AGREEMENT BETWEEN NATURAL ORGANICS, INC. and SANTE VERTE LTD., FRANCE

SOLE DISTRIBUTOR

Natural Organics, Inc. ("NOi") agrees to appoint Sante Verte Ltd. ("Distributor"), with offices at the address set forth below it officer's signature on the signature page of this agreement, its' sole distributor for Nature's Plus products ("Products") in France. It is further understood that this Agreement does not give Distributor any right to distribute Products in England or anywhere else outside of France.

In order for DISTRIBUTOR to maintain the sole distributorship for the Products, DISTRIBUTOR agrees that it will purchase Products from NOI as follows: 1) a minimum of USD 1,950,000.00 during the first year (January 1, 2006 to December 31, 2006) of this agreement; 2) for each of the second and third contract years beginning January 1, 2007 and January 1, 2008, respectively, a minimum of 5% above the previous year's purchases; 3) for each contract year after the third contract year and for the duration of the contract, a minimum of 10% above the previous year's purchases.

Pricing, Payment and Shipping

DISTRIBUTOR 's prices will be 15% off of wholesale prices listed on the Nature's Plus export order form. Nature's Plus will ship goods within two weeks of a confirmed order and receipt of payment for orders on stocked products. All prices are net F.O.B. Factory. Distributor will make payment in advance or in 45 days with an irrevocable and confirmed standby Letter of Credit through a nationally recognized bank, subject to the prior approval of NOI Inc which approval shall not be unreasonably withheld. DISTRIBUTOR takes full responsibility to assure that Products comply with all necessary regulations in France.

Special Manufactured and/or Special Labeled Product -

Special Manufactured or Special Labeled products are any products other than our regular stock that is distributed in the USA.

"Special Manufactured"

Products that will be specially manufactured for France will be shipped approximately 6 to 8 weeks after receipt of a confirmed order and deposit.

If **DISTRIBUTOR** does not have a pre-approved standby Letter of Credit with us, a deposit of 50% of the value of the order will be due with the balance paid 5 days prior to the expected shipping date of the order.

If **DISTRIBUTOR** requests that NOI stock specially manufactured products, NOI will require a preapproved standby Letter of Credit to cover the value of the stock.

Provided that the products are in stock, NOI can supply **DISTRIBUTOR'S** order within two (2) weeks after receipt of a confirmed order.

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The minimum order requirement for specially manufactured product is 100,000 tablets or capsules. The minimum order requirement for specially manufactured product is 500 bottles per product.

"Special Labeled" Conditions:

The lead-time for new labels is approximately 6 to 8 weeks after receipt of a confirmed order for 500 bottles or more per product and a 50% deposit of the value of the label order. The deposit is required only if Distributor does not have a standby Letter of Credit with NOI The printing time for labels is approximately 2 weeks from receipt of final approved label copy from Distributor.

The minimum order requirement for products that are special formulas and/or requires special labels is 150 bottles per product.

The minimum order requirement for subsequent orders for specially labeled products is 150 pieces or more per product. DISTRIBUTOR understands that if the special labeled conditions are not met that they will be responsible for the cost of the labels that will be discarded, as they cannot be used.

Trademarks And Intellectual Property

- (a) All trademarks, trade names, logos, trade dress, packaging, labels, formulas, label information, artwork, promotional materials, product displays, and product information included on or in connection with the Products, including without limitation the trademarks Nature's Plus and the product names, (collectively, the "NOI Property") are and shall remain the sole and exclusive property of NOI. NOI will permit DISTRIBUTOR to use the NOI Property (i) solely for the purpose of selling and marketing authentic Natural Organics Products, which are purchased by DISTRIBUTOR from NOI pursuant to this Agreement; and (ii) only for so long as this agreement is valid, DISTRIBUTOR agrees that (i) it shall not alter or modify in any way the NOI Property without the prior written approval of NOI, and (ii) it shall receive no right, title or interest in or to the NOI Property, and (iii) DISTRIBUTOR 'S use of NOI Property shall not confer or imply a grant to DISTRIBUTOR or any third party of any right, title or interest in NOI Property and (iv) all ownership, trademark, trade dress, copyright, and all other rights, title and interest in and to the NOI Property shall be and shall remain in the sole name of NOI. DISTRIBUTOR agrees to cooperate with NOI in connection with obtaining registration of any trademarks and trade names in France.
- (b) In the event of the expiration or termination of this Agreement for any reason, DISTRIBUTOR agrees that it will not at any time thereafter, either directly or indirectly, manufacture, distribute, or sell any products which use any NOI formula or any formula substantially similar to a NOI formula, and further, that DISTRIBUTOR will not at any time thereafter manufacture, distribute or sell any products which use, copy or imitate the trademarks or any labels, packaging displays, trade dress, artwork, logos, and trade names used on or in connection with the sale, advertising or promotion of the Products. The terms of this subparagraph shall survive the expiration or termination of the Agreement for any reason.

Import-Export

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The DISTRIBUTOR shall be responsible for importing the Products into FRANCE, including all paperwork, coordination of customs clearance, compliance with all government regulations (including any applicable U.S. export regulations if shipments are purchased on an EX Works or F.O.B. Factory Basis) and relations with and retaining freight forwarders and customers brokers at DISTRIBUTOR 'S cost and expense. At DISTRIBUTOR 'S request, NOI may arrange for shipments and engage freight forwarders. In the event a freight forwarder does not follow instructions provided for in the shipping documents or does not properly perform, then NOI may designate another freight forwarder.

Product Registration

- (a) If any Products are to be registered in FRANCE pursuant to local government regulations, the DISTRIBUTOR shall so notify NOi, and DISTRIBUTOR shall provide NOI with complete information as to procedures and documents required for such registration. NOI shall provide any documents or other information (collectively, the "Documents") requested by DISTRIBUTOR to obtain such registration; provided, however, that NOI shall have the option in its discretion to withhold such documents and other information and withdraw the product(s) from the Products under this Agreement (or from any province or area within France) if the Product(s) in France or any province or area within France could be illegal, could result in a product recall or involve quality control concerns or could otherwise expose NOI to undue risk or product liability. DISTRIBUTOR shall not register any Products or any NOI Property without first obtaining the prior written permission of NOI. NOI may grant or deny any such permission in its sole discretion and on such terms and conditions as it deems appropriate.
- (b) The Documents shall be provided by NOI and received by DISTRIBUTOR pursuant to the terms set forth in paragraph titled "Documents" hereafter. The DISTRIBUTOR shall register the Products and comply with all requirements of FRANCE at DISTRIBUTOR 'S expense. DISTRIBUTOR is to provide NOI with a copy of the Application for Product Registration of the Products at the time the Application is submitted to the governmental authorities (the "Authorities") in FRANCE (with an English translation if requested). Upon receipt of approval or registration notification by the Authorities, DISTRIBUTOR shall advise NOI of the Registration or Approval numbers and provide to NOI, a certified copy of the Certificate or Document issued by the Authorities in FRANCE. In the event of expiration or termination of this Agreement for any reason whatsoever or in the event NOI so requests, the DISTRIBUTOR shall either surrender and (to the extent legally transferable) transfer to NOI any registrations issued for the Products. or, in NOI's discretion, transfer any such registrations to any third party designated by NOI.

Documents

In accordance with the paragraph above titled "Product Registration", NOI may attach hereto and may in the future deliver to DISTRIBUTOR copies of Documents. With respect to such copies of Documents and the information set forth therein, DISTRIBUTOR agrees:

- a) not to make any use whatsoever of the Documents except for the purpose set forth in this Agreement;
- b) not to reveal any Documents to any third parties, including without limitation any prospective customer or competitor of DISTRIBUTOR or of NOI;

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- to keep such Documents secret and confidential and, without limiting the generality of the foregoing, to conspicuously mark all Documents to indicate their secret and confidential nature and to prevent their unauthorized use or reproduction;
- d) not to make any copies of Documents except in furtherance of the purposes set forth in this Agreement and to promptly return to NOI upon NOI' request all Documents and all copies thereof in the control or possession of DISTRIBUTOR or its agents, in whatever form or media, at the time when either of the following events first occurs: (i) the Documents are no longer required for product registration purposes either because approval has been obtained or refused, or (ii) upon termination of this Agreement; and
- e) the Documents remain and shall forever remain the sole and exclusive property of NOI, and DISTRIBUTOR acquires no rights therein notwithstanding their delivery by NOI to DISTRIBUTOR.

Resale Restrictions

DISTRIBUTOR agrees that it will only sell the Products in FRANCE, and that it will not without first obtaining the prior written permission of NOI, repackage or relabel any of the Natural Organics Products or sell the Products to anyone outside FRANCE or who intends to ship the Natural Organics Products outside FRANCE, whether to another country or to the United States. In the event of any breach or violation of the provisions of this paragraph, NOI may, on ten (10) days prior written notice to the DISTRIBUTOR, terminate and cancel this Agreement.

No Illegal Practices

DISTRIBUTOR shall not do anything which would lower the reputation or prestige of NOI or adversely affect the high quality standards of the Natural Organics Products and shall not misbrand or adulterate the Natural Organics Products or engage in any illegal, unethical, or deceptive advertising, marketing or business practice. If DISTRIBUTOR engages in any such activities or practices, NOI may terminate this Agreement upon ten (10) days prior written notice to DISTRIBUTOR.

Labels, Packaging, and Translations

DISTRIBUTOR shall not, without the prior written consent of NOI, include in or on any labels, packaging, advertising or promotional material relating to any of the Products, any text, logos, artwork, trademarks, trade names, or other material of any kind except that which is [i] used by NOI in its corresponding labels, packaging, advertising or promotional material relating to the Natural Organics Products or (ii) otherwise provided by NOI to DISTRIBUTOR for use with the Natural Organics Products. Any language translation of NOI material must be pre-approved in writing by NOI. Any translation of articles or other printed material written by third parties which NOI supplies to DISTRIBUTOR, may not be used without obtaining the consent of the copyright holder.

Duration and Cancellation of Agreement

It is the intention of both parties for this agreement to be in effect for a period of seven [7] years. NOI will have the right to discontinue DISTRIBUTOR's sole distributorship in the

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event that DISTRIBUTOR breaches any of the terms or conditions covered in this agreement on the thirty-first day following receipt by DISTRIBUTOR of a written formal notice of such breaches and only if the said failures have not been cured by Distributor to NOI's satisfaction by that time. DISTRIBUTOR can cancel this agreement at any time by giving NOI ninety (90) days prior written notice. It is the intention of the parties that they will enter into discussions at the end of this seven (7) year period for the purpose of entering into a new agreement.

Confidentiality

DISTRIBUTOR agrees that all information provided by NOI including, but not limited to, processes, product formulas, product information, selling methods, training methods, procedures and prices have been developed by NOI at great time and expense, and are the trade secrets of NOI

DISTRIBUTOR agrees to keep all such trade secret information strictly confidential, now and indefinitely in the future and agrees not to use this trade secret information for the development, promotion or advertising of any other product line.

DISTRIBUTOR further agrees not to disseminate this trade secret information to any third party without prior written approval by NOI

Law Applicable

This agreement shall be governed by the law of the State of New York without regard to principles of conflict of laws.. DISTRIBUTOR irrevocably consents to the venue and exclusive jurisdiction of the courts of the State of New York located in New York County or in the United States District Court for the Eastern District of New York located in Suffolk County for the resolution of any dispute or conflict arising out of or in connection with this Agreement.

Assignment

Distributor may not assign, either directly or indirectly, by operation of law or otherwise, any of its rights or delegate any of its obligations hereunder without the prior written consent of NOI. Any attempted assignment or delegation by the Distributor without such prior written consent shall be deemed to be void and of no legal force and effect. Except for the immediately preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of NOI and DISTRIBUTOR and their respective successors, assigns and legal representatives.

Prior Agreements

This agreement terminates and supersedes all previous agreements between both parties, whether written or oral. The parties agree that this Agreement grants certain rights to Distributor that were formerly granted to Natural Distribution Ltd. ("NDL") of Ashford, Kent, United Kingdom pursuant to an Agreement commencing January 1,1999. Distributor represents to NOI that 1) Distributor has full authority to enter into this Agreement with NOI; 2) NOI will incur no liability to NDL or to any of NDL's successors or assigns for entering into this Agreement with Distributor; and 3) Distributor agrees to indemnify NOI for any losses, claims, damages, expenses, including attorneys fees and disbursements, incurred by NOI relating to any claim by NDL, its successors or assigns, arising out of or relating to the execution of this Agreement by NOI.

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<u>Counterparts</u>. This Agreement may be executed in two or more counterparts and by facsimile, each of which shall be deemed an original, but all of which shall constitute one instrument.

Agreed to by:

Jim Gibbons, President
NATURAL ORGANICS, INC.
548 Broadhollow Road
Melville, NY 11747 U.S.A.

Dated: <u>4706</u>

Ms, Valerie Hassett, Managing Director SANTE VERTE LTD.

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Unit E - Foster Road Ashford Business Park

Sevington, Ashford, Kent TN24 OSH

United Kingdom

Dated: 4-11-2006