sufficient Products manufactured and delivered by a Third Party manufacturer in accordance with the same Standards to the extent required to fulfill Juice Plus+'s requirements for the Products that Seller is unable or fails to produce and deliver.

8. <u>Title, Insurance and Risk of Loss.</u> The title to, obligation to insure and risk of loss of the Products shall pass to Juice Plus+ at Seller's manufacturing facility upon Seller's transfer of such Products to Juice Plus+'s designated shipper.

9. <u>Acceptance and Rejections</u>.

- Timing. Seller shall provide and maintain an inspection procedure and quality assurance program for the Products and their Production. All inspection records maintained by Seller shall be made available to Juice Plus+, at a reasonable time, upon written request. Juice Plus+ shall have thirty (30) business days from the date of delivery to Juice Plus+ to inspect and test all Products, and may refuse to accept Products which do not conform to the Standards or the requirements of this Agreement. All Products shall be subject to preliminary and final inspection by Juice Plus+. If Juice Plus+ has not timely notified Seller of rejection, then the Products shall be deemed to have been accepted by Juice Plus+. The act of payment for Products shall not of itself signify acceptance. As Juice Plus+ is purchasing the Products for sale to a Third Party, Juice Plus+ shall have a period of thirty (30) days from final delivery of the Products to such Third Party to accept or reject the Products; provided, however, that any such rejection must occur prior to the expiration date set forth on the Products.
- Replacement and Costs. If Juice Plus+ rejects any Products for failure to be in conformance with the Standards or any other requirement of this Agreement, Seller shall replace such rejected Products or refund any monies paid for any Products that fail to meet the Standards or other requirements set forth in this Agreement. Juice Plus+ shall have the right to reject any Products delivered to Juice Plus+ which are not accompanied by or preceded by a certificate of analysis, as required in Section 2.8. If any Products are returned to Seller for a suspected breach of warranty, Seller shall bear the shipping costs of returning the Products to Seller. If the returned Products are in breach of any of Seller's warranties, then Seller shall pay the costs of shipping replacement Products back to the Juice Plus+ warehouse specified in the original Purchase Order for the allegedly defective Products. If the returned Product(s) are not in breach of Seller's warranties, Juice Plus+ shall be responsible for the cost of shipping the returned Products back to the Juice Plus+ warehouse specified in the Purchase Order, and Juice Plus+ shall reimburse Seller for expenses incurred by Seller in shipping the Products back to Seller. These rights are in addition to and shall not be construed as a limitation upon the Warranties given by the Parties to each other in Section 6 of this Agreement.

10. **Confidential Information.**

- 10.1 <u>Seller's Access to Confidential Information</u>. Seller agrees and acknowledges that as a result of this Agreement, Seller may receive and have access to Confidential Information of Juice Plus+. Seller covenants and warrants to Juice Plus+ that Seller shall not use the Confidential Information for any purpose other than the fulfillment of Seller's obligations under this Agreement, and Seller shall hold Confidential Information in strict confidence except to the extent: (i) required by law, (ii) to protect its interests in any dispute or litigation, or (iii) as may be necessary to perform its obligations under this Agreement. Seller's obligations of confidentiality and non-use of Confidential Information under this Section shall survive any termination or expiration of this Agreement.
- Injunctive Relief. Seller hereby acknowledges and agrees that breach of the covenants contained in Section 10 will cause irreparable harm to Juice Plus+. Notwithstanding any other provision of this Agreement, Juice Plus+ may enforce the above-described covenants and warranties by injunction, both preliminary and permanent, it being agreed that the posting of an injunction bond of no more than \$5,000 shall be sufficient to indemnify Seller against costs or damages which might be incurred by virtue of any temporary injunction. Nothing herein shall be construed to prohibit Juice Plus+ from pursuing any other legal or equitable remedy available to Juice Plus+ due to any breach by Seller of the provisions of this Section.
- 11. <u>Standards Warranty</u>. Juice Plus+ hereby warrants it is the owner or exclusive licensee of the formulations and Standards for the Products that are the subject of this Agreement and that Juice Plus+ has the right to manufacture or have manufactured such Products in conformance with the Standards, and Seller acknowledges these rights of Juice Plus+.

12. <u>Intellectual Property</u>.

- Ownership. Seller hereby acknowledges Juice Plus+'s exclusive ownership of the trademarks listed on Exhibit C attached hereto and hereby incorporated herein, and all other trademarks of Juice Plus+ (collectively, the "Juice Plus+ Marks"), and any patents embodied in the Products and agrees to refrain from taking any action, during or after the Term, which could adversely affect the validity or enforceability of the Juice Plus+ Marks and any patents embodied in the Products, including by modifying or obliterating any trademark or patent markings on the Products as sold. This Agreement shall not give Seller any right to use the Juice Plus+ Marks, or any patents or other intellectual property of Juice Plus+, except as specifically authorized in this Agreement or in writing by Juice Plus+.
- 12.2 <u>License Grant</u>. Juice Plus+ hereby grants to Seller, during the Term, a non-exclusive license to use the Juice Plus+ Marks and other intellectual property of Juice Plus+ as may be reasonably necessary for Seller to Produce Products for Juice Plus+ pursuant to the terms and conditions of this Agreement.
- 12.3 <u>Improvements</u>. Any and all improvements, modifications, inventions or discoveries by Seller or its employees relating to the Products and formulations thereof shall be the sole and exclusive property of Juice Plus+, and Seller hereby agrees to assign all such improvements, modifications, inventions or discoveries to Juice Plus+.

Post-Termination. Promptly following the termination or expiration of this Agreement for any reason, Seller shall immediately discontinue all use of the Juice Plus+ Marks and all other intellectual property of Juice Plus+, and remove or dispose of all signs and other indicia relating to the Juice Plus+ Marks as Juice Plus+ shall direct. Seller shall not register any trademarks identical with or similar to the Juice Plus+ Marks. All use of the Juice Plus+ Marks by Seller in connection with this Agreement shall be subject to Juice Plus+'s control and shall inure to the benefit of Juice Plus+. Seller's obligations under this Section 12 shall survive any termination or expiration of this Agreement.

13. <u>Term and Termination</u>.

- 13.1 <u>Term</u>. Unless earlier terminated pursuant to this <u>Section 13</u>, the term of this Agreement shall commence on the Effective Date and be for an initial period of five (5) years (the "**Term**").
- 13.2 **Termination by Either Party**. This Agreement may be terminated (a) by the mutual written agreement of the Parties; (b) immediately upon written notice by either Party if the other Party (i) becomes insolvent or has a petition in bankruptcy, reorganization or similar action filed by or against it; (ii) is dissolved or liquidated or has a petition for voluntary dissolution or liquidation filed with respect to it; (iii) has all or a substantial portion of its capital stock or assets expropriated or attached by any government entity; or (iv) is subject to property attachment, court injunction, or court order materially and adversely affecting its ability to perform its obligations under this Agreement.
- 13.3 **Termination by Juice Plus+ for Cause**. Juice Plus+ may terminate this Agreement for cause upon ninety days (90) days' written notice to Seller (the "Default Notice Period") if at any time:
 - (a) Seller is unable to Produce the Products in sufficient volume as required by this Agreement or maintain the quality control levels specified pursuant to this Agreement;
 - (b) Seller breaches any representation, warranty, covenant, obligation, commitment or other agreement contained in this Agreement and such breach is not cured within the Default Notice Period;
 - (c) Seller is in default in the full and prompt payment or performance of any representation, warranty, covenant, obligation, commitment, condition or undertaking on Seller's or Seller's Affiliate's part to be paid, met, kept, observed or performed pursuant to the provisions of any other agreements between Seller or Seller's Affiliate and Juice Plus+ and such default is not cured within the Default Notice Period;
 - (d) Seller has the public trading of its shares suspended; or
 - (f) any government agency takes an Enforcement Action against Seller or any Product Produced by Seller under this Agreement.

- 13.4 **Termination for Change in Control.** Juice Plus+ shall have the right to terminate this Agreement upon one hundred eighty (180) days written notice to Seller in the event of a change of Control of any Party.
- 13.5 <u>Termination by Seller for Cause</u>. Seller may terminate this Agreement for cause by providing written notice to Juice Plus+ (i) if Juice Plus+ breaches any representation, warranty, covenant, obligation, commitment or other agreement contained in this Agreement and such breach is not cured within the Default Notice Period (as defined above); or (ii) if Juice Plus+ fails to pay any amount due pursuant to the terms of this Agreement within thirty (30) days of such notice, provided, however, that if Juice Plus+ is in good faith contesting any amount owed to Seller as a result of this Agreement through appropriate proceedings, such failure to pay shall not be considered an event which triggers Seller's ability to terminate under this Agreement.
- 13.6 **Election to Continue.** In the event of a breach or other event triggering either Party's right to terminate for cause and the lapse of any applicable cure period, the non-breaching Party may agree to continue the Agreement rather than terminating it. To do so, that Party shall send a notice to the breaching Party specifying the conditions under which the non-breaching Party will agree to continue the Agreement. By agreeing to continue the Agreement in this manner, the non-breaching Party does not waive its right to later terminate the Agreement based on the event that is the subject of the notice.
- Result of Termination by Juice Plus+. If Juice Plus+ terminates this Agreement for cause, Juice Plus+ shall pay Seller the purchase price for: (1) all Products and work completed in accordance with this Agreement; (2) all work in process based on Purchase Orders from Juice Plus+ or produced based upon forecasts of Juice Plus+'s Product needs for the immediately preceding 90 day period as provided by Juice Plus+; and (3) any and all raw materials that Seller (i) has purchased from suppliers specified by Juice Plus+; or (ii) has purchased in reliance on Juice Plus+ forecasts and that can only be used for Juice Plus+'s Products. However, Juice Plus+ shall not be obligated to purchase Products and/or raw materials that are not in compliance with the Standards.

14. New Products.

Right of First Refusal. During the Term and to the extent not prohibited by patent, law or agreement, Juice Plus+ hereby grants to Seller a right of first refusal to Produce new nutritional products that Juice Plus+ desires to distribute in the Territory ("New Products"); provided, however, that nothing in this right of first refusal shall be construed or interpreted in any way to prevent Juice Plus+ from obtaining competitive bids from Third Party manufacturers to produce any New Product.

- New Product Notice. In the event Juice Plus+ wishes to manufacture a New Product for distribution in the Territory, Juice Plus+ shall provide a written notice ("New Product Notice") to Seller. The New Product Notice will contain formulation and product specifications and any bona fide price, manufacturing, delivery and other material terms agreed to or offered in writing by any Third Party manufacturer. Seller shall have a period of sixty (60) days from the date of receipt of the New Product Notice to determine whether to exercise its right of first refusal. If Seller exercises its right of first refusal, it must have the ability to produce the New Product in the quality, quantity, and at costs competitive with those specified in the New Product Notice. If Seller does not exercise its right of first refusal, Juice Plus+ shall have the right to have the New Product produced by a Third Party manufacturer on the terms specified in the New Product Notice. If Juice Plus+ is unable to have the New Product manufactured upon the terms set forth in the New Product Notice, Juice Plus+ shall be required to resubmit a New Product Notice to Seller and Seller shall have an additional sixty (60) days from the date of resubmittal to exercise its right of first refusal. If Seller agrees to produce any New Products for Juice Plus+ pursuant to this Section 14, such New Products shall be listed on subsequent written memorandums signed by the Parties and expressly referring to this Agreement, and shall thereafter fall within the definition of a Product subject to terms of this Agreement.
- 15. **Force Majeure.** Neither Party shall be in default or breach nor liable to the other for any failure to perform directly caused by events beyond that Party's reasonable control, such as acts of nature, labor strikes, war, insurrections, riots, terrorism, acts of governments, embargoes and unusually severe weather provided the affected Party notifies the other Party within ten (10) days of the occurrence. Such an event shall be deemed an excusable delay. THE PARTY AFFECTED BY AN EXCUSABLE DELAY SHALL TAKE ALL REASONABLE STEPS TO PERFORM DESPITE THE DELAY. If the Party is unable to perform within a reasonable period, the failure to perform shall no longer be deemed an excusable delay by this Section.
- Return of Materials. If Juice Plus+ terminates this Agreement for any reason, Seller shall complete all work in process in a timely fashion and deliver the same to Juice Plus+ as provided herein against payment as provided herein. To the extent that after such work in progress has been completed, Seller has Products, or inventory of raw materials and packaging materials on hand that were purchased or Produced in good faith reliance upon the rolling forecasts, and in conformance with this Agreement then Juice Plus+ shall be liable for, and required to purchase such from Seller within thirty (30) days from the date that Seller furnishes to Juice Plus+ a written reconciliation showing the amount of such Products and inventory; provided that such Products and inventory are in compliance with the Standards. With the written approval of Juice Plus+, Seller may try to use all or any part of such inventory for other customers or sell all or any part of it to third parties. The Parties shall cooperate and utilize their reasonable best efforts to prepare such final reconciliations of Products and inventory and any other amounts to be provided as between them in connection with such termination. Upon payment of all amounts owed to Seller, Seller shall return to Juice Plus+ all materials containing any Confidential Information, documents produced in the performance of this Agreement, work-in-process, parts, tools and test equipment paid for, owned or supplied by Juice Plus+. Seller will be able to retain copies of testing materials, and retained samples and any other items related to continuing obligations of Seller pursuant to this Agreement.
- 17. <u>Compliance with Laws</u>. Each Party shall comply with all Applicable Law relating to the Party's performance under this Agreement, and each Party represents and warrants that execution of this Agreement and performance of its obligations hereunder does not and will not breach any other agreement to which it is or will be a Party, including but not limited to any agreements with its customers.

- 18. <u>Acts of Employees</u>. Each Party is solely responsible for the acts of its respective employees and agents, including any negligent acts. Each Party shall hold harmless, defend and indemnify the other against all claims based on acts of its respective employees or agents.
- Insurance. Seller will, at Seller's expense, maintain in full force and effect, products liability insurance coverage with a policy limit of at least Ten Million Dollars (\$10,000,000) per occurrence and Ten Million Dollars (\$10,000,000) in the aggregate, consisting of at least Two Million Dollars (\$2,000,000) in primary coverage and the remaining Eight Million Dollars (\$8,000,000) in an umbrella form for excess liability coverage. Such policy referred to in this Section 19 shall (a) name Juice Plus+ and any Master Distributor or Affiliate designated by Juice Plus+ as additional insured parties thereunder (without any representation or warranty by or obligation upon Juice Plus+) as respects Production and Products, (b) provide that at least thirty (30) days prior written notice of cancellation, amendment, or lapse of coverage shall be given to Juice Plus+ by the insurer, (c) provide worldwide coverage for occurrences; and (d) provide coverage for occurrences during the Term of this Agreement which will continue for such occurrences after the Term of this Agreement. Seller will deliver to Juice Plus+ original or duplicate policies of such insurance, or satisfactory certificates of insurance.
- 20. <u>Seller's Agreement with its Employees</u>. Seller shall have an appropriate agreement with each of its employees, or others whose service Seller may require, sufficient to enable it to comply with all of the terms of this Agreement.
- 21. **No Agency; Relationship with Employees.** Nothing contained herein shall be deemed to authorize or empower Seller or its subsidiaries to act as an agent for Juice Plus+ or to conduct business in the name of Juice Plus+. Neither Party's employees shall be considered employees or agents of the other Party. Each Party shall be solely responsible for paying, supervising, and directing the manner of work of its employees.

22. Restrictions on Competing Products.

- 22.1 During the Term and for a period of five (5) years thereafter, Seller agrees that Seller shall not (i) manufacture or sell any Product to a Third Party, or enter into an agreement with a Third Party related to the manufacture or sale of Products, (ii) develop, formulate, manufacture, market or sell any Competing Product in the Territory, or (iii) enter into any agreement with a direct competitor of Juice Plus+ related to the development, formulation, manufacture or sale of Competing Products, or (iv) utilize Juice Plus+'s proprietary juice powder ingredients from any existing suppliers of such ingredients for the Products in the manufacture and/or distribution of any products for any other customer of Seller, in each case without the prior written approval of Juice Plus+.
- During the Term, Seller agrees that it shall not knowingly manufacture or otherwise distribute any products for any Master Distributor of Juice Plus+ without the express written consent of Juice Plus+. In connection with this obligation, Seller shall take all reasonable steps to determine if a customer or potential customer is a Master Distributor for Juice Plus+.

- 23. **Foreign Registrations.** In the event Juice Plus+ intends to sell or distribute Products in a country within the Territory in which such Products are not currently being sold or in which governmental approvals or registrations become required where such approvals or registrations previously were not previously required, Juice Plus+ and Seller agree to cooperate and use their best efforts to obtain and maintain at Juice Plus+'s expense any necessary approvals or registrations by or with any governmental or regulatory agency in any country or political subdivision in which the Products are to be sold. Juice Plus+ and Seller shall mutually agree as to which party shall be primarily responsible for obtaining such approvals or registrations on a case-by-case basis. In the event Seller shall be primarily responsible for obtaining such foreign registrations shall obtain such approvals or registrations and/or file all applications on behalf of and under the name of Juice Plus+. All costs incurred in obtaining such foreign registrations shall be paid by Juice Plus+. Compensation to Seller for its efforts in obtaining such approvals or registrations shall be as agreed upon by the parties and described in subsequent written memorandums signed by the Parties and expressly referring to this Agreement. Regardless of which Party shall be primarily responsible for obtaining such foreign registrations, that Party will provide copies of all registration documents for the other Party's review prior to submission for approval of such registration documents. The reviewing Party will have ten (10) business days following receipt of such registration documents to provide comments to the responsible Party on any such matters following submission to it. All such approvals, registrations, or applications under this Section shall inure solely to the benefit of Juice Plus+ and Seller shall have no rights in any such approvals, registrations, or applications.
- 24. <u>Amendments</u>. This Agreement may only be changed or supplemented by a written amendment, signed by authorized representatives of each Party.
- 25. **Assignment.** Neither Party may assign its rights or delegate its obligations under this Agreement without the prior written approval of the other Party. Any attempted assignment or delegation without such an approval shall be void. Notwithstanding anything to the contrary herein, Juice Plus+ may freely assign this Agreement to any Affiliate of Juice Plus+ at any time provided Juice Plus+ shall remain liable for the performance of its Affiliate following any such assignment.
- Governing Law and Forum. This Agreement shall be governed by the laws of the State of Tennessee without regard to any provision (including conflicts of law provisions) which would require the application of the law of any state other than the State of Tennessee. All disputes arising under or in connection with this Agreement shall be determined by actions filed in the courts within the State of Tennessee. Each party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the United States District Court of the Western District of Tennessee and any appellate court thereof, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby or thereby, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such District Court. Each party irrevocably and unconditionally waives any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding described in this Section 26. Each of the parties hereto irrevocably waives, to the fullest extent permitted by applicable Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

- 27. <u>Severability</u>. If any provision of this Agreement is held to be illegal, invalid or unenforceable by a court of competent jurisdiction, the remaining provisions shall not be affected.
- 28. **Effect of Title and Headings.** The title of this Agreement and the headings of its Sections are included for convenience, and shall not affect the meaning of the Agreement or the Section.
- 29. Notices. All notices, consents, waivers, requests, demands, claims and other communications under this Agreement (collectively, "Notices") must be in writing and will be deemed to have been duly given upon (a) delivery by hand (with written confirmation of receipt) or (b) two (2) business days after deposit with an internationally recognized overnight delivery service (receipt requested, delivery prepaid). Notices shall be sent in each case to the appropriate addresses indicated for each Party below, or to such other addresses as a Party may designate in writing by Notice to the other Party. Any party may also send a copy of any Notice to the intended recipient using any other means (including personal delivery, expedited courier, messenger service, telecopy, telex, facsimile, ordinary mail, or electronic mail), but no such Notice shall be deemed to have been duly given unless and until provided pursuant to this Agreement.

If to NAIE:

Natural Alternatives International Europe Via Cantonale Centro Galleria 1, 6928 Manno, Switzerland Attention: General Manager

If to NAI:

Natural Alternatives International, Inc. 1535 Faraday Avenue Carlsbad, California 92008 Attention: President

If to Juice Plus+:

The Juice Plus+ Company, LLC 140 Crescent Drive Collierville, Tennessee 38017 Attention: Chief Executive Officer

With copies to:

Natural Alternatives International 1535 Faraday Avenue Carlsbad, California 92008 Attention: President

With copies to:

Fisher Broyles LLP 12707 High Bluff Drive, Suite 200 San Diego, CA 92130 David A. Fisher

With copies to:

G. Robert Morris, Esq. Waller Lansden Dortch & Davis, LLP 1715 Aaron Brenner Drive, Suite 200 Memphis, Tennessee 38120 30. <u>Waiver</u>. Failure of either Party to insist on strict conformance to any term herein, or in Purchase Orders issued hereunder, or failure by either Party to act in the event of a breach or default shall not be construed as a consent to or waiver of that breach or default or any subsequent breach or default of the same or any other term contained herein.

31. **Indemnification.**

31.1 <u>Indemnification by Seller</u>. Seller shall indemnify and hold harmless Juice Plus+, its Master Distributors, and its Affiliates, as well as each of their respective officers, directors, shareholders, agents, and employees, from and against all loss, liability, damages, claims for damages, settlements, judgments or executions, including costs, expenses (including, without limitation, commissions paid and payable) and reasonable attorneys' fees and costs (collectively, "Losses") incurred by Juice Plus+ and/or such persons or entities as a result of any Third Party demands, actions, suits, prosecutions or other such claims arising on and after the Effective Date ("Juice Plus+ Claims") based on: (i) any injury to or death of any person, or damage to property caused in any way by or resulting from an alleged breach of Seller's representations and warranties contained herein; (ii) any claims that a Product or its method of manufacture infringes any patent, copyright, trade mark right, trade secret, mask work right or other proprietary right of any Third Party, unless such claim is attributable to Seller's incorporation of the Standards, formulations, specifications or materials provided by Juice Plus+ for the Products; (iii) Seller's inability or failure to maintain the quality control levels specified pursuant to this Agreement or (iv) any recall of Products provided by Seller under this Agreement is ordered by a court of competent jurisdiction or governmental agency due to Seller's failure to comply with this Agreement.

In addition, notwithstanding any other provision to the contrary herein, during any period of time in which Seller is unable or fails to Produce the Products in sufficient volume as required by this Agreement, Juice Plus+ may, in addition to any other rights it has pursuant to the terms of this Agreement, have sufficient Products manufactured and delivered by a Third Party manufacturer (the "**Replacement Products**") in accordance with the same Standards to the extent required to fulfill Juice Plus+'s requirements for the Products that Seller is unable or fails to produce and deliver, and Seller shall indemnify and hold harmless Juice Plus+ and its Affiliates against all costs or expenses incurred by Juice Plus+ and/or its Affiliates as a result of Seller's inability or failure to Produce Products in sufficient volume as required by this Agreement, including, but not limited to, the extent to which the purchase prices paid by Juice Plus+ and/or its Affiliates for Replacement Products exceeds the price Seller would be paid for the same Products pursuant to this Agreement (the "**Product Replacement Costs**"). Notwithstanding the above, Seller shall not be required to indemnify or hold harmless Juice Plus+ or its Affiliates in the event Seller's inability or failure to Produce Products in sufficient volume is due to any failure to perform by any Approved Contractor which is mandated by Juice Plus+.

In addition to any rights now or hereafter granted pursuant to this Agreement or under applicable Law and not by way of limitation of any such rights, Juice Plus+ shall have the right, at any time or from time to time upon the occurrence and during the continuance of a Juice Plus+ Claim or other event for which Seller has an obligation to indemnify Juice Plus+ that has not been satisfied by Seller to, with ten (10) days prior notice to Seller, set off and apply against all payments due from Juice Plus+ to Seller the amount of all Losses and/or Product Replacement Costs Seller is obligated to indemnify Juice Plus+ for and that Seller has not satisfied such obligation to Juice Plus+.

- 31.2 <u>Indemnification by Juice Plus+</u>. Juice Plus+ shall indemnify and hold harmless Seller, its subsidiaries, affiliated and/or controlled companies, as well as each of their respective officers, directors, agents, and employees, from and against all Losses incurred by Seller and/or such persons or entities as a result of Third Party claims based on: (i) any alleged breach of Juice Plus+'s warranties contained herein, or (ii) any claims that a Product infringes any patent, copyright, trade mark right, trade secret, mask work right or other proprietary right of any Third Party to the extent such claim is attributable to Seller's incorporation of formulations, specifications or materials listed on the Standards provided by Juice Plus+ into the Products.
- 31.3 <u>Indemnification Procedure.</u> The Party entitled to indemnification under this <u>Section 31</u> (the "Indemnified Party") will provide the Party obligated to provide indemnification under this Section (the "Indemnifying Party") with prompt notice of any Losses for which its seeks indemnification under this Section, provided that the failure to do so will not excuse the Indemnifying Party of its obligations under this <u>Section 31</u> except to the extent prejudiced by such failure or delay. The Indemnifying Party shall not be liable for any settlement effected without the Indemnified Party's consent, which consent shall not be unreasonably withheld. The Parties shall cooperate in defending any Third Party claim.

32. <u>Inspection Events, Returns and Recalls, Regulatory Action.</u>

- 32.1 <u>Inspection Events</u>. Seller shall immediately notify Juice Plus+ by the most expeditious means practicable, but in no event later than the next business day, if and when it is informed of an impending audit, inspection and/or onsite visit ("Inspection Event") concerning or which could impact the manufacture of any Product by Seller under this Agreement by a governmental agency or any licensing unit thereof. Juice Plus+, at its sole discretion and expense may elect to send an employee or designee to observe the Inspection Event. In the event that Seller should not have prior notice of an Inspection Event, then Seller shall immediately, but in no event later than the next business day after such Inspection Event, give written notice of the same to Juice Plus+, and shall further provide to Juice Plus+ any written documentation supplied to Seller on account of such Inspection Event. In the event of any action described in this Section, the Parties shall cooperate in determining the response, if any, to be made to such action.
- 32.2 Returns and Recalls. Each Party shall immediately provide the other Parties with notification of any event or occurrence that could necessitate the need to recall or withdraw Product(s) together with such information as may be available concerning the potential need to withdraw or recall Product(s). In the event of such event or occurrence concerns a failure to Produce Products in conformance with the Standards, Seller may request the return of any such Products in the possession of Juice Plus+. Juice Plus+ shall manage all recall decisions with respect to Products sold or shipped by Juice Plus+ which do not involve a claim of failure of the Products to be Produced in accordance with the Standards. In the event of any action described in this Section 32 that does involve a claim the Products were not Produced in accordance with the Standards, the Parties shall cooperate in determining, and will mutually agree upon, the response, if any, to be made to such action and each party agrees to cooperate with the other in responding to any communication or inquiry and/or attempting to resolve any such action.

- 32.3 **Regulatory Action.** If any government agency makes, specifically with respect to any Product manufactured by Seller for Juice Plus+ under this Agreement, (i) an inquiry, or (ii) gives notice of or makes an inspection at Seller's premises, or (iii) seizes any such Product or requests a recall, or (iv) directs Seller to take or cease taking any action, Juice Plus+ shall be notified immediately but in no event later than the next business day. Seller will investigate the inquiry or complaint and provide Juice Plus+ with a written report within three (3) business days after the notification. Duplicates of any samples of Product taken by such agency shall be sent to Juice Plus+ promptly. In the event of any action described in this Section, the Parties shall cooperate in determining, and will mutually agree upon, the response, if any, to be made to such action and each party agrees to cooperate with the other in responding to any communication or inquiry and/or attempting to resolve any such action.
- 33. **Entire Agreement.** This Agreement, including its Exhibits, is the complete statement of the Parties' agreement, and supersedes all previous and contemporaneous written and oral communication about its subject.
- 34. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same document.
- 35. **Authority.** The Parties represent that they have full capacity and authority to grant all rights and assume all obligations they have granted and assumed under this Agreement.
- 36. **Publicity of Agreement.** The Parties understand NAI will be required by law to promptly file a publicly available report with the United States Securities and Exchange Commission regarding NAI's entering into this Agreement and NAI will be required to include a copy of the Agreement in the filing, and NAI may therefore elect to issue a press release announcing NAI's entry into this Agreement. NAI and Juice Plus+ agree to cooperate, and to mutually approve in advance the content of any such press release.
- 37. **Further Assurances.** The Parties agree to furnish upon request to each other such further information, to execute and deliver to each other such other documents, and to do such other acts and things, all as the other Party may reasonably request for the purpose of carrying out the intent of this Agreement and the documents referred to in this Agreement.
- 38. Attorney's Fees. If any legal proceeding is brought for the enforcement of this Agreement, or because of an alleged breach, default or misrepresentation in connection with any provision of this Agreement or other dispute concerning this Agreement, the successful or prevailing Party shall be entitled to recover its reasonable attorney's fees incurred in connection with such legal proceeding. The term "prevailing Party" shall mean the Party that is entitled to recover its costs in the proceeding under Applicable Law.

- 39. **Damages.** Seller shall be liable to Juice Plus+ for any incidental or consequential damages incurred by Juice Plus+ as a result of a breach of this Agreement by Seller.
- 40. **Breach.** The failure by Seller to adhere to any of the terms of Sections 2, 6, 10, 12, 17, 18, 19, 20, 21, 22, or 30 shall be a material breach of this Agreement.
- 41. **Exhibits.** The Exhibits listed below and attached hereto, as the same may be amended from time to time pursuant to this Agreement, are hereby incorporated and made a part of this Agreement:

 $\underline{Exhibit\ A}-The\ Juice\ Plus+\ Products$

Exhibit B – The Territory

Exhibit C – The Juice Plus+ Marks

Exhibit D - Restricted Stock Award and Irrevocable Proxy

[signature page follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first written above.

NATURAL ALTERNATIVES INTERNATIONAL EUROPE S.A. a Swiss corporation:

By: /s/ Mark A. LeDoux
Name:
Title:
NATURAL ALTERNATIVES INTERNATIONAL, INC.,
a Delaware corporation:
By: /s/ Mark A. LeDoux
Mark A. LeDoux, Chief Executive Officer
Tamil'i Zebour, omer Zheedu're omeer
THE JUICE PLUS+ COMPANY, LLC,
a Tennessee limited liability company
By: /s/ Paulo L. Teixeira
Paulo L. Teixeira, Chief Executive Officer

[Signature Page to Exclusive Manufacturing Agreement]

EXHIBIT A

Manufacturing Agreement The Juice Plus+ Company and Natural Alternatives International August 1, 2017

Master Product List	Consumer Unit
Orchard & Garden Capsules	2 / 120 ct. Orchard Capsules 2 / 120 ct. Garden Capsules
Vineyard Capsules	2 / 120 ct. Vineyard Capsules
Australia Omega Capsules European Omega Capsules	2 / 120 ct. Omega Capsules 2 / 120 ct. Omega Capsules
Complete by Juice Plus	4 / 15 serving pouches 6 / 15 serving pouches 2 / 30 ct. SS sachets 1 / 15 ct. SS sachets
	A-1

Exhibit B

Manufacturing Agreement The Juice Plus+ Company and Natural Alternatives International

Territory

- 1. Austria
- 2. Australia
- 3. Belgium
- 4. Canada
- 5. Denmark
- 6. Finland
- 7. France
- 8. Germany
- 9. Ireland
- 10.Israel
- 11.Italy
- 12.Luxembourg
- 13.Malaysia
- 14.Netherlands
- 15.New Zealand
- 16.Norway
- 17.Poland
- 18.Singapore
- 19.Spain
- 20.Sweden
- 21.Switzerland
- 22.United Arab Emirates
- 23.United Kingdom
- 24.United States

EXHIBIT C

The Juice Plus+ Company, LLC Issued Trademark Registrations for Selected Countries As Of July, 2017

Status	Trademark	Reg. No.	Reg. Date	Classes
		AUSTRALIA		
Registered	JUICE PLUS+	653255	9/25/1997	5, 29, 30
	Tuice PUS			
Registered	JUICE PLUS+ COMPLETE	1717512	6/29/2016	5, 29, 30, 32
Registered	JUICE PLUS+ COMPLETE	1717513	6/29/2016	05, 29, 30, 32
	COMPLETE			
		AUSTRIA	•	
Registered	JUICE PLUS+ [2015 Logo] [Horizontal] Juice PLUS-	285695	11/26/2015	5, 30
Registered	JUICE PLUS+ [2015 Logo] [Vertical]	285696	11/26/ 2015	5, 29, 30, 32
	Juice PLUS+			
Registered	JUICE PLUS+ COMPLETE	285694	11/26/2015	5, 29, 30, 32
Registered	JUICE PLUS+ COMPLETE	285697	11/26/2015	5, 29, 30, 32
		Belgium, Luxembourg an		I- 00
Registered	JUICE PLUS+ Juice Plus	567965	2/13/1995	5, 30
		CANADA		·
Registered	JUICE PLUS+	TMA495422	5/28/1998	5
	Tuice PIUS			
Registered	JUICE PLUS+ COMPLETE	TMA936894	5/4/2016	5
Registered	JUICE PLUS+ COMPLETE	TMA973876	6/19/2017	5, 29, 30, 32
Registered	JUICE PLUS+ COMPLETE	TMA973342	6/13/2017	5, 29, 30, 32
Registered	JUICE PLUS+ GARDEN BLEND	TMA828703	7/27/2012	5
Registered	JUICE PLUS+ ORCHARD BLEND	TMA828699	7/27/2012	5
Registered	JUICE PLUS+ VINEYARD BLEND	TMA828700	7/27/2012	5
		DENMARK		·
Registered	JUICE PLUS+	VR199800476	1/30/1998	5, 29, 30, 32
	Suice PIUS			
Registered	JUICE PLUS+ COMPLETE	VR201600365	2/1/2016	5, 29, 30, 32
Registered	JUICE PLUS+ COMPLETE	VR201600366	2/1/2016	5, 29, 30, 32
	·	FINLAND		·
Registered	JUICE PLUS+ [2015 Logo] [Horizontal] Juice PLUS-	266809	7/4/2016	29, 30
Registered	JUICE PLUS+ [2015 Logo] [Vertical]	266810	7/4/2016	29, 30
	Juice PLUS+			
Registered	JUICE PLUS+ COMPLETE	265636	12/21/2015	5, 29, 30, 32
Registered	JUICE PLUS+ COMPLETE	265638	12/21/2015	5, 29, 30, 32

The Juice Plus+ Company, LLC Issued Trademark Registrations for Selected Countries As Of July, 2017

		FRANCE			
Registered	JUICE PLUS+	9454665	10/24/1994	5	
	Trice PUS.				
D		15 100000	1/0/2016	5 00 00 00	
Registered	JUICE PLUS+ COMPLETE JUICE PLUS+ COMPLETE	154228086 154228088	4/8/2016 4/8/2016	5, 29, 30, 32 5, 29, 30, 32	
Registered	COMPLETE	154220000	4/0/2010	5, 29, 30, 32	
Dogistored	TOWER GARDEN BY JUICE PLUS+	17/4340508	6/16/2017	21	
Registered	TOWER GARDEN BY JUICE PLUST	GERMANY	0/10/2017	21	
Registered	JUICE PLUS+	2910196	8/16/1995	29, 30	
	Trice.		0.20.200	-5,55	
Registered	JUICE PLUS+ COMPLETE	302015107470	2/22/2016	5, 29, 30, 32	
Registered	JUICE PLUS+ COMPLETE	302015107469	2/22/2016	5, 29, 30, 32	
	COMPLETE				
	<u> </u>	IRELAND	'	-	
Registered	JUICE PLUS+ [2015 Logo] [Horizontal]	256528	1/22/2016	5, 29, 30	
	Juice PLUS.				
Registered	JUICE PLUS+ [2015 Logo] [Vertical]	256529	1/22/2016	5, 29, 30	
	Juice PLUS+				
	PLUS+				
Registered	JUICE PLUS+ COMPLETE	255156	1/27/2016	5, 29, 30, 32	
Registered	JUICE PLUS+ COMPLETE	255482	1/12/2017	5, 29, 30, 32	
	COMPLETE				
		ISRAEL		-	
Registered	JUICE PLUS+	106706	11/5/1997	5	
	Juice PLUS.				
Registered	JUICE PLUS+ COMPLETE	278508	6/6/2017	5, 29, 30, 32	
registered	COMPLETE	-7 0000	0, 0, 201,	5, 25, 55, 52	
	GOIN BEIN	ITALY			
Registered	JUICE PLUS+	1605176	10/7/1996	5	
	Fuice PUS.				
	C PILLS.	MALAYSIA			
Registered	JUICE PLUS+	94006938	8/6/1994	5	
Registered		54000550	0/0/1334		
	Fuice PLUS				
		EW ZEALAND		1	
Registered	JUICE PLUS+ [2015 Logo] (series of two)	1028681	4/1/2016	5, 29, 30, 32	
	Juice Plus-				
Registered	JUICE PLUS+ COMPLETE	1028680	11/29/2016	5, 29, 30, 32	
Registered	JUICE PLUS+ COMPLETE	1028677	11/29/2016	5, 29, 30, 32	
	COMPLETE				
NORWAY					
Registered	JUICE PLUS+	204009	8/10/2000	5	
	Juice PLUS				
	-	POLAND			
Registered	JUICE PLUS+	113457	2/11/2000	5	
	Juice PLUS.				
	* 1000				

The Juice Plus+ Company, LLC Issued Trademark Registrations for Selected Countries As Of July, 2017

		SINGAPORE		
Registered	JUICE PLUS+ (series of two)	T9506317D	7/11/1995	5
	Fuick			
	Juice PUS			
Registered	Juice Plus (Kanji Equivalent)	T9608891Z	8/22/1996	5
registered	蔬果至尊實	150000512	0/22/1550	
	% 水上寸貝	SPAIN		L
Registered	JUICE PLUS+	1967505	5/25/1995	30
	Frice.			
Registered	JUICE PLUS+ COMPLETE	3589689	4/18/2016	5, 29, 30, 32
Registered	JUICE PLUS+ COMPLETE	3589687	4/18/2016	5, 29, 30, 32
	COMPLETE			
	THE PLACE FOREST AND A STATE OF THE STATE OF	SWEDEN	4/40/0045	F 00 00
Registered	JUICE PLUS+ [2015 Logo] [Horizontal] Suice PLUS-	539020	4/10/2017	5, 29, 30
Registered	JUICE PLUS+ [2015 Logo] [Vertical]	539021	4/10/2017	5, 29, 30
	Tuice			
	Juice PLUS+			
Registered	JUICE PLUS+ COMPLETE	539018	4/10/2017	5, 29, 30
Registered	JUICE PLUS+ COMPLETE	539019	4/10/2017	5, 29, 30
legistered	COMPLETE	555015	1, 10, 201,	5, 25, 55
		SWITZERLAND		
Registered	JUICE PLUS+	424100	7/21/1994	5
riegistereu	Trius.	12 1200	7,21,133	
Registered	JUICE PLUS+ [2015 Logo] [Horizontal]	682610	1/7/2016	5
	Suice PLUS			
Registered	JUICE PLUS+ [2015 Logo] [Vertical]	682609	1/7/2016	5
	Juice PLUS+			
	C PLUS+			
Registered	JUICE PLUS+ COMPLETE	684105	2/16/2016	5, 29, 30, 32
Registered	JUICE PLUS+ COMPLETE	683886	2/10/2016	5, 29, 30, 32
		B EMIRATES - All Still	Pending	<u> </u>
		JNITED STATES	-	
Registered	JUICE PLUS+	2158471	5/19/1998	5
Registered	JUICE PLUS+	1854442	9/20/1994	5
Registered	JUICE PLUS+	2176291	7/28/1998	5
	Juice PLUS-			
Registered	JUICE PLUS+ COMPLETE	2474348	7/31/2001	5
Registered	JUICE PLUS+ GARDEN BLEND	2758840	9/2/2003	5
	Fuice PUS.			
	The Generalization			
Registered	JUICE PLUS+ ORCHARD BLEND	2761699	9/9/2003	5
	Fuice Julys			
	Williams.			
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EXHIBIT D

Restricted Stock Award Agreement and Irrevocable Proxy

See attached.

THE SHARES OF COMMON STOCK GRANTED UNDER THIS RESTRICTED STOCK AGREEMENT HAVE NOT BEEN REGISTERED UNDER STATE OR FEDERAL SECURITIES LAWS. NO SHARES OF COMMON STOCK GRANTED UNDER THIS RESTRICTED STOCK AGREEMENT MAY BE OFFERED OR SOLD, PLEDGED, OR OTHERWISE DISTRIBUTED, AND NO SHARES OF COMMON STOCK MAY BE TRANSFERRED ON THE BOOKS OF THE COMPANY, EXCEPT IN A TRANSACTION (I) THAT, IN THE OPINION OF COUNSEL, IS SATISFACTORY TO THE COMPANY, WOULD RESULT IN NO VIOLATION OF SECURITIES LAWS AND (II) THAT WOULD COMPLY WITH THE TRANSFER RESTRICTION PROVISIONS CONTAINED OR REFERENCED IN THIS RESTRICTED STOCK AGREEMENT.

NATURAL ALTERNATIVES INTERNATIONAL, INC. RESTRICTED STOCK AGREEMENT

Recipient: The Juice Plus+ Company, LLC

Grant Date: August 7, 2017

Number of Shares of Common Stock

Subject to this Restricted Stock Grant: 500,000

Vesting Schedule:

Vesting Date	Percentage or Fraction of Shares of Restricted Stock Vesting	Number of Shares of Restricted Stock Subject to Vesting	Cumulative Total of Shares of Restricted Stock Vesting
August 7, 2018	20%	100,000	100,000
August 7, 2019	20%	100,000	200,000
August 7, 2020	20%	100,000	300,000
August 7, 2021	20%	100,000	400,000
August 7, 2022	20%	100,000	500,000

This Restricted Stock Agreement (this "Agreement"), dated as of the Grant Date specified above, is between National Alternatives International, Inc., a Delaware corporation (the "Company"), and the Recipient listed above.

The parties agree as follows:

ARTICLE I GRANT OF SHARES

- 1.1 <u>Grant</u>. As of the Grant Date, subject to the vesting schedule and other terms contained in this Agreement, the Company hereby grants to the Recipient, and the Recipient hereby accepts, 500,000 shares of Common Stock (the "Shares") as additional consideration for the Recipient's entering into with the Company an Exclusive Manufacturing Agreement dated as of August 7, 2017 (the "Manufacturing Agreement").
- 1.2 <u>Issuance of Shares</u>. Promptly following the full signing and delivery of this Agreement and subject to Section 2.1, the Company shall issue to the Recipient in uncertificated form the Shares. The Shares will be held in book entry at the Company's Transfer Agent subject to the restrictions set forth herein.
- 1.3 Rights as a Stockholder. Upon issuance of the Shares, the Recipient has all the rights of a stockholder with respect to the Shares, subject to the terms contained in this Agreement, provided, however, that any dividend or distribution (including a stock dividend or distribution) declared with respect to any Unvested Shares as to which the restrictions have not yet lapsed shall be subject to the same restrictions and forfeiture provisions as such Unvested Shares during the applicable vesting period and will not be payable to the Recipient until such time as the vesting requirements of such Unvested Shares have been fully satisfied.

ARTICLE II TRANSFER RESTRICTIONS; SECURITIES LAW COMPLIANCE

- 2.1 <u>Transfer Restrictions.</u> The Recipient shall not make or attempt to make any disposition, pledge, gift, assignment, or other transfer (voluntarily or involuntarily) of the Shares while the Shares are Unvested Shares (as defined below). Any such transfer, purported transfer, or attempted transfer will be void and of no effect.
- 2.2 <u>Legend</u>. In addition to any other restrictive legend required by the Company, in order to reflect the restrictions on disposition of the Unvested Shares, if the Unvested Shares are ever certificated in the future, such certificates will bear and be subject to a restrictive legend, similar to the following:

"THE SHARES REFERENCED HEREBY ARE SUBJECT TO A RESTRICTED STOCK AGREEMENT, WHICH INCLUDES VESTING REQUIREMENTS AND RESTRICTIONS ON SHARE TRANSFERS. THE NUMBER OF SHARES SUBJECT TO VESTING ARE AS STATED IN THE RESTRICTED STOCK AGREEMENT. THE UNVESTED SHARES REFERENCED HEREBY ARE ALSO SUBJECT TO AN IRREVOCABLE PROXY GRANTING THE BOARD OF DIRECTORS OF THE COMPANY FULL RIGHTS TO VOTE THE UNVESTED SHARES. A COPY OF EACH OF THE RESTRICTED STOCK AGREEMENT AND THE IRREVOCABLE PROXY IS ON FILE AT THE PRINCIPAL OFFICE OF THE COMPANY. ANY SALE OR TRANSFER IN VIOLATION OF THE RESTRICTED STOCK AGREEMENT WILL BE VOID."

In addition, the Company or its Transfer Agent may cause the Unvested Shares to be subject to such stop-transfer orders and other restrictions consistent with this Agreement as the Company may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Company's securities are then listed, and any applicable federal or state securities law. The Company may cause a legend or legends to be recorded in the records of the Company or its Transfer Agent relating to the Unvested Shares in order to make appropriate reference to the restrictions applicable to the Unvested Shares.

- 2.3 <u>Restricted Securities</u>. The Recipient makes the following representations to the Company:
- (a) The Recipient acknowledges that it has access to and has had the opportunity to review all reports that the Company has filed with the Securities and Exchange Commission at www.sec.gov. Based on its review of this information the Recipient is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares.
- (b) The Recipient is acquiring the Shares for the Recipient's own account for investment, not with a view to or for sale in connection with, any distribution thereof, nor with any present intention of distributing or selling the same.
- (c) The Recipient and/or its representatives have had a reasonable opportunity to meet with, ask questions of and receive information and answers from the executive officers of the Company concerning the Shares and the Company's business and all such questions have been answered and all such information has been provided to the full satisfaction of Recipient.
- (d) The Recipient confirms that the Recipient has been informed that the Shares have not been, and will not be, registered under state and federal securities laws, and are restricted securities under the Securities Act of 1933 (the "Securities Act"). The Recipient understands that no Shares may be resold or transferred unless the Shares are first registered under applicable state and federal securities laws or unless an exemption from such registration is available.
- (e) The Recipient is prepared to hold the Shares for an indefinite period and that the Recipient is aware that Rule 144 of the Securities and Exchange Commission issued under the Securities Act is not presently available to exempt the sale of the Shares from the registration requirements of the Securities Act until the applicable holding period and other requirements are satisfied.

- 2.4 <u>Assignment of Voting Rights and Irrevocable Proxy in Unvested Shares</u>. Recipient hereby agrees to assign and grant all rights to vote all Unvested Shares awarded under this Agreement to the Board of Directors of the Company. In order to clearly document this assignment and to ensure that the Board of Directors of the Company has full authority to vote the Unvested Shares and that such authority is recognized by all third parties, Recipient shall upon executing this Agreement, execute and deliver the Irrevocable Proxy attached as Exhibit "A" hereto to the Board of Directors of the Company.
- 2.5 <u>Lock-up Agreement</u>. If required by any underwriter in connection with a public offering of the Company's equity securities in a registration statement under the Securities Act, the Recipient shall not transfer or dispose of the Shares (other than securities included in the registration statement or shares purchased in the public market after the effective date of registration) or any interest in the Shares during such period as is acceptable to the underwriter following the effective date of such registration statement. In addition, the Recipient shall sign one or more agreements as may be requested by an underwriter in connection with such registration. The underwriters in connection with such registration are intended third party beneficiaries of this section and have the right, power, and authority to enforce the provisions of this Agreement as though they were a party to it. In order to enforce the covenants contained in this section, the Company may impose stop-transfer instructions with respect to the Shares until the end of such restricted period.

ARTICLE III VESTING

3.1 <u>Vesting of Shares</u>. The vesting schedule for the Shares is set forth on the first page of this Agreement. All Shares for which the Recipient has a vested right are referenced to herein as "Vested Shares," and all Shares for which the Recipient does not have a vested right are referred to herein as "Unvested Shares." While held by the Company's Transfer Agent as provided in Article IV, the Unvested Shares will continue to vest during the term of the Manufacturing Agreement.

ARTICLE IV DEPOSIT WITH TRANSFER AGENT

- 4.1 <u>Deposit of the Unvested Shares</u>. The Recipient acknowledges that, upon issuance of the Shares, any Unvested Shares granted as part of such issuance shall be held in book entry by the Company's Transfer Agent in accordance with the provisions of this Agreement.
- 4.2 <u>Deposit of Additional Securities and Other Property.</u> Except as otherwise provided in this Agreement, the Company shall deposit with the Transfer Agent any new, substituted, or additional securities, subject to this Agreement, any other property distributed with respect to the Unvested Shares to the extent the Transfer Agent will agree to hold such other property distributed with respect to the Unvested Shares. In the event dividends are paid on the Unvested Shares, or property is distributed with respect to the Unvested Shares that the Transfer Agent will not agree to hold, the Company shall hold such amounts or property and deliver the withheld amounts and property to the Recipient upon vesting of the Unvested Shares. At the election of the Recipient and at Recipient's sole cost and expense, the Company will establish an escrow or trust account acceptable to Recipient to hold the dividend or other property distributed with respect to the Unvested Shares pending vesting of the Unvested Shares and release to the Recipient, or pending forfeiture of the Unvested Shares in accordance with Section 4.4 and return to the Company.

- 4.3 <u>Release of Vested Shares</u>. Upon the vesting of all or a portion of the Unvested Shares, the Company shall release to the Recipient the Vested Shares and all securities, dividends, and other property held by the Company, Transfer Agent or any escrow, trust or other Third Party with respect to the Unvested Shares that have become Vested Shares. Release of the Vested Shares shall release the Vested Shares from the Irrevocable Proxy set forth in Exhibit A.
- 4.4 <u>Forfeiture of Unvested Shares</u>. Upon the termination of the Manufacturing Agreement by the Company for Cause (as defined in the Manufacturing Agreement); or by the Recipient without Cause (as defined in the Manufacturing Agreement), all the Unvested Shares, and any rights or claims attached thereto, securities, dividends, and other property held by the Company, Transfer Agent or any escrow, trust or other Third Party from a distribution previously made on account of the Unvested Shares, will be deemed immediately forfeited by the Recipient to the Company and all rights of Recipient in and to or with respect to the Unvested Shares shall terminate in their entirety.
- Assignment. In the event of forfeiture of the Unvested Shares, the Recipient hereby assigns, transfers, and surrenders to the Company for cancellation the Unvested Shares, and all related securities, dividends, and other property held by the Company, Transfer Agent or any escrow, trust or other Third Party with respect to such Unvested Shares, and hereby irrevocably constitutes and appoints the Company's secretary as attorney to cancel such stock in the records of the Company with full power of substitution in the premises. In addition, in the event of such forfeiture, the Recipient shall execute and deliver such further documents and instruments and do such further acts and things as are necessary or desirable in the opinion of the Company to carry out the intent and purposes of the foregoing.

ARTICLE V TAX PROVISIONS

Section 83(b) Election. The Recipient understands that under Section 83 of the Internal Revenue Code of 1986, as may be amended, supplemented, or superseded from time to time (the "Code"), the fair market value of the Shares (or portion thereof) on the date of grant, or the date of receipt or on the date that any forfeiture restrictions applicable to the Shares (or portion thereof) lapse, minus the price paid, if any, for the Shares (or portion thereof) may be reportable as ordinary income to the Recipient on such date. For this purpose, the date the forfeiture restrictions lapse is the date on which the Shares (or portion thereof) become Vested Shares in accordance with Article III. The Recipient understands that if applicable the Recipient may, in its sole discretion, elect under Section 83(b) of the Code to be taxed at the time the Shares are acquired under this Agreement, rather than when the Shares (or a portion thereof) cease to be subject to the forfeiture restrictions. Such election must be filed with the Internal Revenue Service within 30 days after the Grant Date. The Recipient understands that failure to make this filing within such 30-day period will result in the recognition of ordinary income by the Recipient each time the forfeiture restrictions lapse. The Recipient also understands and acknowledges that nothing in this Agreement guarantees that the vesting requirements of this award will be met. Accordingly, a Recipient who makes an election under Section 83(b) of the Code may pay current taxes but may subsequently forfeit all rights to the Unvested Shares by failing to meet the vesting requirements. In such a case, the Recipient acknowledges that the Company has no obligation to reimburse or make whole the Recipient for the taxes paid in connection with an election under Section 83(b) of the Code. The Recipient acknowledges that the Company has advised it to consult its own professional advisors regarding any such election.

- 5.2 <u>Section 83(b) Election Acknowledgement</u>. The Recipient acknowledges that it is the Recipient's sole responsibility to file a timely election under Section 83(b) of the Code if that Section is applicable, and should the Recipient opt to make a Section 83(b) election. That filing should be made by registered or certified mail, return receipt requested, and the Recipient should retain two copies of the completed form for filing with the Recipient's state and federal tax returns for the current tax year and a copy for the Recipient's personal records. If making a Section 83(b) election, the Recipient shall promptly send a copy of such 83(b) election form to the Company.
- 5.3 <u>Withholding</u>. As a condition precedent to the release of the Vested Shares from the escrow as described in Article IV, the Recipient shall comply with the requests of the Company as they relate to the satisfaction of any federal, state, or local withholding tax obligations that arise in connection with the release of the Vested Shares. Such requests may include among others signing such documentation necessary to satisfy tax obligations.

ARTICLE VI GENERAL PROVISIONS

6.1 <u>Adjustments</u>. The existence of the Recipient's rights under this Agreement does not affect in any way the right or power of the Company or its shareholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any merger, consolidation, or share exchange of the Company, or any issuance of bonds, debentures or preferred or prior preference stock ahead of or affecting Common Stock or the rights thereof, or dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

6.2 <u>Notices</u>. To be effective, any notice, consent, or communication required or permitted to be given in connection with this Agreement must be in writing and (i) delivered in person, or (ii) sent by same-day messenger or nationally recognized overnight delivery service, with all fees prepaid, as follows:

If to the Company: Natural Alternatives International, Inc.

1535 Faraday Drive Carlsbad, California 92008

Attn: President

If to the Recipient: The Juice Plus+ Company, LLC

140 Crescent Drive Collierville, Tennessee 38017 Attn.: Chief Executive Officer

A party may update the party's contact information by providing notice thereof to the other party. A notice, consent, or communication is effective on the earlier of (i) the date it is delivered in person, (ii) the date it is delivered to the address required by this Agreement as indicated by the date of the acknowledgment or signed receipt, or (iii) the date delivery is refused or deemed undeliverable at the address required by this Agreement, as the U.S. Postal Service, messenger service, or overnight courier, as the case may be, indicates through its records, provided that if such date is not a business day or the confirmation time is after 5:00 p.m. local time of the recipient on a business day, then the following business day.

- 6.3 <u>Entire Agreement</u>. This Agreement constitutes the entire and final agreement between the parties with respect to the subject matter hereof. It is the complete and exclusive expression of the parties' agreement on the matters contained in this Agreement. All prior and contemporaneous negotiations, term sheets, and other agreements, either oral or in writing, between the parties on the matters contained in this Agreement are expressly merged into and superseded by this Agreement. No provisions of this Agreement may be explained, supplemented, or qualified through evidence of trade usage or a prior course of dealings.
- Amendments and Waivers. No amendment, rescission, waiver, or termination of this Agreement or any of its terms is effective, except by a writing signed by the party or parties against whom enforcement is sought. No failure or delay in exercising any right or remedy or requiring the satisfaction of any condition under this Agreement, and no course of dealing between the parties, operates as a waiver or estoppel of any right, remedy, or condition. A waiver made in writing on one occasion is effective only in that instance and only for the purpose that it is given and is not to be construed as a waiver on any future occasion or against any other person. To the extent any course of dealing, act, omission, failure, or delay in exercising any right or remedy under this Agreement constitutes the election of an inconsistent right or remedy, that election does not either constitute a waiver of any right or remedy or limit or prevent the subsequent enforcement of any contract provision.

- 6.5 <u>Headings</u>. The descriptive headings of the articles, sections, and subsections of this Agreement are for convenience of reference only. They do not constitute a part of this Agreement and do not affect this Agreement's construction or interpretation.
- Assignability; Successors and Assigns. The Recipient shall not assign this Agreement or the rights and duties set forth herein, but the Company may assign them, in whole or in part. This Agreement binds and benefits the parties and their respective legal representatives and permitted successors and assigns. Nothing in this Agreement, express or implied, is intended to confer on any person other than the parties hereto and, as provided above, their respective legal representatives and permitted successors and assigns.
- Governing Law. The laws of the State of Delaware govern all matters arising out of or relating to this Agreement, including, without limitation, its interpretation, construction, performance, and enforcement, without giving effect to such state's conflicts of law principles or rules of construction concerning the drafter hereof. Any reference to a specific federal, state, or local statute or code includes (i) any rules and regulations promulgated thereunder and (ii) any subsequent amendment, restatement, supplement, or superseding statute, code or other law as may be in effect at the particular time. Any reference to an agreement includes such agreement as it may be amended, restated, supplemented, or modified from time to time.
- 6.8 <u>Further Assurances</u>. Each party shall use reasonable efforts to take, or cause to be taken, all actions necessary or desirable as requested to consummate and make effective the transactions contemplated by this Agreement. If any further action is necessary or desirable as requested to carry out the purposes of this Agreement, each party shall use reasonable efforts to take, or cause to be taken, such action.
- 6.9 <u>Professional Advice</u>. The acceptance of this Agreement and the issuance of the Shares may have consequences under federal and state tax and securities laws, which may vary depending on the individual circumstances of the Recipient. Accordingly, the Recipient acknowledges that he or she has been advised to consult the Recipient's legal and tax advisors in connection with this Agreement and the acquisition, holding and disposition of the Shares. The Recipient acknowledges that neither the Company nor any of its officers, directors, attorneys, or agents have made any representations as to the federal or state tax effects of the acceptance of the Shares or any rights under this Agreement.
- 6.10 <u>Counterparts</u>. If the parties sign this Agreement in counterparts, each counterpart constitutes an original, and all counterparts, collectively, constitute only one agreement. The signatures of all the parties need not appear on the same counterpart, and delivery of a signed counterpart signature page by fax or other electronic transmission is as effective as signing and delivering an original.

This Agreement is signed and effective as of the Grant Date.

NATURAL ALTERNATIVES INTERNATIONAL, INC.

By: /s/ Kenneth E. Wolf
Kenneth E. Wolf, President

THE JUICE PLUS+ COMPANY, LLC

By: /s/ Paulo L. Teixeira
Paulo L. Teixeira, Chief Executive Officer

[SIGNATURE PAGE TO RESTRICTED STOCK AGREEMENT]

EXHIBIT A

IRREVOCABLE PROXY

In accordance with the Restricted Stock Agreement (the "*Agreement*") by and between THE JUICE PLUS+ COMPANY, LLC (formerly known as NSA, Inc. or NSA, LLC), a Tennessee limited liability company having a place of business at 140 Crescent Drive, Collierville, Tennessee 38017 ("*Stockholder*"), and NATURAL ALTERNATIVES INTERNATIONAL, INC., a Delaware corporation (the "*Company*") having a place of business at 1535 Faraday Avenue, Carlsbad, California 92008, dated effective August 7, 2017, the undersigned agrees as follows:

1. Grant of Irrevocable Proxy for Unvested Shares.

- (a) Stockholder, with respect to the shares of Common Stock, par value \$0.01 per share, granted to Stockholder pursuant to the Agreement and any and all other securities of the Company issued or issuable in respect thereof on or after the date hereof (the "*Shares*") hereby grants to the Board of Directors of the Company (the "*Holder*") an irrevocable proxy under Section 212 of the Delaware General Corporation Law to vote and exercise all voting and related rights with respect to the Unvested Shares (as defined in the Agreement) in any manner that the Holder may determine in its sole and absolute discretion to be in the Holder's own best interest, at any meeting of stockholders of the Company or action by written consent of stockholders with respect to any matter or the transactions contemplated thereby. During the period that a Share remains Unvested it is expressly understood and agreed that the foregoing irrevocable proxy is hereby granted to the Holder by the Stockholder pursuant to the Agreement and is coupled with an interest.
- (b) Because of this interest in the Unvested Shares, the Holder shall have no duty, liability and obligation whatsoever to the Stockholder arising out of the exercise by the Holder of the foregoing irrevocable proxy. The Stockholder expressly acknowledges and agrees that (i) the Stockholder will not impede the exercise of the Holder's rights under the irrevocable proxy and (ii) the Stockholder waives and relinquishes any claim, right or action the Stockholder might have, as a stockholder of the Company or otherwise, against the Holder or any of his affiliates in connection with any exercise of the irrevocable proxy granted hereunder.
- (c) The Stockholder has the right to notice of or to any and all special and general meetings of stockholders during the term of this Irrevocable Proxy and further severally agrees that if any notice is given by the Company to the Stockholder, such notice will be deemed to have been validly given to the Stockholder for all purposes.
 - (d) This irrevocable proxy shall expire as to Vested Shares on the date Unvested Shares become Vested Shares (the "Expiration Date").
- (e) Upon execution of this Irrevocable Proxy, any and all prior proxies given by the Stockholder with respect to any Shares are hereby revoked and the Stockholder agrees not to grant any subsequent proxies with respect to the Shares until after the Expiration Date.
- **2. Legend.** The Stockholder agrees to permit an appropriate legend on any certificates evidencing the Univested Shares reflecting the grant of the irrevocable proxy contained in the foregoing Section 1.

- **3. Representations and Warranties.** The Stockholder represents and warrants to the Holder as follows:
- (a) The Stockholder has the all necessary rights, power and authority to execute, deliver and perform its obligations under this Irrevocable Proxy. This Irrevocable Proxy has been duly executed and delivered by the Stockholder and constitutes its legal and valid obligation enforceable against the Stockholder in accordance with its terms.
- (b) The Stockholder is the record owner of the Shares and the Stockholder has plenary voting and dispositive power with respect to such Shares; there are no proxies, voting trusts or other agreements or understandings to which such Stockholder is a party or bound by and which expressly require that any of the Shares be voted in any specific manner other than this Irrevocable Proxy; and such Stockholder has not entered into any agreement or arrangement inconsistent with this Irrevocable Proxy.
- **4. Equitable Remedies.** The Stockholder acknowledges that irreparable damage would result if this Irrevocable Proxy is not specifically enforced and that, therefore, the rights and obligations of the Holder may be enforced by a decree of specific performance issued by a court of competent jurisdiction, and appropriate injunctive relief may be applied for and granted in connection therewith. Such remedies shall, however, not be exclusive and shall be in addition to any other remedies which the Holder may otherwise have available.

THE JUICE PLUS+ COMPANY, LLC

a Tennessee limited liability company

By: /s/ Paulo L. Teixeira

Paulo L. Teixeira, Chief Executive Officer



Natural Alternatives International, Inc. Announces New Multi-Year Exclusive Manufacturing Agreement with The Juice Plus+® Company

CARLSBAD, Calif., August 11, 2017 — Natural Alternatives International, Inc. ("NAI") (NASDAQ:NAII), a leading formulator, manufacturer and marketer of customized nutritional supplements, is proud to announce that it has extended its partnership with The Juice Plus+ Company ("Juice Plus+"), a globally recognized leader in whole-food based nutritional products focused on people's health and well-being, through the execution of a multi-year exclusive manufacturing agreement covering capsule and powder products sold in over 24 markets around the world.

Mark A. LeDoux, NAI's CEO and Chairman of the Board, said, "It is indeed rare when two companies have enjoyed an uninterrupted 25-year successful collaboration, and NAI is proud to become essentially the exclusive manufacturing partner for Juice Plus+ using our state of the art facilities in San Diego County, California and in Lugano, Switzerland. The global facility expansion activities we completed over the past several years strategically positioned NAI to service this new business with minimal impact to our available manufacturing capacity."

Paulo L. Teixeira, Juice Plus+ CEO, said, "Juice Plus+ has set a very high bar for product research, with over 35 clinical studies conducted on three continents, and with most of those studies having been published in peer-reviewed scientific journals of exceptional reputation. With NAI's numerous international quality manufacturing certifications and proven global manufacturing expertise, we believe this deepening of our long-term partnership is the right thing to do for both companies. We are excited about the future possibilities it opens."

Sales from this new Exclusive Manufacturing Agreement are expected to begin shipping during NAI's 2nd fiscal quarter of 2018, and is estimated to increase current annual purchases by Juice Plus+ from NAI by over 50%.

NAI, headquartered in Carlsbad, California, is a leading formulator, manufacturer and marketer of nutritional supplements and provides strategic partnering services to its customers. NAI's comprehensive partnership approach offers a wide range of innovative nutritional products and services to NAI's clients including: scientific research, clinical studies, proprietary ingredients, customer-specific nutritional product formulation, product testing and evaluation, marketing management and support, packaging and delivery system design, regulatory review and international product registration assistance. For more information about NAI, please see its website at http://www.nai-online.com.

This press release contains forward-looking statements within the meaning of applicable securities laws that are not historical facts and information. These statements represent our intentions, expectations and beliefs concerning future events, including, among other things, our expectations and beliefs with respect to the impact of this Agreement on our manufacturing capacity, and our annual sales. We wish to caution readers these statements involve risks and uncertainties that could cause actual results and outcomes for future periods to differ materially from any forward-looking statement or views expressed herein. NAI's financial performance and the forward-looking statements contained herein are further qualified by other risks including those set forth from time to time in the documents filed by us with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q.

CONTACT – Kenneth Wolf, President and Chief Operating Officer, Natural Alternatives International, Inc., at 760-736-7700 or investor@nai-online.com.

Web site: http://www.nai-online.com/

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