NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD DECEMBER 5, 2012

Dear Shareholders and Convertible Noteholders of Neu Industries, Inc.:

NOTICE IS HEREBY GIVEN that a Special Meeting of Shareholders of Neu Industries, Inc., a New York corporation ("Mercy (NY)"), will be held on December 5, 2012 at 5 p.m. Eastern Time at 197 Grand Street, 6W, New York, New York 10013 for approval of our proposals to:

- Change the state of incorporation of Neu Industries, Inc. from New York to Delaware by means of a merger of Mercy (NY) into a wholly owned Delaware subsidiary of Mercy (NY), Mercy Nutraceuticals, Inc. ("Mercy (DE)"), with Mercy (DE) remaining as the surviving entity (the "Reincorporation"), which Reincorporation will result in a change in the name of the company from "Neu Industries, Inc." to "Mercy Nutraceuticals, Inc.", listed as **Item 1** on the Proxy Card for common shareholders and Series AA preferred shareholders;

- Approve and adopt a new certificate of incorporation for Mercy Nutraceuticals, Inc., to be filed in Delaware in connection with the Reincorporation (as defined below) (the "Delaware Certificate"), listed as **Item 2** on the Proxy Card for common shareholders and Series AA preferred shareholders, attached as *Appendix A* hereto;

- Approve and adopt the Bylaws of Mercy Nutraceuticals, Inc. (the "Bylaws"), listed as **Item 3** on the Proxy Card for common shareholders and Series AA preferred shareholders, and attached as *Appendix B* hereto;

- Approve and adopt the 2012 Stock Option and Grant Plan (the "New Stock Option Plan"), listed as **Item 4** on the Proxy Card for common shareholders and Series AA preferred shareholders, and attached as *Appendix C* hereto, which New Stock Option Plan will have 448,083 shares of common stock reserved for issuance, which represents the amount of shares of common stock remaining available for issuance under the existing 2008 Stock Option and Grant Plan (the "Existing Plan"); assuming the Reincorporation is approved and completed in all respects in accordance with these Proxy materials, no new options will be issued under to the Existing Plan, and all options currently issued and outstanding under the Existing Plan will be honored in all respects by Mercy (DE);

- Approve and adopt an Amended and Restated Investors Rights Agreement, (the "Amended IRA"), listed as **Item 5** on the Proxy Card for common shareholders and Series AA preferred shareholders, and attached as *Appendix D* hereto, which Amended IRA will completely amend and replace the existing investors rights agreement previously executed by Mercy (NY) and Series AA preferred shareholders (the "Existing IRA"), and shall now also be executed by common shareholders;

- As to common shareholders, to appoint Luc Tomasino, David Shor and Scott Wortman to the board of directors of Mercy (DE) (as defined below), all of whom currently serve on the board of directors of Mercy (NY) and the qualifications of whom are summarized in the section entitled "*Appointment of Directors*" below, listed as **Item 6** on the Proxy Card for common shareholders;

- As to Series AA preferred shareholders, to appoint Richard Kimball to the board of directors of Mercy (DE), whom currently serves on the board of directors of Mercy (NY) and the qualifications of whom are summarized in the section entitled "*Appointment of Directors*" below, listed as **Item 6** on the Proxy Card for Series AA preferred shareholders;

- Approve and adopt an Agreement and Plan of Merger (the "Merger Agreement"), to be executed by and between Mercy (NY) and Mercy (DE), listed as **Item 7** on the Proxy Card for common shareholders and Series AA preferred shareholders, a copy of which is attached as *Appendix E* hereto;

- Approve and adopt a Written Consent of Shareholders ratifying certain historic actions of Mercy (NY), to be submitted to shareholders of Mercy (NY) for review and approval (the "Written Consent"), listed as **Item 8** on the Proxy Card for common shareholders and Series AA preferred shareholders, a copy of which is attached as *Appendix F* hereto; and

- As to convertible noteholders, to approve and adopt an Amendment No. 1 to Amended and Restated Convertible Note Purchase Agreement and Amended and Restated Convertible Promissory Note (the "Amendment No. 1"), listed as **Item 1** on the Proxy Card for convertible noteholders and attached as *Appendix G* hereto. Such Amendment No. 1 reflects: (i) the assignment of the purchase agreement and the notes from Mercy (NY) to Mercy (DE), as if Mercy (DE) were the original corporate signatory thereto; (ii) the appointment of Gerald Palacios as the "Noteholder Director" (listed as **Item 2** on the Proxy Card for convertible noteholders), the qualifications of whom are summarized in the section entitled "*Appointment of Directors*" below; and (iii) the increase of the "Maximum Raise" from $2,500,000 to $4,500,000, together with certain additional terms and conditions relating to such matters.

As the Amended IRA represents an amendment and restatement of the Existing IRA, the Amended IRA will be deemed executed by, and binding upon, all Series AA preferred shareholders of the company upon the vote of the holders of a majority of the Series AA preferred shares in favor of, and consent to, the Reincorporation and to the Amended IRA, respectively. The Amended IRA will be deemed executed by, and binding upon, only those common shareholders of the company who vote in favor of, and consent to become a signatory to, the Reincorporation and the Amended IRA, respectively.

The Amendment No. 1 will deemed executed by, and binding upon, all convertible noteholders of the company upon the vote of the convertible noteholders holding a majority of the principle balance of all notes issued pursuant to the Amended and Restated Note Purchase Agreement vote in favor of, and consent to, the Amendment No. 1.

All shareholders and convertible noteholders are cordially invited to attend the meeting in person at the address specified above. Only shareholders of record at the close of business on November 19, 2012, are entitled to notice of and to vote at the Special Meeting and any adjournment or postponement thereof.

Whether or not you plan to attend the Special Meeting, please sign, date and return the enclosed Proxy Cards applicable to you: (i) via PDF to luc.tomasino@drinkmercy.com, (ii) via fax to 917-210-3576 or (iii) via mail to 197 Grand Street, 6W, New York, New York 10013. In order to be counted, all Proxy Cards must be actually received by the company prior to the commencement of the Special Meeting.

Shareholders may revoke their proxy at any time prior to the Special Meeting. If any shareholder attends the Special Meeting and votes by ballot, such shareholder's proxy will be revoked automatically and only such shareholder's vote at the Special Meeting will be counted. Convertible noteholders' proxies will be considered final and binding upon receipt.

By Order of the Board of Directors,

LUC TOMASINO

RICHARD KIMBALL

DAVID SHOR

SCOTT WORTMAN

November 19, 2012

PROXY STATEMENT

These proxy materials and the enclosed Proxy Cards are being furnished in connection with the solicitation of proxies by the Board of Directors (the "Board") of Neu Industries, Inc., a New York corporation ("Mercy (NY)"), to be voted at the Special Meeting of Shareholders (the "Special Meeting") to be held on **December 5, 2012 at 5 p.m. Eastern Time at 197 Grand Street, 6W, New York, New York 10013**. *Throughout this Proxy Statement, the terms "we," "us," "our" or any variants thereof refer to Neu Industries, Inc., the existing New York corporation.*

PURPOSE OF MEETING

The specific proposals to be considered and acted upon at the Special Meeting are summarized in the accompanying Notice of Special Meeting of Shareholders (the "Notice") and are described in more detail in this Proxy Statement.

VOTING; QUORUM

The record date for determining those shareholders who are entitled to notice of, and to vote at, the Special Meeting has been fixed as November 19, 2012 (the "Record Date"). Only shareholders of record at the close of business on the Record Date are entitled to notice of and to vote at the Special Meeting and any adjournment or postponement thereof. Each shareholder is entitled to one vote for each share of our stock held by such shareholder as of the Record Date. As of the Record Date (i) 424,980 shares of our common stock were outstanding and (ii) 768,363 shares of our Series AA preferred stock were outstanding.

Convertible noteholders have been included in these proxy materials solely for the purpose of approving the Amendment No. 1 and the appointing of the convertible noteholder director. The Amendment No. 1 will deemed executed by, and binding upon, all convertible noteholders of the company, and the convertible noteholder director will be deemed appointed, in each case, upon the vote of the convertible noteholders holding a majority of the principle balance of all notes issued pursuant to the Amended and Restated Note Purchase Agreement in favor of, and consent to, the Amendment No. 1 and the appointment of the noteholder director, as applicable.

The presence at the Special Meeting, either in person or by proxy, of (i) the holders of a majority of the outstanding shares of our Series AA preferred stock entitled to vote, voting as a single class on an as-converted basis (a "Series AA Majority"), and (ii) the holders of a majority of all outstanding shares of the company (common and Series AA, collectively) entitled to vote, voting as a single class on an as-converted basis (a "Total Outstanding Majority"), will constitute a quorum for the transaction of business at the Special Meeting. If a quorum is not present, the Special Meeting will be adjourned until a quorum is obtained.

REQUIRED VOTES

Approval of the Reincorporation, the Delaware Certificate and the Merger Agreement each require the affirmative vote of each of a Series AA Majority and a Total Outstanding Majority.

Approval of each of the Bylaws and the New Stock Option Plan require a Total Outstanding Majority.

With respect to the Series AA preferred shareholders, as the Amended IRA represents an amendment and restatement of the Existing IRA, approval of the Amended IRA requires a Series AA majority. With respect to the common shareholders, the Amended IRA will be deemed executed by, and binding upon, only those common shareholders of the company who vote in favor of, and consent to become a signatory to, the Amended IRA.

Appointment of Luc Tomasino, David Shor and Scott Wortman to the board of directors of Mercy (DE), in each case, requires the vote of the holders of a majority of the common shares.

Appointment of Richard Kimball to the board of directors of Mercy (DE) requires the vote of a Series AA Majority.

Appointment of Gerald Palacios to the board of directors of Mercy (DE) requires the vote of the noteholders holding a majority of the principle balance of all notes issued pursuant to the Amended and Restated Note Purchase Agreement.

PROXY CARDS

Only Proxy Cards that have been signed, dated and timely returned will be counted in the quorum and voted. Whether or not you plan to attend the Special Meeting, please sign, date and return the enclosed Proxy Cards applicable to you: (i) via PDF to luc.tomasino@drinkmercy.com, (ii) via fax to 917-210-3576 or (iii) via mail to 197 Grand Street, 6W, New York, New York 10013.

NOTE: Please execute and return each Proxy Card that applies to you. For example, if you are both a common shareholder and a Series AA preferred shareholder, you will execute and return two Proxy Cards, one with respect to your status as a common shareholder, and one with respect to your status as a Series AA preferred shareholder.

If a Proxy Card is signed and returned to us, the shares represented thereby will be voted at the Special Meeting in accordance with the instructions specified thereon. If the Proxy Card is signed, but does not specify how the shares represented thereby are to be voted, the proxy will be voted "for" all of the proposals contained on the Proxy Card.

At the discretion of management, we may retain a professional firm of proxy solicitors to assist in the solicitation of proxies, although we do not currently expect to retain such a firm.

OVERVIEW OF REINCORPORATION

On November 19, 2012, our Board approved the reincorporation of Mercy (NY) from New York to Delaware by means of a merger of Mercy (NY) with and into Mercy (DE), a wholly-owned Delaware subsidiary of Mercy (NY), recently established to effect the reincorporation. Mercy (DE) will survive the merger and will issue one share of its common stock for each outstanding share of Mercy (NY)'s common stock, and one share of its Series AA preferred stock for each outstanding share of Mercy (NY)'s Series AA preferred stock, in connection with the merger (the "Reincorporation"). The Amended IRA will be deemed executed by, and binding upon, all Series AA preferred shareholders of the company upon the vote of a Series AA Majority. Provided that the Reincorporation is approved, the Amended IRA will be deemed executed by, and binding upon, only those common shareholders of the company who vote in favor of, and consent to become a signatory to, the Amended IRA. The Amended IRA will provide for (i) certain transferability restrictions on our stock, (ii) certain rights and obligations with respect to nomination and election of directors, (iii) certain drag-along rights, (iv) customary preemptive rights; and (v) customary lock-up provisions. For a detailed discussion of these rights and provisions, please see the section entitled "*Amended and Restated Investors Rights Agreement*" and the actual Amended IRA, attached hereto as *Appendix D*.

As discussed further below, the principal reasons for the Reincorporation into Delaware are the greater flexibility of Delaware corporate law and the substantial body of case law interpreting that law. Delaware's corporate laws are generally more modern, highly developed and predictable than New York's corporate laws. Delaware corporate laws also are periodically revised to be responsive to the changing legal and business needs of corporations. For this reason, many public and private corporations have initially incorporated in Delaware or have changed their corporate domiciles to Delaware in a manner similar to that proposed by Mercy (NY).

Shareholders and convertible noteholders are urged to read this Proxy Statement carefully, including the related Appendices referenced below and attached to this Proxy Statement, before voting on the Reincorporation. The following discussion summarizes material provisions of the Reincorporation. This summary is subject to and qualified in its entirety by the Delaware Certificate, in substantially the form attached hereto as *Appendix A*, the Bylaws, in substantially the form attached hereto as *Appendix B*, the New Stock Option Plan, in substantially the form attached hereto as *Appendix C*, the Amended IRA, the Merger Agreement that will be entered into by Mercy (NY) and Mercy (DE), in substantially the form attached hereto as *Appendix E*, the Written Consent, in substantially the form attached hereto as *Appendix F* and the Amendment No. 1, in substantially the form attached hereto as *Appendix G*.

Copies of the Certificate of Incorporation of Mercy (NY) filed in New York, as amended to date (the "New York Certificate"), and the Bylaws of Mercy (NY), as amended to date (the "New York Bylaws"), are available for inspection at the principal office of Mercy (NY). Copies will be sent to shareholders free of charge upon written request to Mercy (NY) at: 197 Grand Street, 6W, New York, New York 10013.

I. REINCORPORATION OF THE COMPANY FROM NEW YORK TO DELAWARE

SHAREHOLDERS: See Items 1, 2 and 7 on your Proxy Cards.

MECHANICS OF THE REINCORPORATION

The Reincorporation will be effected by the merger of Mercy (NY) with and into Mercy (DE), a wholly-owned subsidiary of Mercy (NY) that has been recently incorporated under the Delaware General Corporation Law (the "DGCL") for purposes of the Reincorporation. Mercy (NY) will cease to exist as a result of the merger and Mercy (DE) will be the surviving corporation and will continue to operate the business of Mercy (NY) as it existed prior to the Reincorporation. Assuming approval by the shareholders of Mercy (NY), Mercy (NY) currently intends to cause the Reincorporation to become effective shortly following the Special Meeting, scheduled for December 5, 2012.

At the Effective Time of the Reincorporation (the "Effective Time"), the surviving company will be governed by the Delaware Certificate, the Bylaws and the DGCL. Although the Delaware Certificate and the Bylaws contain many similar provisions from the New York Certificate and the New York Bylaws, they nevertheless include provisions that are somewhat different from the provisions contained in the current New York Certificate, New York Bylaws or under the NYBCL.

In the event the Reincorporation is approved, upon the Effective Time, each outstanding share of Mercy (NY) common stock will automatically be converted into one share of common stock of Mercy (DE), and each outstanding share of Mercy (NY) Series AA preferred stock will automatically be converted into one share of Series AA preferred stock of Mercy (DE). Each outstanding option to purchase shares of Mercy (NY) common stock will be converted into an option to purchase the same number of shares of Mercy (DE) common stock with no other changes in the terms and conditions of such option. Each outstanding convertible debt instrument of Mercy (NY) will be converted into a convertible debt instrument of Mercy (DE). Each outstanding share of Mercy (NY) common stock, each outstanding share of Mercy (NY) Series AA preferred stock and each option to purchase shares of Mercy (NY) common stock existing prior to the Effective Time will be cancelled upon the Effective Time.

Other than the change in corporate domicile, the Reincorporation will not result in any change in the business, physical location, management, assets, liabilities or net worth of the company, nor will it result in any change in location of the company's current employees, including management. Upon consummation of the Reincorporation, the daily business operations of the company will continue as they are presently conducted at the company's principal executive office located at 197 Grand Street, 6W, New York, New York 10013. The consolidated financial condition and results of operations of Mercy (DE) immediately after consummation of the Reincorporation will be the same as those of Mercy (NY) immediately prior to the consummation of the Reincorporation. Upon the effectiveness of the merger, and if you elect to appoint them in accordance with the terms set forth herein, the board of directors of Mercy (DE) will consist of Luc Tomasino, Richard Kimball, David Shor, Scott Wortman and Gerald Palacios. Upon the effectiveness of the merger, the individuals serving as executive officers of Mercy (NY) immediately prior to the Reincorporation will continue to serve as executive officers of Mercy (DE), with Luc Tomasino serving as chief executive officer and president. Upon effectiveness of the Reincorporation, Mercy (DE) will be the successor in interest to Mercy (NY) and the shareholders and convertible noteholders will become shareholders and convertible noteholders of Mercy (DE).

The Merger Agreement provides that the Board of Mercy (NY) may abandon the Reincorporation at any time prior to the Effective Time if the Board determines that the Reincorporation is inadvisable for any reason, which reasons may include, but not be limited to, (i) the shareholders' failure to adopt and approve, and/or consent to be a signatory to, any of the Delaware Certificate, the Bylaws, the New Stock Option Plan and/or the Amended IRA, and/or (ii) the amendment or restatement of one or more provisions of the DGCL or the NYBCL which reduces the benefits that the company hopes to achieve through the Reincorporation, or the costs of operating as a Delaware corporation may be increased (provided that the company does not know of any such anticipated amendments or restatements). The Merger Agreement may be amended at any time prior to the Effective Time, either before or after the shareholders have voted to adopt the proposal, subject to applicable law. The company will re-solicit shareholder approval of the Reincorporation if the terms of the Merger Agreement are changed in any material respect.

PRINCIPAL REASONS FOR THE REINCORPORATION

The Board believes that any direct benefit that the DGCL provides to a corporation indirectly benefits the shareholders, who are the owners of the company. The Board believes that there are several reasons why a reincorporation to

Delaware is in the best interests of the company and its shareholders. As explained in more detail below, these reasons can be summarized as follows:

- greater predictability, flexibility and responsiveness of the DGCL to corporate needs through a more highly developed and predictable body of corporate law;
- access to specialized courts;
- enhanced ability of Delaware corporations to attract and retain qualified directors and executive officers; and
- greater access to capital.

Highly Developed and Predictable Corporate Law

Our Board believes Delaware has one of the most modern statutory corporation laws, which is revised regularly to meet changing legal and business needs of corporations. The Delaware legislature is responsive to developments in modern corporate law and Delaware has proven sensitive to changing needs of corporations and their shareholders. The Delaware Secretary of State is particularly flexible and responsive in its administration of the filings required for mergers, acquisitions and other corporate transactions. Delaware has become a preferred domicile for most major American corporations and the DGCL and administrative practices have become comparatively well-known and widely understood. As a result of these factors, it is anticipated that the DGCL will provide greater efficiency, predictability and flexibility in the company's legal affairs than is presently available under New York law.

Access to Specialized Courts

Delaware has a specialized Court of Chancery that hears corporate law cases. As the leading state of incorporation for both private and public companies, Delaware has developed a vast body of corporate law that helps to promote greater consistency and predictability in judicial rulings. In addition, Chancery Court actions and appeals from Chancery Court rulings proceed expeditiously. In contrast, New York does not have a similar specialized court established to hear only corporate law cases. Rather, disputes involving questions of New York corporate law are either heard by the New York Supreme Court, the general trial court in New York that hears all manner of cases, or, if federal jurisdiction exists, a federal district court.

Recruiting and Retention Benefits

We are in a highly competitive industry and compete for talented individuals to serve on our management team and on our Board. The Board believes that the better understood and comparatively stable corporate environment afforded by Delaware will better enable the company to recruit talented and experienced directors and officers. Additionally, the parameters of director and officer liability are more extensively addressed in Delaware court decisions and are therefore better defined and better understood than under New York law. Our Board believes that reincorporation in Delaware will enhance the company's ability to recruit and retain directors and officers in the future, while providing appropriate protection for shareholders from possible abuses by directors and officers. In this regard, it should be noted that directors' personal liability is not, and cannot be, eliminated under the DGCL for intentional misconduct, bad faith conduct or any transaction from which the director derives an improper personal benefit.

Greater Access to Capital

Underwriters and other members of the financial services industry may be more willing and better able to assist in capital-raising programs for the company following the Reincorporation because Delaware law is better understood than New York law.

POSSIBLE NEGATIVE CONSIDERATIONS

Notwithstanding the belief of the Board as to the benefits to the shareholders of the Reincorporation, it should be noted that Delaware law has been criticized by some commentators and institutional shareholders on the grounds that it does not afford minority shareholders the same substantive rights and protections as are available in a number of other states. It also should be noted that the interests of the Board, management and affiliated shareholders in voting on the Reincorporation proposal may not be the same as those of unaffiliated shareholders.

The Board has considered the potential disadvantages of the Reincorporation and has concluded that the potential benefits outweigh the possible disadvantages.

DESCRIPTION OF CAPITAL STOCK

Mercy (DE)'s authorized capital stock will consist of (a) 20,000,000 shares of common stock, par value US$0.001 per share and (b) 10,000,000 shares of preferred stock, par value US$0.001 per share, 781,363 shares of which preferred stock are designated as "Series AA" preferred stock.

Voting. Except as otherwise expressly provided herein or required by law, each common shareholder shall be entitled to one vote in respect of each share of common stock held thereby of record on the books of Mercy (DE) on all matters submitted to a vote of common shareholders of Mercy (DE). Except as otherwise expressly provided herein or required by law, and subject to certain adjustments set forth in the Amended IRA (which adjustments are also present in the Existing IRA), each Series AA preferred shareholder shall be entitled to one vote in respect of each share of Series AA preferred stock held thereby of record on the books of Mercy (DE) on all matters submitted to a vote of Series AA preferred shareholders of Mercy (DE).

Election of Board of Directors. Except as otherwise required by law, the election of directors shall be done in a manner consistent with the Amended IRA, the provisions of which have been summarized under the section entitled "*Amended and Restated Investor Rightss Agreement.*" Elections of directors need not be by written ballot unless the Bylaws of Mercy (DE) shall so provide.

Dividends. Shareholders will be entitled to receive such dividends when and as may be declared from time to time by Mercy (DE)'s board of directors from its assets which are legally available therefor.

Liquidation Rights. Upon Mercy (DE)'s liquidation, dissolution or winding-up, Mercy (DE)'s assets available for distribution shall be distributed in accordance with the terms of the Delaware Certificate.

Conversion Rights. Shares of Mercy (DE) Series AA preferred stock will be convertible into shares of Mercy (DE) common stock. Shares of Mercy (DE) common stock will not be convertible in any manner.

Redemption/Put Rights. There will be no redemption or put rights attaching to the shares of Mercy (DE) stock.

Registration Rights. There will be no registration rights attaching to the shares of Mercy (DE) stock.

Stock Transfer Rights. Shares of Mercy (DE) stock may be transferred on the books of Mercy (DE) by the surrender to the company or its transfer agent of the certificate therefore, subject to the stock transfer or similar rights expressly contemplated by the Amended IRA, the provisions of which have been summarized under the section entitled "*Amended and Restated Investors Rights Agreement.*"

CERTAIN MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE REINCORPORATION

The following discussion summarizes certain material U.S. federal income tax consequences of the Reincorporation. This discussion is based upon current provisions of the Code, current and proposed Treasury Regulations, and judicial and administrative decisions and rulings as of the date of this Proxy Statement, all of which are subject to change (possibly with retroactive effect) and all of which are subject to differing interpretation. This discussion does not address all aspects of taxation that may be relevant to you in light of your personal investment or tax circumstances or to persons that are subject to special treatment under the U.S. federal income tax laws. In particular, this discussion deals only with shareholders that hold Mercy (NY) stock as capital assets within the meaning of the Code. In addition, this discussion does not address the tax treatment of special classes of shareholders, such as banks, insurance companies, tax-exempt organizations, financial institutions, broker-dealers, persons holding Mercy (NY) stock as part of a hedging or conversion transaction or as part of a "straddle," U.S. expatriates, persons subject to the alternative minimum tax, foreign corporations, foreign partnerships, foreign estates or trusts and persons who are not citizens or residents of the United States. This discussion may not be applicable to holders who acquired Mercy (NY) stock pursuant to the exercise of options or warrants or otherwise as compensation. Furthermore, this discussion does not address any state, local or foreign tax considerations.

No ruling from the Internal Revenue Service (the "IRS") (or opinion of counsel) has been or will be requested in connection with the Reincorporation. In addition, the company's shareholders should be aware that the IRS could adopt a contrary position, which position could be sustained by a court.

EACH SHAREHOLDER AND CONVERTIBLE NOTEHOLDER IS URGED TO CONSULT HIS, HER OR ITS OWN TAX ADVISORS TO DETERMINE THE PARTICULAR FEDERAL TAX CONSEQUENCES TO SUCH SHAREHOLDER OR CONVERTIBLE NOTEHOLDER OF THE REINCORPORATION, INCLUDING TAX RETURN REPORTING REQUIREMENTS AND THE APPLICABILITY AND EFFECT OF FEDERAL, STATE, LOCAL, FOREIGN AND OTHER APPLICABLE TAX LAWS.

Mercy (NY) intends that the Reincorporation will be treated as a reorganization pursuant to Section 368(a) of the Code. Subject to the limitations, qualifications and exceptions described herein, and assuming the Reincorporation qualifies as a reorganization within the meaning of Section 368(a) of the Code, the U.S. federal income tax consequences of the Reincorporation will be as follows:

- No gain or loss will be recognized by holders of the stock of Mercy (NY) upon receipt of stock of Mercy (DE) pursuant to the Reincorporation;

- The tax basis of the common stock of Mercy (DE) received by each shareholder of Mercy (NY) in the Reincorporation will be equal to the tax basis of the common stock of Mercy (NY) surrendered in exchange therefor;

- The tax basis of the preferred stock of Mercy (DE) received by each shareholder of Mercy (NY) in the Reincorporation will be equal to the tax basis of the preferred stock of Mercy (NY) surrendered in exchange therefor;

- The holding period of the stock of Mercy (DE) received by each shareholder of Mercy (NY) will include the period for which such shareholder held the stock of Mercy (NY) surrendered in exchange therefor, provided that such stock of Mercy (NY) was held by such shareholder as a capital asset at the time of the Reincorporation; and

- No gain or loss will be recognized by Mercy (NY) or Mercy (DE) as a result of the Reincorporation.

The convertible debt instruments of Mercy (NY) exchanged for the convertible debt instruments issued by Mercy (DE) in the Reincorporation will have identical terms and conditions. Assuming that these debt instruments are treated as debt instruments that constitute securities for federal income tax purposes, there will be no gain or loss recognized on the exchange.

You may be required to attach a statement to your tax returns for the year of the Reincorporation that contains the information listed in Treasury Regulation Section 1.368-3(b) and may be required to maintain a permanent record of facts relating to the Reincorporation. Such information includes, among other things, your tax basis in your stock of Mercy (NY) and the fair market value of your stock of Mercy (NY) immediately prior to the Reincorporation.

THE PRECEDING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE REINCORPORATION, IS INCLUDED AS A COURTESY ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR DISCUSSION OF ALL OF THE REINCORPORATION'S POTENTIAL TAX EFFECTS.

REQUIRED VOTE FOR THE REINCORPORATION, THE FILING OF THE DELAWARE CERTIFICATE AND THE MERGER AGREEMENT

The affirmative vote affirmative vote of (a) a Series AA Majority and (b) a Total Outstanding Majority is required to authorize the Reincorporation. The enclosed Proxy Cards provide a means for common shareholders and Series AA preferred shareholders (i) to vote for the Reincorporation and its resulting effects, (ii) to vote against the Reincorporation and its resulting effects, or (iii) to abstain from voting with respect to the Reincorporation and its resulting effects. Each executed proxy received prior to the commencement of the Special Meeting will be voted at such meeting as specified therein. **If a shareholder executes and returns a proxy but does not specify otherwise, such shareholder's vote will be counted as "for" the Reincorporation and all the resulting effects.**

The affirmative vote affirmative vote of (a) a Series AA Majority and (b) a Total Outstanding Majority is required to approve the terms and filing of the Delaware Certificate. The enclosed Proxy Cards provide a means for common shareholders and Series AA preferred shareholders (i) to vote for the terms and filing of Delaware Certificate and its resulting effects, (ii) to vote against the terms and filing of the Delaware Certificate and its resulting effects, or (iii) to abstain from voting with respect to the terms and filing of the Delaware Certificate and its resulting effects. Each executed proxy received prior to the commencement of the Special Meeting will be voted at such meeting as specified therein. **If a shareholder executes and returns a proxy but does not specify otherwise, such shareholder's vote will be counted as "for" the terms and filing of the Delaware Certificate and all the resulting effects.**

The affirmative vote affirmative vote of (a) a Series AA Majority and (b) a Total Outstanding Majority is required to approve the Merger Agreement. The enclosed Proxy Cards provide a means for common shareholders and Series AA preferred shareholders (i) to vote for the Merger Agreement and its resulting effects, (ii) to vote against the Merger Agreement and its resulting effects, or (iii) to abstain from voting with respect to the Merger Agreement and its resulting effects. Each executed proxy received prior to the commencement of the Special Meeting will be voted at such meeting as specified therein. **If a shareholder executes and returns a proxy but does not specify otherwise, such shareholder's vote will be counted as "for" the Merger Agreement and all the resulting effects.**

RECOMMENDATION OF OUR BOARD OF DIRECTORS

FOR THE REASONS DESCRIBED IN THIS PROXY STATEMENT, OUR BOARD RECOMMENDS UNANIMOUSLY THAT YOU VOTE "FOR" APPROVAL OF THE REINCORPORATION, "FOR" THE APPROVAL AND ADOPTION OF THE DELAWARE CERTIFICATE AND "FOR" THE MERGER AGREEMENT.

II. BYLAWS

SHAREHOLDERS: See Item 3 on your Proxy Cards.

Upon and subject to the Bylaws being approved by the requisite shareholder votes (described below), the Bylaws will be deemed approved and ratified by the shareholders, in substantially the form attached hereto as *Appendix B*, as the same may be amended, restated and/or repealed by the Board from time to time. Additional rights, restrictions, and obligations which may be applicable to you will be set forth in the Delaware Certificate, the New Stock Option Plan and the Amended IRA. You should carefully consult these documents for a complete description of these rights. For further reference, a copy of the Delaware Certificate is attached hereto as *Appendix A*, a copy of the New Stock Option Plan is attached hereto as *Appendix C*, and a copy of the Amended IRA is attached hereto as *Appendix D*.

REQUIRED VOTE FOR THE NEW BYLAWS

The affirmative vote affirmative vote of a Total Outstanding Majority is required to authorize the Bylaws. The enclosed Proxy Cards provide a means for common shareholders and Series AA preferred shareholders (i) to vote for the Bylaws and their resulting effects, (ii) to vote against the Bylaws and their resulting effects, or (iii) to abstain from voting with respect to the Bylaws and their resulting effects. Each executed proxy received in time for the Special Meeting will be voted at such meeting as specified therein. **If a shareholder executes and returns a proxy but does not specify otherwise, such shareholder's vote will be counted as "for" the Bylaws and all the resulting effects.**

RECOMMENDATION OF OUR BOARD OF DIRECTORS

FOR THE REASONS DESCRIBED IN THIS PROXY STATEMENT, OUR BOARD RECOMMENDS UNANIMOUSLY THAT YOU VOTE "FOR" APPROVAL OF THE BYLAWS.

III. 2012 STOCK OPTION AND GRANT PLAN

SHAREHOLDERS: See Item 4 on your Proxy Cards.

Upon and subject to the New Stock Option Plan being approved by the requisite shareholder votes (described below), the New Stock Option Plan will be deemed approved and ratified by the shareholders, in substantially the form attached hereto as *Appendix C*, which New Stock Option Plan will have 448,083 shares of common stock reserved for issuance, which represents the amount of shares of common stock remaining available for issuance under the Existing Plan. Assuming the Reincorporation is approved and completed in all respects in accordance with these Proxy materials, no new options will be issued under to the Existing Plan, and all options currently issued and outstanding under the Existing Plan will be honored in all respects by Mercy (DE).

The following descriptions are summaries only of material provisions of the New Stock Option Plan. Additional rights, restrictions, and obligations which may be applicable to you will be set forth in the Delaware Certificate, the Bylaws and the Amended IRA. You should carefully consult these documents for a complete description of these rights. For further reference, a copy of the Delaware Certificate is attached hereto as *Appendix A*, a copy of the Bylaws is attached hereto as *Appendix B*, and a copy of the Amended IRA is attached hereto as *Appendix D*.

The purpose of the New Stock Option Plan is to encourage and enable the officers, employees, directors, consultants, advisors, manufacturers, distributors, brokers and other key persons of Mercy (DE) and any subsidiary, upon whose judgment, initiative and efforts the company largely depends for the successful conduct of its business, to acquire a proprietary interest in the company. It is anticipated that providing such persons with a direct stake in the company's welfare will assure a closer identification of their interests with those of the company and its shareholders, thereby stimulating their efforts on the company's behalf and strengthening their desire to remain with the company.

Administration. The New Stock Option Plan shall be administered by the board of directors, or at the discretion of the board of directors, by a committee of the board of directors comprised of not less than 2 directors. With respect to grants of awards to officers or directors of Mercy (DE), the plan will be administered in a manner that permits such grants to be exempt from Section 16(b) of the Exchange Act. Grants of awards to covered employees as defined under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), will be made only by a committee comprised solely of 2 or more directors eligible to serve on a committee making awards. The administrator of the New Stock Option Plan will have the full authority to (i) select recipients of the awards, (ii) determine the extent of the awards, (iii) determine and modify, subject to amendment or termination of the New Stock Option Plan, the terms and conditions of the awards, including restrictions and limitations (iv) accelerate at any time the exercisability or vesting of the awards, (v) at any time adopt, alter and repeal such rules, guidelines and practices for administration of the New Stock Option Plan and for its own acts and proceedings as it shall deem advisable, (vi) interpret the terms and provisions of the New Stock Option Plan and any award (including related written instruments), (vii) make all determinations it deems advisable for the administration of the New Stock Option Plan, (viii) decide all disputes arising in connection with the New Stock Option Plan; and (ix) otherwise supervise the administration of the New Stock Option Plan.

Available Shares. Subject to adjustment upon certain corporate transactions or events, and subject to increase pursuant to the terms of the New Stock Option Plan, a maximum of 448,083 shares of Mercy (DE) common stock are reserved for issuance under the New Stock Option Plan, which represents the amount of shares of common stock remaining available for issuance under the Existing Plan. Assuming the Reincorporation is approved and completed in all respects in accordance with these Proxy materials, no new options will be issued under to the Existing Plan, and all options currently issued and outstanding under the Existing Plan will be honored in all respects by Mercy (DE). Any shares covered by an award which are forfeited, canceled, withheld upon exercise of an option or settlement of an award to cover the exercise price or tax withholding, reacquired by the company prior to vesting, satisfied without the issuance of stock or otherwise terminated shall be added back to the shares of stock available for issuance under the New Stock Option Plan.

Awards Under the Plan; Incentive and Non-Qualified Stock Options. The terms of specific options, including whether options shall constitute "incentive stock options" for purposes of Section 422(b) of the Code, shall be determined by the administrator. The exercise price with respect to incentive and non-qualified stock options may not be lower than 100% (110% in the case of an incentive stock option granted to a 10% shareholder) of the fair market value of our common stock on the date of grant. Each option will be exercisable after the period or periods specified in the award agreement, which will generally not exceed ten years from the date of grant (or five years in the case of an incentive stock option granted to a 10% shareholder). Options will be exercisable at such times and subject to such terms as determined by the administrator.

Other Awards. In the case of other awards granted under the New Stock Option Plan, including restricted stock awards, unrestricted stock awards and unrestricted stock units, the administrator has the authority to determine the exercise or purchase price, if any.

Sale Events. Upon the (i) consummation of a merger or consolidation in which the holders of voting securities immediately prior to such merger or consolidation will not, directly or indirectly, continue to hold at least a majority of the outstanding voting securities of the company, (ii) sale, lease, exchange or other transfer of all or substantially all of the company's assets to an unrelated person or entity, (iii) the acquisition by any person or any group of persons, acting together in any transaction or related series of transactions, of such quantity of the company's voting securities as causes such person, or group of persons, to own beneficially, directly or indirectly, as of the time immediately after such transaction or related series of transactions, fifty percent (50%) or more of the combined voting power of the voting securities of the company other than as a result of (i) an acquisition of securities directly from the company or (ii) an acquisition of securities by the company which, by reducing the voting securities outstanding, increases the proportionate voting power represented by the voting securities owned by any such person or group of persons to fifty percent (50%) or more of the combined voting power of such voting securities; or (d) the liquidation or dissolution of the company, the New Stock Option Plan and all outstanding awards granted thereunder shall terminate, unless provision is made in connection with the Sale Event in the sole discretion of the parties to the Sale Event.

Subject to the relevant award agreement, all options that are not exercisable immediately prior to the effective time of the Sale Event shall become fully vested and nonforfeitable as of such consummation, and each grantee shall be permitted, within a specified period of time prior to the consummation of the Sale Event as determined by the administrator, to exercise all outstanding options held by such grantee; provided, however, that the exercise of options not exercisable prior to the Sale Event shall be subject to the consummation of the Sale Event. Mercy (DE) shall have the right, but not the obligation in connection with a Sale Event, to make or provide for a cash payment to grantee holding options, in exchange for cancellation thereof, in an amount determined in accordance with the provisions of the New Stock Option Plan.

Amendment and Termination. The Mercy (DE) board of directors may, at any time, amend or discontinue the New Stock Option Plan, and the administrator may, at any time, amend or cancel any outstanding award (or provide substitute awards at the same or a reduced exercise or purchase price or with no exercise or purchase price in a manner not inconsistent with the terms of the Plan; provided, that such price, if any, must satisfy the requirements which would apply to the substitute or amended award if it were then initially granted under the New Stock Option Plan for the purpose of satisfying changes in law or for any other lawful purpose), but no such action shall adversely affect rights under any outstanding award without the consent of the holder of the award. The administrator may exercise its discretion to reduce the exercise price of outstanding stock options or effect repricing through cancellation of outstanding awards and by granting such holders new awards in replacement of the cancelled Awards. To the extent determined by the administrator to be required either by the Code to ensure that incentive stock options granted under the New Stock Option Plan are qualified under Section 422 of the Code or otherwise, Stock Option Plan amendments shall be subject to approval by the company shareholders entitled to vote at a meeting of shareholders.

REQUIRED VOTE FOR THE NEW STOCK OPTION PLAN

The affirmative vote affirmative vote of a Total Outstanding Majority is required to authorize the New Stock Option Plan. The enclosed Proxy Cards provide a means for common shareholders and Series AA preferred shareholders (i) to vote for the New Stock Option Plan and its resulting effects, (ii) to vote against the New Stock Option Plan and its resulting effects, or (iii) to abstain from voting with respect to the New Stock Option Plan and its resulting effects. Each executed proxy received in time for the Special Meeting will be voted at such meeting as specified therein. **If a shareholder executes and returns a proxy but does not specify otherwise, such shareholder's vote will be counted as "for" the New Stock Option Plan and all the resulting effects.**

RECOMMENDATION OF OUR BOARD OF DIRECTORS

FOR THE REASONS DESCRIBED IN THIS PROXY STATEMENT, OUR BOARD RECOMMENDS UNANIMOUSLY THAT YOU VOTE "FOR" APPROVAL AND ADOPTION OF THE NEW STOCK OPTION PLAN.

IV. AMENDED AND RESTATED INVESTORS RIGHTS AGREEMENT

SHAREHOLDERS: See Item 5 on your Proxy Cards.

As the Amended IRA represents an amendment and restatement of the Existing IRA, the Amended IRA will be deemed executed by, and binding upon, all Series AA preferred shareholders of the company upon the vote of the holders of a majority of the Series AA preferred shares in favor of, and consent to, the Reincorporation and to the Amended IRA, respectively. The Amended IRA will be deemed executed by, and binding upon, only those common shareholders of the company who vote in favor of, and consent to become a signatory to, the Reincorporation and the Amended IRA, respectively. The Amended IRA will completely amend and replace the Existing IRA previously executed by Mercy (NY) and Series AA preferred shareholders, and shall now also be executable by common shareholders. Additional rights, restrictions, and obligations which may be applicable to you will be set forth in the Delaware Certificate, the Bylaws and the New Stock Option Plan. You should carefully consult these documents for a complete description of these rights. For further reference, a copy of the Delaware Certificate is attached hereto as *Appendix A*, a copy of the Bylaws is attached hereto as *Appendix B*, and a copy of the New Stock Option Plan is attached hereto as *Appendix C*.

With the exception of certain "Significant Holders" of Series AA preferred stock of Mercy (NY) (as that term is defined in the Existing IRA), no shareholder currently has preemptive rights. The Amended IRA will afford all shareholders bound thereby preemptive rights to acquire equity securities that the company may issue in the future in order to maintain their respective ownership shares. However, no such rights will apply to issuances of equity securities of the company (i) to officers, directors, employees, consultants, advisors, distributors, manufacturers, spokespeople, brokers, representatives, agents or other business relations or other business relations of, the company pursuant to the New Stock Option Plan, or equity purchase plans or other agreements, (ii) pursuant to a transaction involving the company and any shareholder or third party whom the board of directors, in its sole discretion determines to be a strategic and/or institutional investor, which may include, without limitation, private equity funds, industry players and other strategic and/or institutional investment vehicles, (iii) pursuant to an acquisition of another entity by the company by merger, consolidation or similar business combination, or acquisition of all or substantially all of the equity or assets of such entity, (iv) to equipment lessors, banks, or similar institutional credit financing sources pursuant to plans or arrangements, (v) to the public pursuant to an IPO, as defined therein; and (vi) to any shareholder in respect of, in exchange for, or in substitution for securities, by reason of any stock dividend, split, reverse split, combination, recapitalization, reclassification, merger, consolidation or otherwise.

The Amended IRA will require all shareholders who are bound thereby who desire to sell or otherwise transfer any or all of their stock to notify the company in writing of the proposed transfer, giving the company the right of first offer, and to thereafter effect any disposition in accordance with the terms of the Amended IRA. Mercy (DE) may also require that such notice be accompanied by an opinion of counsel, reasonably satisfactory to the company, to the effect that the proposed transfer or sale (i) may be effected without registration under the Securities Act of 1933, (ii) will not result in the assets of the company constituting "plan assets" as such term is defined in the Department of Labor regulations promulgated under the Employer Retirement Security Act of 1974, as amended, (iii) will not cause the company to be controlled by or under common control with an "investment company" for purposes of the Investment Company Act of 1940, as amended, (iv) will not require any securities of the company to be registered under the Securities Exchange Act of 1934 or be subject to Section 12(g) or 15(d) of the Securities Exchange Act of 1934; or (v) will not result in the board of directors determining in good faith that such transfer or sale will result in a change of control under an indenture or credit agreement to which the company is a party. In the event of an "IPO", as that term is defined therein, such restrictions on alienability will remain for a specified period determined by the representative of the underwriters of the company, not to exceed 180 days following the effective date of a registration statement of the company filed under the Securities Act of 1933.

Further, to the extent permitted by law, until the termination of the Amended IRA in accordance with its terms, each shareholder bound by the IRA will vote the stock over which such person has voting control, and shall take all other actions necessary or desirable in order to cause the board of directors to be appointed in accordance with the terms of the Delaware Certificate.

Pursuant to the IRA, if at any time (i) the board of directors and (ii) the shareholders of the company who, along with board of directors, own greater than 50% of the total issued and outstanding shares of stock propose a sale of all of the stock of the company, each shareholder of the company will be required to participate in such sale, subject to notice of such "drag-along" rights. In such event, each shareholder shall sell, at the same price and on the same terms and conditions, the same proportion of the total number of shares of stock being sold as (i) the number of shares of stock then owned by such shareholder bears to (ii) the total number of shares of stock then owned by all shareholders (in each case on a fully-diluted basis). Each shareholder holding securities other than stock shall exercise such amount of securities (to the extent

exercisable) as shall be necessary into stock immediately prior to such sale. If a merger, consolidation or recapitalization of the company is approved in the same manner, each shareholder shall consent to and shall not object to or exercise any appraisal rights in connection with such merger, consolidation or recapitalization.

APPROVAL TO BE A SIGNATORY TO THE AMENDED IRA

The Amended IRA will be deemed executed by, and binding upon, all preferred shareholders of the company upon the vote of the holders of a majority of the preferred shares in favor of, and consent to become a signatory to, the Amended IRA. The Amended IRA will be deemed executed by, and binding upon, only those common shareholders of the company who vote in favor of, and consent to become a signatory to, the Amended IRA. The enclosed Proxy Cards provide a means for common shareholders and Series AA preferred shareholders (i) to consent to be a signatory to the Amended IRA and its resulting effects, (ii) to not consent to be a signatory to the Amended IRA and its resulting effects, or (iii) to abstain from consenting with respect to the Amended IRA and its resulting effects. **If a shareholder executes and returns a proxy but does not specify otherwise, such shareholder's vote will be counted as "for" the Amended IRA, as "consenting" to the Amended IRA and as "for" all the resulting effects.**

RECOMMENDATION OF OUR BOARD OF DIRECTORS

FOR THE REASONS DESCRIBED IN THIS PROXY STATEMENT, OUR BOARD RECOMMENDS UNANIMOUSLY THAT YOU VOTE "FOR" THE AMENDED IRA AND "CONSENT" TO BE A SIGNATORY TO THE AMENDED IRA.

V. APPOINTMENT OF DIRECTORS

Below are brief summaries of the individuals up for election to the Board of Directors of Mercy (DE), four of whom currently serve on the Board of Directors of Mercy (NY).

Directors to be Appointed by the Common Shareholders

Luc Tomasino (Chief Executive Officer, Incumbent Director): As a results-oriented executive, Luc brings more than 20 years of experience growing early stage companies into market leaders. He has successfully created shareholder value by building world-class organizations that scale fast and effectively. Luc joined CME Group in 1993, helping pioneer commercial television throughout Eastern Europe, which led to the company raising $700 million dollars in its initial public offering in 1996. In 2001, Luc joined Vyvx Media, a cable TV content provider and turned its money-losing division in Eastern Europe into a profit-maker. In 2004, he became senior vice president and managing director at SDI Media, a dubbing and subtitling company, helping it increase revenue by more than $100 million and making it one of the top firms of its kind in the world. The firm was acquired in a buyout, led by Warburg Pincus, in 2007 at a significant profit to investors.

Dave Shor (Founder, Chief Strategy Officer, Incumbent Director): Dave founded Mercy after several years of management experience in business process design for a large energy utility company. Mercy is the indirect result of Dave's personal passion for neuroscience. Having also had experience organizing events for New York City's vibrant nightlife scene, Dave understood Mercy's potential value and viability in the consumer market. Assembling an A-list team of veterans with marketing, sales, creative, communications, nightlife and beverage expertise, Dave has succeeded in making Mercy available to the consumer marketplace.

Scott E. Wortman, Esq. (Incumbent Director): Scott is a co-founder of the Mercy brand and has been a member of the company's Board of Directors since inception. In addition to his role at Mercy, Scott is a partner at a New York City based financial services litigation firm, with a particular specialization in creditors' rights defense litigation. Scott is a member of various companies focused in the area of distressed receivables, and sits on the Legislative Committee for the International Debt Buyers Association. Scott is also engaged with various charitable works, and is Vice Chairman of the Board of Directors at the Center for Behavioral Health Services. In addition to Scott's thirst for new initiatives and innovations within the functional beverage market, he is an avid musician who has been featured in assorted publications and national tours.

Director to be Appointed by the Series AA Preferred Shareholders

Rick Kimball (Shareholder, Incumbent Director): After graduating from Yale University, Rick launched his career in equity capital markets as Vice President for Morgan Stanley where he executed more than $3 billion in new equity issues for healthcare companies in 2004. Since 2005, he has served as Managing Director and Co-Head of Global Healthcare Investment Banking as well as Co-head of the Healthcare, Consumer and Retail Financing Group at Goldman Sachs. In April

2012, Rick retired from Goldman and has recently assumed the role of Chairman of the Board of Directors of Mercy (NY), and would serve in the same capacity on the Board of Directors of Mercy (DE).

Director to be Appointed by the Convertible Noteholders

Gerald Palacios (New Nominee): We recently hired Gerald as an adviser and consultant to develop a business plan for Mercy's international expansion that will demonstrate our company's significant potential outside the United States. Gérald worked for over 20 years in multinational companies such as Nestlé, BAT, Nespresso, and Moet Hennessy (LVMH) where he held managing director level positions in areas of marketing, sales, and business development. In the last two years, he also worked as an interim CEO managing turn-around projects in the watch industry. Currently based in Switzerland, Gerald has spent most of his career abroad and lived in Spain, Brazil, Germany, and United Kingdom.

His experience as International Business Development Director for Nespresso is particularly relevant to Mercy as he was charged with developing new markets and new distribution channels for this global brand. He also gained valuable experience in the luxury/premium beverage industry working for Moet Hennessy (LVMH) where he was responsible for all Swiss operations and a member of the European Executive committee. His experience building premium/luxury brands and international distribution channels is a real asset for us as we look forward to launching internationally.

RECOMMENDATION OF OUR BOARD OF DIRECTORS

FOR THE REASONS DESCRIBED IN THIS PROXY STATEMENT, OUR BOARD RECOMMENDS UNANIMOUSLY THAT YOU VOTE "FOR" THE APPOINTMENT OF THE ABOVE-REFERENCED INDIVIDUALS TO SERVE AS MEMBERS OF THE BOARD OF DIRECTORS OF MERCY (DE).

VI. WRITTEN CONSENT

SHAREHOLDERS: See Item 8 on your Proxy Cards.

Upon and subject to the Written Consent being approved by the requisite shareholder votes (described below), the Written Consent will be deemed approved and ratified by the shareholders, in substantially the form attached hereto as *Appendix G*. Additional rights, restrictions, and obligations which may be applicable to you will be set forth in the Delaware Certificate, the Bylaws, the New Stock Option Plan and the Amended IRA. You should carefully consult these documents for a complete description of these rights. For further reference, a copy of the Delaware Certificate is attached hereto as *Appendix A*, a copy of the Bylaws is attached hereto as *Appendix B*, a copy of the New Stock Option Plan is attached hereto as *Appendix C*, and a copy of the Amended IRA is attached hereto as *Appendix D*.

REQUIRED VOTE FOR THE NEW BYLAWS

The affirmative vote affirmative vote of a Total Outstanding Majority is required to approve the Written Consent. The enclosed Proxy Cards provide a means for common shareholders and Series AA preferred shareholders (i) to consent to the Written Consent and its resulting effects, (ii) to vote against the Written Consent and its resulting effects, or (iii) to abstain from consenting with respect to the Written Consent and their resulting effects. Each executed proxy received in time for the Special Meeting will be voted at such meeting as specified therein. **If a shareholder executes and returns a proxy but does not specify otherwise, such shareholder's vote will be counted as "for" the Written Consent and all the resulting effects and to "consent" to become a signatory to the Written Consent.**

RECOMMENDATION OF OUR BOARD OF DIRECTORS

FOR THE REASONS DESCRIBED IN THIS PROXY STATEMENT, OUR BOARD RECOMMENDS UNANIMOUSLY THAT YOU VOTE "FOR" APPROVAL OF THE WRITTEN CONSENT AND "CONSENT" TO BECOME A SIGNATORY TO THE WRITTEN CONSENT.

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ADDITIONAL INFORMATION

The information provided in this Proxy Statement is an overview of what Mercy (NY) believes to be the principal factors relevant to the Reincorporation, the New Stock Option Plan, the Amended IRA and related information thereto.

Notwithstanding the foregoing or anything to the contrary herein, each recipient of this Proxy Statement must carefully (i) read this Proxy Statement, together with all documents attached to this Proxy Statement, and (ii) examine all applicable provisions of the NYBCL and the DGCL relating to the Reincorporation and the documents attached to this Proxy Statement.

If you have questions or would like additional information, please contact Luc Tomasino at 197 Grand Street, 6W, New York, New York 10013.

By Order of the Board of Directors,

LUC TOMASINO

RICHARD KIMBALL

DAVID SHOR

SCOTT WORTMAN

November 19, 2012

APPENDIX A

FORM OF AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF MERCY NUTRACEUTICALS, INC.

(ATTACHED)

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
MERCY NUTRACEUTICALS, INC.

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

MERCY NUTRACEUTICALS, INC., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "**General Corporation Law**"),

DOES HEREBY CERTIFY:

1. That the name of this corporation is Mercy Nutraceuticals, Inc., and that this corporation was originally incorporated pursuant to the General Corporation Law on October 19, 2012, under the name Mercy Nutraceuticals, Inc.

2. That the Board of Directors of the Corporation (the "**Board**") duly adopted resolutions proposing to amend and restate the Certificate of Incorporation of this corporation, declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:

RESOLVED, that the Certificate of Incorporation of this corporation be amended and restated in its entirety to read as follows:

FIRST: The name of this corporation is Mercy Nutraceuticals, Inc. (the **"Corporation"**).

SECOND: The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle, Zip Code 19801. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is (i) 20,000,000 shares of Common Stock, $0.001 par value per share ("**Common Stock**"), and (ii) 10,000,000 shares of Preferred Stock, $0.001 par value per share ("**Preferred Stock**"), of which Preferred Stock 768,363 shares shall be designated at "Series AA" Preferred Stock. The Board is hereby authorized, at any time and from time to time, to issue and/or take subscriptions for additional shares of capital stock up to the amount authorized in this Article Fourth (as may be amended from time to time), provided that all of the shares of capital stock which the Corporation is authorized to issue pursuant to this Article Fourth have not been issued, subscribed for, or otherwise committed to be issued. The Board is hereby authorized to issue shares of Preferred Stock in one or more series (in addition to Series AA). The Board is hereby authorized to adopt a resolution or resolutions from time to time, within the limitations of the Certificate of Incorporation, to fix or alter the voting powers,

designations, preferences, rights, qualifications, limitations and restrictions of any wholly unissued class of Preferred Stock, or any wholly unissued series of such class, and the number of shares constituting any such series and the designations thereof, or any of them, and to increase or decrease the number of shares of any series subsequent to the issuance of shares of such series, but not below the number of shares of such series then outstanding. In the event the number of shares of any series of Preferred Stock shall be so decreased, the shares constituting such decrease shall resume the status that they had prior to the adoption of the resolution or resolutions originally fixing the number of shares of such series of Preferred Stock.

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

A. COMMON STOCK

1. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock set forth herein.

2. Voting. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings); provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to the Certificate of Incorporation that relates solely to the terms of one or more outstanding class or series of Preferred Stock, if the holders of such affected class or series are entitled, either separately or together with the holders of one or more other such class or series, to vote thereon pursuant to the Certificate of Incorporation or pursuant to the General Corporation Law. There shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of each of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote.

B. PREFERRED STOCK

The rights, preferences, powers, privileges and restrictions, qualifications and limitations granted to and imposed upon the Preferred Stock are set forth in this Part B of this Article Fourth. Unless otherwise indicated, references to "Sections" or "Subsections" in this Part B of this Article Fourth refer to sections and subsections of Part B of this Article Fourth.

1. Dividends.

Except in the event of a Deemed Liquidation Event as set forth in Section 2, in the event the Corporation shall declare, pay or set aside any dividends on shares of any class or series of capital stock of the Corporation, such dividends shall be distributed among the holders of the shares of all Preferred Stock and Common Stock, pro rata based on the number of shares held by each such holder, treating for this purpose each share of Preferred Stock as one (1) share of Common Stock.

2. Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales.

2.1 Preferential Payments to Holders of Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the holders of shares of Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, an amount equal to the original issue price of the relevant series of Preferred Stock (the "**Original Issue Price**") held by such stockholder (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to such class or series) plus any dividends declared but unpaid thereon (the "**Liquidating Preferred Distribution**"); provided, however, if upon any such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Preferred Stock the full amount to which they shall be entitled under this Subsection 2.1, the holders of shares of Preferred Stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares of Preferred Stock held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full. For the avoidance of doubt, the Preferred Stock shall be senior to the Common Stock.

2.2 Distribution of Remaining Assets. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, after the payment of the Liquidating Preferred Distribution, the remaining assets of the Corporation available for distribution to its stockholders shall be distributed among the holders of the shares of Common Stock, pro rata based on the number of shares held by each such holder of Common Stock.

2.3 Distribution Following Conversion. Notwithstanding anything herein to the contrary, if upon the occurrence of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event, all of the issued and outstanding shares of Preferred Stock have been converted into shares of Common Stock, then, all of the assets of the Corporation available for distribution to its stockholders shall be distributed to the holders of shares of Common Stock pro rata based on the number of shares of Common Stock held by each such holder. In the event that any shares of Preferred Stock that are convertible into Common Stock remain outstanding as of the occurrence of such voluntary or involuntary liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the Board may in its sole discretion and in the due exercise of its fiduciary duties determine to pay (and then cause the payment) to such holders of outstanding Preferred Stock as an alternative liquidation preference an amount equal to what such holders would have received upon conversion into Common Stock if the amount of such payment is greater than they would receive upon payment of the liquidation preference otherwise payable under this Section 2, and any such determination and payment shall be binding upon all holders of capital stock of the Corporation.

2.4 Deemed Liquidation Events.

2.4.1. Definition. Each of the following events shall be considered a "**Deemed Liquidation Event**" unless the holders of at least 51% of the outstanding shares of Preferred Stock elect otherwise by written notice sent to the Corporation at least 15 days prior to the effective date of any such event:

(a) a merger or consolidation in which

(i) the Corporation is a constituent party; or

(ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation,

except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of (1) the surviving or resulting corporation or (2) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation; or

(b) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, or the sale or disposition (whether by merger or otherwise) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation.

2.4.2. Effecting a Deemed Liquidation Event. The Corporation shall not have the power to effect a Deemed Liquidation Event referred to in Subsection 2.4.1(a)(i) unless the agreement or plan of merger or consolidation for such transaction (the "**Merger Agreement**") provides that the consideration payable to the stockholders of the Corporation shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2.

2.4.3. Amount Deemed Paid or Distributed. The amount deemed paid or distributed to the holders of capital stock of the Corporation upon any such merger, consolidation, sale, transfer, exclusive license, other disposition or redemption shall be the cash or the value of the property, rights or securities paid or distributed to such holders by the Corporation or the acquiring person, firm or other entity. The value of such property, rights or securities shall be determined in good faith by the Board.

2.4.4. Allocation of Escrow. In the event of a Deemed Liquidation Event pursuant to Subsection 2.4.1(a)(i), if any portion of the consideration payable to the stockholders of the Corporation is placed into escrow and/or is payable to the stockholders of the Corporation subject to contingencies, the Merger Agreement shall provide that (a) the portion of such consideration that is not placed in escrow and not subject to any contingencies (the "**Initial Consideration**") shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2 as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation Event and (b) any additional consideration which becomes payable to the stockholders of the Corporation upon release from escrow or satisfaction of contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2 after taking into account the previous payment of the Initial Consideration as part of the same transaction.

2.4.5. Redemption of Shares. Neither the Corporation nor the holders of Preferred Stock shall have the unilateral right to call or redeem or cause to have called or redeemed any shares of Preferred Stock.

3. Voting.

3.1 General. On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Preferred Stock and Common Stock shall be entitled to cast one (1) vote per whole share of Preferred Stock or Common Stock, as applicable. Except as provided by law or by the other provisions of the Certificate of Incorporation, holders of Preferred Stock shall vote together with the holders of Common Stock as a single class.

3.2 Board of Directors. Initially the Board will be comprised of five (5) directors. The Board may from time to time, by majority vote, elect to increase or decrease the number of directors comprising the Board. Each director will have one (1) vote.

3.3 Election of Initial Directors. Except as otherwise provided by law, (i) the Corporation shall take all necessary and desirable actions within its control, including, without limitation, calling meetings of the Board and/or the holders of capital stock and other convertible securities of the Corporation, and (ii) the requisite holders of capital stock and other convertible securities of the Corporation have agreed that they shall vote, or cause to be voted, the capital stock or convertible securities owned by him, her or it, or over which he, she or it has voting control at any meeting of the holders of capital stock or convertible securities, or shall execute proxies, consents or other documents or agreements, from time to time and at all times, in whatever manner as shall be necessary, in order to act in person and/or by written consent with respect to such capital stock or convertible securities, and take all other actions necessary or desirable, in order to cause the Board to be appointed and removed as follows:

3.3.1. The holders of record of Common Stock, exclusively and as a separate class, shall be entitled to elect (and remove) three (3) of the directors of the Board.

3.3.2. The holders of record of Preferred Stock, exclusively and as a separate class, shall be entitled to elect (and remove) one (1) of the directors of the Board.

3.3.3. The holders of those certain Amended and Restated Convertible Promissory Notes, executed by the Corporation in favor of such noteholders on or about July, 2012 (as further amended from time to time, the "**2012 Convertible Notes**"), exclusively and as a separate class, shall be entitled to elect (and remove) one (1) of the directors of the Board, in each case, with the vote of the noteholders representing a majority of the principle balance of the 2012 Convertible Notes issued, which vote may be taken by written consent. Notwithstanding the foregoing, in the event the 2012 Convertible Notes are hereafter amended to eliminate this appointment right in accordance with the terms therein, this Section 3.3.3 shall terminate and be of no further force and effect, and any director currently a member of the Board shall thereafter be removable by the majority vote of the Board (exclusive of the vote of such noteholder director).

3.4 Removal of Initial Directors. Any director elected as provided in Section 3.3 above may be removed without cause by, and only by, the affirmative vote of the

person(s), or of holders of the shares of the class or series of capital stock entitled to elect such director or directors, as applicable, given either at a special meeting of such person(s) or stockholders duly called for that purpose, or pursuant to a written consent of such person(s) or stockholders, and any vacancy resulting from such removal shall be filled in accordance with Section 3.5 below.

3.5 Appointment of Replacement Directors. In the event any director appointed pursuant to Section 3.3 above (i) is hereafter removed as set forth in Section 3.3.3 or Section 3.4 above or (ii) hereafter resigns, whether voluntarily or due to such director's death or disability, then, in either case, certain of the Company's stockholders and convertible noteholders have agreed that (a) the vacancy created by such removal or resignation, in either case, and in each case, shall be filled only by the majority vote of the remaining directors of the Board, and (b) any director occupying such Board seat following such appointment shall thereafter be subject to removal, and such Board seat shall only be filled, by the majority vote of the remaining directors of the Board (exclusive of the vote of the director occupying such Board seat).

4. Acquired Preferred Shares. Any shares of Preferred Stock that are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately cancelled and retired and shall not be reissued, sold or transferred.

5. Mandatory Conversion.

5.1 Trigger Events. Upon either (a) the closing of the sale of shares of Common Stock to the public in a firm-commitment underwritten initial public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended (an "**IPO**"), or (b) the date and time, or the occurrence of an event, specified by vote or written consent of the holders of at least 51% of the then outstanding shares of the Preferred Stock (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "**Mandatory Conversion Time**"), all outstanding shares of Preferred Stock shall automatically be converted into that number of shares of Common Stock determined by dividing the Original Issue Price by the conversion price for such series of Preferred Stock (subject to appropriate adjustment solely in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to such class or series, the "**Conversion Price**").

With respect to the Series AA Preferred Stock currently issued and outstanding as of the date of filing of this Certificate of Incorporation, (i) "**Original Issue Price**" means $1.91901 per share of Series AA Preferred Stock, and (ii) "**Conversion Price**" means $1.91901 per share of Series AA Preferred Stock (subject to appropriate adjustment solely in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to such class or series).

All Preferred Shares which are converted to Common Stock pursuant to this Section 5.1 may not be reissued by the Corporation.

5.2 Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Preferred Stock. All shares of Common Stock (including fractions thereof) issuable upon conversion of more than one share of Preferred Stock by a holder thereof shall be aggregated for purposes of determination whether the conversion would result in the issuance of any fractional share. If, after the aforementioned aggregation, the conversion would

result in the issuance of any fractional share, the Corporation shall, in lieu of issuing any fractional share, pay cash equal to the product of such fraction multiplied by the Common Stock's Fair Market Value.

5.3 Procedural Requirements. All holders of record of shares of Preferred Stock shall be sent written notice of the Mandatory Conversion Time and the place designated for mandatory conversion of all such shares of Preferred Stock pursuant to this Section 5. Such notice need not be sent in advance of the occurrence of the Mandatory Conversion Time. Upon receipt of such notice, each holder of shares of Preferred Stock shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Preferred Stock converted pursuant to Subsection 5.1, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender the certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of their certificate or certificates (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Subsection 5.3. As soon as practicable after the Mandatory Conversion Time and the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for the Preferred Stock, the Corporation shall issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof, together with cash as provided in Subsection 5.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of Preferred Stock converted. Such converted Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock accordingly.

6. Optional Conversion. In addition to the conversion terms set forth in Section 5 above, each share of Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share at the office of the Corporation or any transfer agent for the Preferred Stock, into fully-paid, nonassessable shares of Common Stock, upon written notice to the Corporation from such holder. In such event, each share of Preferred Stock shall be converted into that number of shares of Common Stock determined by dividing the Original Issue Price by the Conversion Price.

7. Waiver. Any of the rights, powers, preferences and other terms of the Preferred Stock set forth herein may be waived on behalf of all holders of Preferred Stock by the affirmative written consent or vote of the holders of at least 51% of the shares of Preferred Stock then outstanding.

8. Notices. Any notice required or permitted by the provisions of this Article Fourth to be given to a holder of shares of any Preferred Stock or Common Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation,

or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission.

FIFTH: Subject to any additional vote required by the Certificate of Incorporation or bylaws of the Corporation (the "**Bylaws**"), in furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws.

SIXTH: Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

SEVENTH: Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws.

EIGHTH: To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article Eighth to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended.

Any repeal or modification of the foregoing provisions of this Article Eighth by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

NINTH: The Corporation renounces, to the fullest extent permitted by law, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any Excluded Opportunity. An "**Excluded Opportunity**" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of, (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, or (ii) any holder of Stock or any partner, member, director, stockholder, employee or agent of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (collectively, "**Covered Persons**"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Corporation.

TENTH: Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law or the Corporation's certificate of incorporation or Bylaws or (iv) any action asserting a claim governed by the internal affairs doctrine.

3. That the foregoing amendment and restatement was approved by the holders of the requisite number of shares of this corporation in accordance with Section 228 of the General Corporation Law.

4. That this Amended and Restated Certificate of Incorporation, which restates and integrates and further amends the provisions of this corporation's Certificate of Incorporation, has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law.

* * *

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of this corporation on this ___ day of December, 2012.

By: _____
Luc Tomasino, Chief Executive Officer

APPENDIX B

FORM OF BYLAWS OF MERCY NUTRACEUTICALS, INC.

(ATTACHED)

BYLAWS

OF

MERCY NUTRACEUTICALS, INC.
(the "Corporation")

Article I - Stockholders

1. Annual Meeting. The annual meeting of stockholders shall be held for the election of directors each year at such place, date and time as shall be designated by the Board of Directors (the "Board"). Any other proper business may be transacted at the annual meeting. If no date for the annual meeting is established or said meeting is not held on the date established as provided above, a special meeting in lieu thereof may be held or there may be action by written consent of the stockholders on matters to be voted on at the annual meeting, and such special meeting or written consent shall have for the purposes of these Bylaws or otherwise all the force and effect of an annual meeting.

2. Special Meetings. Special meetings of stockholders may be called by the Chief Executive Officer, if one is elected, or, if there is no Chief Executive Officer, a President, or by the Board, but such special meetings may not be called by any other person or persons. The call for the meeting shall state the place, date, hour and purposes of the meeting. Only the purposes specified in the notice of special meeting shall be considered or dealt with at such special meeting.

3. Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a notice stating the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present and vote at such meeting, and, in the case of a special meeting, the purpose or purposes of the meeting, shall be given by the Secretary (or other person authorized by these Bylaws or by law) not less than ten (10) nor more than sixty (60) days before the meeting to each stockholder entitled to vote thereat and to each stockholder who, under the Certificate of Incorporation or under these Bylaws is entitled to such notice. If mailed, notice is given when deposited in the mail, postage prepaid, directed to such stockholder at such stockholder's address as it appears in the records of the Corporation. Without limiting the manner by which notice otherwise may be effectively given to stockholders, any notice to stockholders may be given by electronic transmission in the manner provided in Section 232 of the Delaware General Corporation Law (the "DGCL").

If a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place, if any, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken, except that if the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

4. Quorum. Unless otherwise required by law, the holders of a majority in interest of all stock issued, outstanding and entitled to vote on the matter at issue, present in person or represented by proxy, shall constitute a quorum. Any meeting may be adjourned from time to

time by a majority of the votes properly cast upon the question, whether or not a quorum is present. The stockholders present at a duly constituted meeting may continue to transact business until adjournment notwithstanding the withdrawal of enough stockholders to reduce the voting shares below a quorum.

5. Voting and Proxies. Except as otherwise provided by the Certificate of Incorporation or by law, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by such stockholder which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by either written proxy or by a transmission permitted by Section 212(c) of the DGCL, but no proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period or is irrevocable and coupled with an interest. Proxies shall be filed with the Secretary of the meeting, or of any adjournment thereof. Except as otherwise limited therein, proxies shall entitle the persons authorized thereby to vote at any adjournment of such meeting.

6. Action at Meeting. When a quorum is present, any matter before the meeting shall be decided by vote of the holders of a majority of the shares of stock voting on such matter except where a larger vote is required by law, by the Certificate of Incorporation or by these Bylaws. The Corporation shall not directly or indirectly vote any share of its own stock; provided, however, that the Corporation may vote shares which it holds in a fiduciary capacity to the extent permitted by law.

7. Presiding Officer. Meetings of stockholders shall be presided over by the Chief Executive Officer. The Board shall have the authority to appoint a temporary presiding officer to serve at any meeting of the stockholders if the Chief Executive Officer is unable to do so for any reason.

8. Conduct of Meetings. The Board may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board, the presiding officer of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the presiding officer of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board or the presiding officer of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

9. Action without a Meeting. Unless otherwise explicitly prohibited by the Certificate of Incorporation, any action required or permitted by law to be taken at any annual or special meeting of stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by (i) the holders of outstanding stock and/or (ii) the proxyholder(s) of the holders of

outstanding stock, having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office, by hand or by certified mail, return receipt requested, or to the Corporation's principal place of business or to the officer of the Corporation having custody of the minute book, or if specified on such consent, by delivery to an authorized officer of the Corporation via electronic mail or facsimile. Every written consent shall bear the date of signature and no written consent shall be effective unless, within sixty (60) days of the earliest dated consent delivered pursuant to these Bylaws, written consents signed by a sufficient number of stockholders entitled to take action are delivered to the Corporation in the manner set forth in these Bylaws. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

10. Minutes of Meetings. All meetings and any actions taken or authorized at such meetings will be recorded in minutes of proceedings, which shall be prepared by secretary of the meeting within a reasonable time after adjournment of each meeting.

Article II - Directors

1. Powers. The business of the Corporation shall be managed by or under the direction of a Board who may exercise all the powers of the Corporation except as otherwise provided by law, by the Certificate of Incorporation or by these Bylaws. In the event of a vacancy in the Board, the remaining directors, except as otherwise provided by law, may exercise the powers of the full Board until the vacancy is filled.

2. Number and Qualification. Unless otherwise provided in the Certificate of Incorporation or in these Bylaws, the number of directors which shall constitute the whole board shall be determined from time to time by resolution of the Board. Directors need not be stockholders.

3. Vacancies. To the extent permitted by law, vacancies in the Board resulting from the removal of a Director and/or the increase or reduction in the number of the Directors shall be effected in accordance with the Certificate of Incorporation.

4. Tenure. Except as otherwise provided by law, by the Certificate of Incorporation or by these Bylaws, directors shall hold office until their successors are elected and qualified or until their earlier resignation or removal. Any director may resign at any time upon notice given in writing or by electronic transmission to the Corporation. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

5. Removal. To the extent permitted by law, a director may be removed from office with or without cause by vote of the holders of a majority of the shares of stock entitled to vote in the election of such Director, or, if such director was appointed by the Board, by a majority of the total number of Directors of the Board (excluding such Director subject to removal).

6. Meetings. Regular meetings of the Board may be held without notice at such time, date and place as the Board may fix by resolution, or as may be specified in the notice of meeting. Special meetings of the Board may be called, orally or in writing, by the Chief Executive Officer, if one is elected, or, if there is no Chief Executive Officer, the President, or by two or more Directors, designating the time, date and place thereof. Directors may participate in

meetings of the Board by means of conference telephone or other communications equipment by means of which all directors participating in the meeting can hear each other, and participation in a meeting in accordance herewith shall constitute presence in person at such meeting.

7. Notice of Meetings. Notice of the time, date and place of all meetings of the Board shall be given to each director by the Secretary, or Assistant Secretary, or in case of the death, absence, incapacity or refusal of such persons, by the officer or one of the directors calling the meeting. Notice shall be given to each director in person, by telephone, or by facsimile, electronic mail or other form of electronic communications, sent to such director's business or home address at least forty-eight (48) hours in advance of the meeting, or by written notice mailed to such director's business or home address at seventy-two (72) hours in advance of the meeting.

8. Quorum. At any meeting of the Board, a majority of the total number of directors shall constitute a quorum for the transaction of business. Less than a quorum may adjourn any meeting from time to time and the meeting may be held as adjourned without further notice.

9. Action at Meeting. At any meeting of the Board at which a quorum is present, unless otherwise provided in the following sentence, a majority of the directors present may take any action on behalf of the Board, unless a larger number is required by law, by the Certificate of Incorporation or by these Bylaws. So long as there are two (2) or fewer directors, any action to be taken by the Board shall require the approval of all directors.

10. Action by Consent. Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all members of the Board consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the records of the meetings of the Board. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

11. Committees. The Board may, by resolution passed by a majority of the whole Board, establish one or more committees, each committee to consist of one or more directors. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member.

Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following: (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval or (ii) adopting, amending or repealing any provision of these Bylaws.

Except as the Board may otherwise determine, any such committee may make rules for the conduct of its business, but in the absence of such rules its business shall be conducted so far as possible in the same manner as is provided in these Bylaws for the Board. All members of such committees shall hold their committee offices at the pleasure of the Board, and the Board

may abolish any committee at any time.

Article III - Officers

1. Enumeration. The officers of the Corporation may consist of one or more Presidents (who, if there is more than one, shall be referred to as Co-Presidents), a Treasurer, a Secretary, and such other officers, including, without limitation, a Chief Executive Officer and one or more Vice Presidents (including Executive Vice Presidents or Senior Vice Presidents), Assistant Vice Presidents, Assistant Treasurers and Assistant Secretaries, as the Board may determine. The Board may elect from among its members a Chairman of the Board and/or two or more Co-Chairmen of the Board.

2. Election. The Presidents, Treasurer and Secretary shall be elected annually by the Board at their first meeting following the annual meeting of stockholders. Other officers may be chosen by the Board at such meeting or at any other meeting.

3. Qualification. No officer need be a stockholder or Director. Any two or more offices may be held by the same person. Any officer may be required by the Board to give bond for the faithful performance of such officer's duties in such amount and with such sureties as the Board may determine.

4. Tenure. Except as otherwise provided by the Certificate of Incorporation or by these Bylaws, each of the officers of the Corporation shall hold office until the first meeting of the Board following the next annual meeting of stockholders and until such officer's successor is elected and qualified or until such officer's earlier resignation or removal. Any officer may resign by delivering his or her written resignation to the Corporation, and such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

5. Removal. The Board may remove any officer with or without cause by a vote of a majority of the directors then in office.

6. Vacancies. Any vacancy in any office may be filled for the unexpired portion of the term by the Board.

7. Chairman of the Board and Co-Chairmen of the Board. Unless otherwise provided by the Board, there shall be a Chairman of the Board or two or more Co-Chairmen of the Board. The Chairman of the Board or a Co-Chairman of the Board shall preside, when present, at all meetings of the stockholders and the Board. The Chairman of the Board or Co-Chairmen of the Board shall have such other powers and shall perform such duties as the Board may from time to time designate.

8. Chief Executive Officer. The Chief Executive Officer, if one is elected, shall have such powers and shall perform such duties as the Board may from time to time designate.

9. Presidents. The Presidents shall, subject to the direction of the Board, each have general supervision and control of the Corporation's business and any action that would typically be taken by a President may be taken by any Co-President. If there is no Chairman of the Board or Co-Chairman of the Board, a President shall preside, when present, at all meetings of stockholders and the Board. The Presidents shall have such other powers and shall perform such duties as the Board may from time to time designate.

10. Vice Presidents and Assistant Vice Presidents. Any Vice President (including any Executive Vice President or Senior Vice President) and any Assistant Vice President shall have such powers and shall perform such duties as the Board may from time to time designate.

11. Treasurer and Assistant Treasurers. The Treasurer shall, subject to the direction of the Board, have general charge of the financial affairs of the Corporation and shall cause to be kept accurate books of account. The Treasurer shall have custody of all funds, securities, and valuable documents of the Corporation, except as the Board may otherwise provide. The Treasurer shall have such other powers and shall perform such duties as the Board may from time to time designate.

Any Assistant Treasurer shall have such powers and perform such duties as the Board may from time to time designate.

12. Secretary and Assistant Secretaries. The Secretary shall record the proceedings of all meetings of the stockholders and the Board (including committees of the Board) in books kept for that purpose. In the absence of the Secretary from any such meeting an Assistant Secretary, or if such person is absent, a temporary secretary chosen at the meeting, shall record the proceedings thereof. The Secretary shall have charge of the stock ledger (which may, however, be kept by any transfer or other agent of the Corporation) and shall have such other duties and powers as may be designated from time to time by the Board.

Any Assistant Secretary shall have such powers and perform such duties as the Board may from time to time designate.

13. Other Powers and Duties. Subject to these Bylaws, each officer of the Corporation shall have in addition to the duties and powers specifically set forth in these Bylaws, such duties and powers as are customarily incident to such officer's office, and such duties and powers as may be designated from time to time by the Board.

Article IV - Capital Stock

1. Certificates of Stock. Each stockholder shall be entitled to a certificate of the capital stock of the Corporation in such form as may from time to time be prescribed by the Board. Such certificate shall be signed by a Chief Executive Officer, President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary. Such signatures may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed on such certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the time of its issue. Every certificate for shares of stock which are subject to any restriction on transfer and every certificate issued when the Corporation is authorized to issue more than one class or series of stock shall contain such legend with respect thereto as is required by law. The Corporation shall be permitted to issue fractional shares.

2. Transfers. Subject to any restrictions on transfer, shares of stock may be transferred on the books of the Corporation by the surrender to the Corporation or its transfer agent of the certificate therefor properly endorsed or accompanied by a written assignment or power of attorney properly executed, with transfer stamps (if necessary) affixed, and with such proof of the authenticity of signature as the Corporation or its transfer agent may reasonably require.

3. Record Holders. Except as may otherwise be required by law, by the Certificate of Incorporation or by these Bylaws, the Corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect thereto, regardless of any transfer, pledge or other disposition of such stock, until the shares have been transferred on the books of the Corporation in accordance with the requirements of these Bylaws.

It shall be the duty of each stockholder to notify the Corporation of such stockholder's post office address.

4. Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board may fix, in advance, a record date, which shall not precede the date on which it is established, and which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, more than ten (10) days after the date on which the record date for stockholder consent without a meeting is established, nor more than sixty (60) days prior to any other action. In such case only stockholders of record on such record date shall be so entitled notwithstanding any transfer of stock on the books of the Corporation after the record date.

If no record date is fixed, (a) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held, (b) the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board is necessary, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office in this state, to its principal place of business, or to an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded, and (c) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

5. Lost Certificates. The Corporation may issue a new certificate of stock in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

Article V - Miscellaneous Provisions

1. Fiscal Year. Except as otherwise determined by the Board, the fiscal year of the Corporation shall end on December 31 of each year.

2. Seal. The Board shall have power to adopt and alter the seal of the Corporation.

3. Execution of Instruments. Subject to any limitations which may be set forth in a resolution of the Board, all deeds, leases, transfers, contracts, bonds, notes and other obligations to be entered into by the Corporation in the ordinary course of its business without director

action may be executed on behalf of the Corporation by, the Chief Executive Officer, a President, or by any other officer, employee or agent of the Corporation as the Board may authorize.

4. Voting of Securities. Unless the Board otherwise provides, the Chief Executive Officer, a President, any Vice President or the Treasurer may waive notice of and act on behalf of this Corporation, or appoint another person or persons to act as proxy or attorney in fact for this Corporation with or without discretionary power and/or power of substitution, at any meeting of stockholders or shareholders of any other corporation or organization, any of whose securities are held by this Corporation.

5. Resident Agent. The Board may appoint a resident agent upon whom legal process may be served in any action or proceeding against the Corporation.

6. Corporate Records. The original or attested copies of the Certificate of Incorporation, Bylaws and records of all meetings of the incorporators, stockholders and the Board and the stock and transfer records, which shall contain the names of all stockholders, their record addresses and the amount of stock held by each, shall be kept at the principal office of the Corporation, at the office of its counsel, or at an office of its transfer agent.

7. Certificate of Incorporation. All references in these Bylaws to the Certificate of Incorporation shall be deemed to refer to the Certificate of Incorporation of the Corporation, as amended and in effect from time to time.

8. Amendments. These Bylaws may be altered, amended or repealed, and new Bylaws may be adopted, by the stockholders or by the Board; provided, that (a) the Board may not alter, amend or repeal any provision of these Bylaws which by law, by the Certificate of Incorporation or by these Bylaws requires action by the stockholders and (b) any alteration, amendment or repeal of these Bylaws by the Board and any new By-law adopted by the Board may be altered, amended or repealed by the stockholders.

9. Waiver of Notice. Whenever notice is required to be given under any provision of these Bylaws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting needs to be specified in any written waiver or any waiver by electronic transmission.

10. Conflicts. In the event of any conflict between these Bylaws, on the one hand, and the Amended and Restated Investors Rights Agreement of the Corporation, dated as of December ___, 2012, as amended from time to time, or any other agreement hereinafter entered into between the Corporation and holders of the outstanding shares of capital stock of the Corporation with respect to the governance or operation of the Corporation (collectively and as each of the same may be amended from time to time, the "Shareholder Agreements"), on the other hand, the Shareholders Agreements shall govern**.**

APPENDIX C

FORM OF 2012 STOCK OPTION AND GRANT PLAN OF MERCY NUTRACEUTICALS, INC.

(ATTACHED)

MERCY NUTRACEUTICALS, INC.

2012 STOCK OPTION AND GRANT PLAN

SECTION 1. GENERAL PURPOSE OF THE PLAN; DEFINITIONS

The name of the plan is the Mercy Nutraceuticals, Inc. 2012 Stock Option and Grant Plan (the "Plan"). The purpose of the Plan is to encourage and enable the officers, employees, directors, consultants, advisors, manufacturers, distributors, brokers and other key persons of Mercy Nutraceuticals, Inc., a Delaware corporation (including any successor entity, the "Company") and any Subsidiary (as hereinafter defined), upon whose judgment, initiative and efforts the Company largely depends for the successful conduct of its business, to acquire a proprietary interest in the Company. It is anticipated that providing such persons with a direct stake in the Company's welfare will assure a closer identification of their interests with those of the Company and its stockholders, thereby stimulating their efforts on the Company's behalf and strengthening their desire to remain with the Company.

The following terms shall be defined as set forth below:

"*Act*" means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

"*Assumed Award*" shall have the meaning set forth in Section 3(c)(i) hereof.

"*Award*" or "*Awards"* except where referring to a particular category of grant under the Plan, shall include Incentive Stock Options, Non-Qualified Stock Options, Restricted Stock Awards, Unrestricted Stock Awards, Restricted Stock Units or any combination of the foregoing.

"Award Agreement" means a written or electronic agreement setting forth the terms and provisions applicable to an Award granted under the Plan. Each Award Agreement may contain terms and conditions in addition to those set forth in the Plan; provided, however, that except to the extent explicitly provided to the contrary, in the event of any conflict in the terms of the Plan and the Award Agreement, the terms of the Plan shall govern**.**

"*Board*" means the Board of Directors of the Company.

"*Cause*" shall have the meaning as set forth in the Award Agreement(s). In the case that any Award Agreement does not contain a definition of "Cause" it shall have the meaning as determined in good faith by the Board.

"*Code*" means the Internal Revenue Code of 1986, as amended, and any successor Code, and related rules, regulations and interpretations.

"*Committee*" means the Committee referred to in Section 2.

"*Company*" shall have the meaning set forth in the introductory paragraph above.

"*Deferral Period*" means, with respect to a Restricted Stock Unit, the period of time between the date of grant of such Restricted Stock Unit and the date on which such Restricted Stock Unit is due to be settled in accordance with its terms.

"*Effective Date*" means the date on which the Plan is approved by stockholders of the Company as set forth on the final page of the Plan.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

"*Fair Market Value*" of the Stock on any given date means the fair market value of the Stock determined in good faith by the Committee based on the reasonable application of a reasonable valuation method not inconsistent with Section 409A of the Code. If the Stock is admitted to quotation on a national securities exchange, the determination shall be made by reference to market quotations. If the date for which Fair Market Value is determined is the first day when trading prices for the Stock are reported on a national securities exchange, the Fair Market Value shall be the "Price to the Public" (or equivalent) set forth on the cover page for the final prospectus relating to the Company's Initial Public Offering.

"*Incentive Stock Option*" means any Stock Option designated and qualified as an incentive stock option, as defined in Section 422 of the Code.

"Initial Public Offering" means the consummation of the first fully underwritten, firm commitment public offering pursuant to an effective registration statement under the Act covering the offer and sale by the Company of its equity securities, as a result of or following which the Stock shall be publicly held.

"*Investors Rights Agreement*" means the amended and restated investors rights agreement of the Company, made by and between the Company and certain holders of Stock in the Company, as may be amended and/or restated from time to time.

"*Non-Qualified Stock Option*" means any Stock Option that is not an Incentive Stock Option.

"*Option*" or "*Stock Option*" means any option to purchase shares of Stock granted pursuant to Section 5.

"*Plan*" shall have the meaning set forth in the introductory paragraph above.

"Restricted Stock Award" means an Award granted pursuant to Section 6 entitling the recipient to acquire, at such purchase price (which may be zero) as determined by the Committee, shares of Stock subject to such restrictions and conditions as the Committee may determine at the time of grant, which purchase price shall be payable in cash or other form of consideration acceptable to the Committee.

"Restricted Stock Unit" means an Award of phantom stock units to a grantee, which may be settled in cash or stock as determined by the Committee, pursuant to Section 8.

"Sale Event" shall mean and include any of the following: (a) consummation of a merger or consolidation of the Company with or into any other corporation or other entity in which holders of the Company's voting securities immediately prior to such merger or consolidation will not, directly or indirectly, continue to hold at least a majority of the outstanding voting securities of the Company or such other corporation or entity; (b) a sale, lease, exchange or other transfer (in

one transaction or a related series of transactions) of all or substantially all of the Company's and its Subsidiaries assets on a consolidated basis to an unrelated person or entity; (c) the acquisition by any person or any group of persons, acting together in any transaction or related series of transactions, of such quantity of the Company's voting securities as causes such person, or group of persons, to own beneficially, directly or indirectly, as of the time immediately after such transaction or related series of transactions, fifty percent (50%) or more of the combined voting power of the voting securities of the Company other than as a result of (i) an acquisition of securities directly from the Company or (ii) an acquisition of securities by the Company which, by reducing the voting securities outstanding, increases the proportionate voting power represented by the voting securities owned by any such person or group of persons to fifty percent (50%) or more of the combined voting power of such voting securities; or (d) the liquidation or dissolution of the Company.

"Section 409A" means Section 409A of the Code and the regulations and other guidance promulgated thereunder.

"Stock" means the Common Stock, with a par value of $0.001 per share, of the Company, subject to adjustments pursuant to Section 3.

"*Subsidiary*" means any corporation or other entity (other than the Company) in which the Company has more than a fifty percent (50%) interest, either directly or indirectly.

"*Substituted Award*" shall have the meaning set forth in Section 3(c)(i) hereof.

"Ten Percent Owner" means an employee who owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than ten percent (10%) of the combined voting power of all classes of stock of the Company or any parent of the Company or any Subsidiary.

"Unrestricted Stock Award" means an Award of shares of Stock, free of any vesting restrictions, granted pursuant to Section 7.

SECTION 2. ADMINISTRATION OF PLAN; COMMITTEE AUTHORITY TO SELECT GRANTEES AND DETERMINE AWARDS

(a) Administration of Plan. The Plan shall be administered by the Board, or at the discretion of the Board, by a committee of the Board, comprised, of not less than two (2) directors. All references herein to the "Committee" shall be deemed to refer to the group then responsible for administration of the Plan at the relevant time (i.e., either the Board of Directors or a committee or committees of the Board, as applicable).

(b) Powers of Committee. The Committee shall have the power and authority to grant Awards consistent with the terms of the Plan, including the power and authority:

(i) to select the individuals to whom Awards may from time to time be granted;

(ii) to determine the time or times of grant, and the amount, if any, of Incentive Stock Options, Non-Qualified Stock Options, Restricted Stock Awards, Unrestricted

Stock Awards, Restricted Stock Units, or any combination of the foregoing, granted to any one or more grantees;

(iii) to determine the number of shares of Stock to be covered by any Award and, subject to the provisions of Section 5(a)(i) below, the price, exercise price, conversion ratio or other price relating thereto;

(iv) to determine and, subject to Section 11, to modify from time to time the terms and conditions, including restrictions, not inconsistent with the terms of the Plan, of any Award, which terms and conditions may differ among individual Awards and grantees, and to approve the form of written instruments evidencing the Awards;

(v) to accelerate at any time the exercisability or vesting of all or any portion of any Award;

(vi) to impose any limitations on Awards granted under the Plan, including limitations on transfers, repurchase provisions and the like, and to exercise repurchase rights or obligations;

(vii) subject to any restrictions applicable to Incentive Stock Options, to extend at any time the period in which Stock Options may be exercised; and

(viii) at any time to adopt, alter and repeal such rules, guidelines and practices for administration of the Plan and for its own acts and proceedings as it shall deem advisable; to interpret the terms and provisions of the Plan and any Award (including related written instruments); to make all determinations it deems advisable for the administration of the Plan; to decide all disputes arising in connection with the Plan; and to otherwise supervise the administration of the Plan.

All decisions and interpretations of the Committee shall be binding on all persons, including the Company and Plan grantees.

(c) Award Agreement. Awards under the Plan shall be evidenced by Award Agreements that set forth the terms, conditions and limitations for each Award and may include, without limitation, the term of an Award, the provisions applicable in the event employment or service terminates, and the Company's authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind an Award.

(d) Indemnification. Neither the Board nor the Committee, nor any member of either or any delegate thereof, shall be liable for any act, omission, interpretation, construction or determination made in good faith in connection with the Plan, and the members of the Board and the Committee (and any delegate thereof) shall be entitled in all cases to indemnification and reimbursement by the Company in respect of any claim, loss, damage or expense (including, without limitation, reasonable attorneys' fees) arising or resulting therefrom to the fullest extent permitted by law and/or under the Company's governing documents, including its articles or bylaws, or any directors and officers liability insurance coverage which may be in effect from time to time and/or any indemnification agreement between such individual and the Company.

(e) Foreign Award Recipients. Notwithstanding any provision of the Plan to the contrary, in order to comply with the laws in other countries in which the Company and any Subsidiary operate or have employees or other individuals eligible for Awards, the Committee, in its sole discretion, shall have the power and authority to: (i) determine which Subsidiaries, if any, shall be covered by the Plan; (ii) determine which individuals, if any, outside the United States are eligible to participate in the Plan; (iii) modify the terms and conditions of any Award granted to individuals outside the United States to comply with applicable foreign laws; (iv) establish subplans and modify exercise procedures and other terms and procedures, to the extent the Committee determines such actions to be necessary or advisable (and such subplans and/or modifications shall be attached to the Plan as appendices); provided, however, that no such subplans and/or modifications shall increase the share limitation contained in Section 3(a) hereof; and (v) take any action, before or after an Award is made, that the Committee determines to be necessary or advisable to obtain approval or comply with any local governmental regulatory exemptions or approvals. Notwithstanding the foregoing, the Committee may not take any actions hereunder, and no Awards shall be granted, that would violate the Exchange Act or any other applicable United States securities law, the Code, or any other applicable United States governing statute or law.

(f) Deferral Arrangement. The Committee may establish rules and procedures, consistent with Section 409A, setting forth the circumstances under which the distribution or the receipt of Stock and other amounts payable with respect to an Award may be deferred either automatically or at the election of the grantee and whether and to what extent the Company may pay or credit amounts constituting interest (at rates determined by the Committee) or dividends or deemed dividends on such deferrals.

SECTION 3. STOCK ISSUABLE UNDER THE PLAN; MERGERS AND OTHER TRANSACTIONS; SUBSTITUTION

(a) Stock Issuable. Initially the maximum number of shares of Stock reserved and available for issuance under the Plan shall be 448,083 shares, subject to adjustment as provided in Section 3(b); provided, however, the Board may elect to hereinafter increase the maximum number of shares of Stock reserved for issuance under the Plan. For purposes of this limitation, the shares of Stock underlying any Awards that are forfeited, canceled, withheld upon exercise of an Option or settlement of an Award to cover the exercise price or tax withholding, reacquired by the Company prior to vesting, satisfied without the issuance of Stock or otherwise terminated (other than by exercise), in each case shall be added back to the shares of Stock available for issuance under the Plan. Subject to such overall limitations, shares of Stock may be issued up to such maximum number pursuant to any type or types of Award. The shares available for issuance under the Plan may be authorized but unissued shares of Stock or shares of Stock reacquired by the Company.

(b) Changes in Stock. Subject to Section 3(c) hereof, if, as a result of any reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Company's capital stock, the outstanding shares of Stock are increased or decreased or are exchanged for a different number or kind of shares or other securities of the Company, or additional shares or new or different shares or other securities of the Company or other non-cash assets are distributed with respect to such shares of Stock or other securities, or, if, as a result of any merger or consolidation, or sale of all or substantially all of the assets of the Company, the outstanding shares of Stock are converted into or exchanged

for securities of the Company or any successor entity (or a parent or subsidiary thereof), the Committee shall make an appropriate and equitable or proportionate adjustment in (i) the maximum number of shares reserved for issuance under the Plan, (ii) the number and kind of shares or other securities subject to any then outstanding Awards under the Plan, (iii) the repurchase price, if any, per share subject to each outstanding Restricted Stock Award, and (iv) the price for each share subject to any then outstanding Stock Options under the Plan, without changing the aggregate exercise price (i.e., the exercise price multiplied by the number of Stock Options) as to which such Stock Options remain exercisable. The adjustment by the Committee shall be final, binding and conclusive. No fractional shares of Stock shall be issued under the Plan resulting from any such adjustment, but the Committee in its discretion may make a cash payment in lieu of fractional shares.

(c) Sale Events.

(i) Upon consummation of a Sale Event, the Plan and all outstanding Awards granted hereunder shall terminate (other than any rights in favor of the Company to repurchase any Stock underlying any Award), unless provision is made in connection with the Sale Event in the sole discretion of the parties to the Sale Event for the assumption or continuation by the successor entity of Awards theretofore granted (an "Assumed Award"), or the substitution of such Awards with new awards of the successor entity or parent thereof (a "Substituted Award"), with an equitable or proportionate adjustment as to the number and kind of shares and, if appropriate, the per share exercise prices, as such parties shall agree (after taking into account any acceleration hereunder).

(ii) In the event the Plan and all outstanding Awards terminate in connection with a Sale Event, except as the Committee may otherwise specify with respect to particular Awards in the relevant Award Agreement, all Options that are not exercisable immediately prior to the effective time of the Sale Event shall become fully exercisable as of the consummation of the Sale Event and all other Awards shall become fully vested and nonforfeitable as of such consummation. In addition, each grantee shall be permitted, within a specified period of time prior to the consummation of the Sale Event as determined by the Committee, to exercise all outstanding Options held by such grantee, including those that will become exercisable upon the consummation of the Sale Event; provided, however, that the exercise of Options not exercisable prior to the Sale Event shall be subject to the consummation of the Sale Event.

(iii) Notwithstanding anything to the contrary herein, the Company shall have the right, but not the obligation in connection with a Sale Event, to make or provide for a cash payment to grantees holding Options, in exchange for the cancellation thereof, in an amount equal to the difference between (A) the value as determined by the Committee of the consideration payable, or otherwise to be received by stockholders, per share of Stock pursuant to a Sale Event multiplied by the number of shares of Stock subject to outstanding Options (to the extent then exercisable, including by reason of vesting acceleration, at prices not in excess of the applicable sale price for the Stock in the Sale Event) and (B) the aggregate exercise price of all such outstanding Options (to the extent then exercisable, including by reason of vesting acceleration, at prices not in excess of the Sale Price), subject to the other terms and conditions of the Sale Event (such as indemnification obligations and purchase price adjustments) to the extent provided by the parties.

(d) Substitute Awards. The Committee may grant Awards under the Plan in substitution for stock and similar stock-based awards held by employees, directors or other key persons of another corporation in connection with the merger or consolidation of the employing corporation with the Company or a Subsidiary or the acquisition by the Company or a Subsidiary of property or stock of the employing corporation. The Committee may direct that the substitute awards be granted on such terms and conditions as the Committee considers appropriate in the circumstances. Any substitute Awards granted under the Plan shall not count against the share limitation set forth in Section 3(a).

SECTION 4. ELIGIBILITY

Grantees under the Plan will be such officers, employees, directors, consultants, advisors, manufacturers, distributors, brokers and other key persons of the Company and any Subsidiary who are selected from time to time by the Committee in its sole discretion; provided, however, that an Incentive Stock Option may be granted only to a person who, at the time the Incentive Stock Option is granted, is an employee of the Company or any Subsidiary.

SECTION 5. STOCK OPTIONS

Any Stock Option granted under the Plan must be made pursuant to an Award Agreement in such form as the Committee may from time to time approve. Such Award Agreements need not be identical.

Stock Options granted under the Plan may be either Incentive Stock Options or Non-Qualified Stock Options. Incentive Stock Options may be granted only to employees of the Company or any Subsidiary that is a "subsidiary corporation" within the meaning of Section 424(f) of the Code. To the extent that any Option does not qualify as an Incentive Stock Option, it shall be deemed a Non-Qualified Stock Option.

No Incentive Stock Option shall be granted under the Plan after the date which is ten (10) years from the date the Plan is approved by the Board.

(a) Terms of Stock Options. Stock Options granted pursuant to this Section 5(a) shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee shall deem desirable. If the Committee so determines, Stock Options may be granted in lieu of cash compensation at the optionee's election, subject to such terms and conditions as the Committee may establish.

(i) Exercise Price. The exercise price per share for the Stock covered by a Stock Option granted pursuant to Section 5(a) shall be determined by the Committee at the time of grant but shall not be less than one hundred percent (100%) of the Fair Market Value on the date of grant. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the option price of such Incentive Stock Option shall be not less than one hundred ten percent (110%) of the Fair Market Value on the grant date.

(ii) Option Term. The term of each Stock Option shall be fixed by the Committee, but no Stock Option shall be exercisable more than ten (10) years after the date the Stock Option is granted. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the term of such Stock Option shall be no more than five (5) years from the date of grant.

(iii) Exercisability; Rights of a Stockholder. Stock Options shall become exercisable at such time or times, whether or not in installments, as shall be determined by the Committee at or after the grant date. An optionee shall have the rights of a stockholder only as to shares acquired upon the exercise of a Stock Option and not as to unexercised Stock Options. An optionee shall not be deemed to have acquired any such shares unless and until a Stock Option shall have been exercised pursuant to the terms hereof, the Company shall have issued and delivered a certificate representing the shares to the optionee, and the optionee's name shall have been entered on the books of the Company as a stockholder.

(iv) Method of Exercise. Stock Options may be exercised by an optionee in whole or in part, by the optionee giving written notice of exercise to the Company, specifying the number of shares to be purchased. Payment of the purchase price may be made by one or more of the following methods (or any combination thereof) to the extent provided in the Award Agreement:

(A) In cash, by certified or bank check, by wire transfer of immediately available funds, or other instrument acceptable to the Committee;

(B) By the optionee delivering to the Company a promissory note, if the Board has expressly authorized the loan of funds to the optionee for the purpose of enabling or assisting the optionee to effect the exercise of his or her Stock Option; provided, that at least so much of the exercise price as represents the par value of the Stock shall be paid other than with a promissory note if required by state law;

(C) If the Initial Public Offering has occurred, through the delivery (or attestation to the ownership) of shares of Stock that have been purchased by the optionee on the open market or that are beneficially owned by the optionee and are not then subject to restrictions under any Company plan. To the extent required to avoid variable accounting treatment under FAS 123R or other applicable accounting rules, such surrendered shares if originally purchased from the Company shall have been owned by the optionee for at least six (6) months. Such surrendered shares shall be valued at Fair Market Value on the exercise date; and

(D) If permitted by the Committee, by the optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company for the purchase price; provided that in the event the optionee chooses to pay the purchase price as so provided, the optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Committee shall prescribe as a condition of such payment procedure.

Payment instruments will be received subject to collection. No certificates for shares of Stock so purchased will be issued to the optionee until (1) optionee has executed, and otherwise agreed to be bound by, all documents requested by the Company, including without limitation, the Investors Rights Agreement, and (2) the Company has completed all steps required by law to be taken in connection with the issuance and sale of the shares, including without limitation (i) receipt of a representation from the optionee at the time of exercise of the Option that the optionee is purchasing the shares for the optionee's own account and not with a view to any sale

or distribution thereof, (ii) the legending of any certificate representing the shares to evidence the foregoing restrictions, and (iii) obtaining from optionee payment or provision for all withholding taxes due as a result of the exercise of the Option. The delivery of certificates representing the shares of Stock to be purchased pursuant to the exercise of a Stock Option will be contingent upon receipt from the optionee (or a purchaser acting in his or her stead in accordance with the provisions of the Stock Option) by the Company of the full purchase price for such shares and the fulfillment of any other requirements contained in the Award Agreement or applicable provisions of laws. In the event an optionee chooses to pay the purchase price by previously-owned shares of Stock through the attestation method, the number of shares of Stock transferred to the optionee upon the exercise of the Stock Option shall be net of the number of shares attested to.

(b) Annual Limit on Incentive Stock Options. To the extent required for "incentive stock option" treatment under Section 422 of the Code, the aggregate Fair Market Value (determined as of the time of grant) of the shares of Stock with respect to which Incentive Stock Options granted under the Plan and any other plan of the Company or its parent and any Subsidiary that become exercisable for the first time by an optionee during any calendar year shall not exceed $100,000 or such other limit as may be in effect from time to time under Section 422 of the Code. To the extent that any Stock Option exceeds this limit, it shall constitute a Non-Qualified Stock Option.

(c) Non-Transferability of Stock Options. No Stock Option shall be transferable by the optionee otherwise than by will or by the laws of descent and distribution and all Stock Options shall be exercisable, during the optionee's lifetime, only by the optionee, or by the optionee's legal representative or guardian in the event of the optionee's incapacity. Notwithstanding the foregoing, the Committee, in its sole discretion, may provide in the Award Agreement regarding a given Option that the optionee may transfer, without consideration for the transfer, his or her Non-Qualified Stock Options to members of his or her immediate family, to trusts for the benefit of such family members, or to partnerships in which such family members are the only partners, provided that the transferee agrees in writing with the Company to be bound by all of the terms and conditions of the Plan and the applicable Option.

SECTION 6. RESTRICTED STOCK AWARDS

(a) Nature of Restricted Stock Awards. The Committee shall determine the restrictions and conditions applicable to each Restricted Stock Award at the time of grant. Conditions may be based on continuing employment or other service relationship, achievement of pre-established performance goals and objectives and/or such other criteria as the Committee may determine. The grant of a Restricted Stock Award is contingent on the grantee executing an Award Agreement. The terms and conditions of each such Award Agreement shall be determined by the Committee, and such terms and conditions may differ among individual Awards and grantees, all of whom must be eligible persons under Section 4 hereof.

(b) Rights as a Stockholder. Upon execution of an Award Agreement and the Stockholder Agreements and payment of any applicable purchase price, a grantee of Restricted Stock shall be considered the record owner of and shall be entitled to vote the Shares of Restricted Stock if, and to the extent, such Shares are entitled to voting rights, subject to such conditions contained in the Award Agreement. Except as otherwise provided for in any agreement or waiver letter, the grantee shall be entitled to receive all dividends and any other

distributions declared on the Shares; provided, however, that the Company is under no duty to declare any such dividends or to make any such distribution. The Award Agreement may require or permit the immediate payment, waiver, deferral or investment of dividends paid on the Restricted Stock. Unless the Committee shall otherwise determine, certificates evidencing the Restricted Stock shall remain in the possession of the Company until such Restricted Stock is vested as provided in subsection (d) below of this Section, and the grantee shall be required, as a condition of the grant, to deliver to the Company a stock power endorsed in blank and such other instruments of transfer as the Committee may prescribe.

(c) Restrictions. Restricted Stock may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided herein or in the Award Agreement or the Investors Rights Agreement. Except as may otherwise be provided by the Committee either in the Award Agreement or, subject to Section 11 below, in writing after the Award Agreement is issued, if any, if a grantee's employment (or other service relationship) with the Company and any Subsidiary terminates, the Company or its assigns shall have the right, as may be specified in the relevant instrument, to repurchase some or all of the Shares subject to the Award at such purchase price as is set forth in the Award Agreement.

(d) Vesting of Restricted Stock. The Committee at the time of grant shall specify the date or dates and/or the attainment of pre-established performance goals, objectives and other conditions on which Restricted Stock shall become vested, subject to such further rights of the Company or its assigns as may be specified in the Award Agreement.

SECTION 7. UNRESTRICTED STOCK AWARDS

(a) Grant or Sale of Unrestricted Stock. The Committee may, in its sole discretion, grant (or sell at par value or such higher purchase price determined by the Committee) to an eligible person under Section 4 hereof an Unrestricted Stock Award under the Plan. Unrestricted Stock Awards may be granted in respect of past services or other valid consideration, or in lieu of cash compensation due to such grantee.

(b) Elections to Receive Unrestricted Stock In Lieu of Compensation. Upon the request of an eligible person under Section 4 hereof and such eligible person's agreement to be bound by all documents requested by the Company, including without limitation, the Investors Rights Agreement, and with the consent of the Committee, each such grantee may, pursuant to an advance written election delivered to the Company no later than the date specified by the Committee, receive a portion of any cash compensation otherwise due to such grantee in the form of shares of Unrestricted Stock either currently or on a deferred basis.

(c) Restrictions on Transfers. The right to receive shares of Unrestricted Stock on a deferred basis (i) may not be sold, assigned, transferred, pledged or otherwise encumbered, other than by will or the laws of descent and distribution, and (ii) shall be subject to the restrictions on transfer set forth in the Investors Rights Agreement.

SECTION 8. RESTRICTED STOCK UNITS

(a) Nature of Restricted Stock Units. The Committee shall determine the restrictions and conditions applicable to each Restricted Stock Unit at the time of grant. Conditions may be based on continuing employment or other service relationship, achievement of pre-established

performance goals and objectives and/or other such criteria as the Committee may determine. The grant of Restricted Stock Unit(s) is contingent on the grantee executing an Award Agreement. The terms and conditions of each such Award Agreement shall be determined by the Committee, shall be consistent with Section 409A, and such terms and conditions may differ among individual Awards and grantees. At the end of the Deferral Period applicable to any Restricted Stock Unit, such Restricted Stock Unit(s), to the extent vested, shall be settled in the form of cash or shares of Stock, as specified in the Award Agreement.

(b) Election to Receive Restricted Stock Units in Lieu of Compensation. The Committee may, in its sole discretion, permit a grantee to elect to receive a portion of any future cash compensation otherwise due to such grantee in the form of a Restricted Stock Unit. Any such election shall be made in writing and shall be delivered to the Company no later than the date specified by the Committee and in accordance with Section 409A and such other rules and procedures established by the Committee. Upon any such election, any such future cash compensation shall be converted to a fixed number of Restricted Stock Unit(s) based on the Fair Market Value of Stock on the date the compensation would otherwise have been paid to the grantee if such payment had not been deferred through conversion into the Restricted Stock Unit(s). The Committee shall have the sole right to determine whether and under what circumstances to permit such elections and to impose such limitations and other terms and conditions thereon as the Committee deems appropriate.

(c) Rights as a Stockholder. A grantee shall have the rights of a stockholder only as to shares of Stock, if any, acquired upon settlement of a Restricted Stock Unit. A grantee shall not be deemed to have acquired any such shares unless and until a Restricted Stock Unit shall have been settled in Stock pursuant to the terms hereof, the Company shall have issued and delivered a certificate representing the shares to the grantee, and the grantee's name shall have been entered in the books of the Company as a stockholder.

(d) Termination. Except as may otherwise be provided by the Committee either in the Award Agreement or in writing after the Award Agreement is issued, a grantee's right in all Restricted Stock Units that have not vested shall automatically terminate upon the grantee's termination of employment or cessation of service relationship, with the Company and any Subsidiary for any reason.

SECTION 9. TAX WITHHOLDING

(a) Payment by Grantee. Each grantee shall, no later than the date as of which the value of an Award or of any Stock or other amounts received thereunder first becomes includable in the gross income of the grantee for Federal income tax purposes, pay to the Company, or make arrangements satisfactory to the Committee regarding payment of, any Federal, state, or local taxes of any kind required by law to be withheld by the Company with respect to such income. The Company and any Subsidiary shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the grantee. The Company's obligation to deliver stock certificates to any grantee is subject to and conditioned on any such tax withholding obligations being satisfied by the grantee.

(b) Payment in Stock. Subject to approval by the Committee, a grantee may elect to have the Company's minimum required tax withholding obligation satisfied, in whole or in part, by authorizing the Company to withhold from shares of Stock to be issued pursuant to any

Award a number of shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the minimum withholding amount due.

SECTION 10. SECTION 409A AWARDS

To the extent that any Award is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A (a "409A Award"), the Award shall be subject to such additional rules and requirements as specified by the Committee from time to time in order to comply with Section 409A. In this regard, if any amount under a 409A Award is payable upon a separation from service (within the meaning of Section 409A), to a grantee who is considered a specified employee (within the meaning of Section 409A), then no such payment shall be made prior to the date that is the earlier of (i) six (6) months and one (1) day after the grantee's date of separation from service, or (ii) the grantee's death, but only to the extent such delay is necessary to prevent such payment from being subject to interest, penalties and/or additional tax imposed pursuant to Section 409A.

SECTION 11. AMENDMENTS AND TERMINATION

The Board may, at any time, amend or discontinue the Plan and the Committee may, at any time, amend or cancel any outstanding Award (or provide substitute Awards at the same or a reduced exercise or purchase price or with no exercise or purchase price in a manner not inconsistent with the terms of the Plan; provided, that such price, if any, must satisfy the requirements which would apply to the substitute or amended Award if it were then initially granted under the Plan for the purpose of satisfying changes in law or for any other lawful purpose), but no such action shall adversely affect rights under any outstanding Award without the consent of the holder of the Award. The Committee may exercise its discretion to reduce the exercise price of outstanding Stock Options or effect repricing through cancellation of outstanding Awards and by granting such holders new Awards in replacement of the cancelled Awards. To the extent determined by the Committee to be required either by the Code to ensure that Incentive Stock Options granted under the Plan are qualified under Section 422 of the Code or otherwise, Plan amendments shall be subject to approval by the Company stockholders entitled to vote at a meeting of stockholders. Nothing in this Section 11 shall limit the Board's or Committee's authority to take any action permitted pursuant to Section 3(c).

SECTION 12. STATUS OF PLAN

With respect to the portion of any Award that has not been exercised and any payments in cash, Stock or other consideration not received by a grantee, a grantee shall have no rights greater than those of a general creditor of the Company unless the Committee shall otherwise expressly so determine in connection with any Award or Awards. In its sole discretion, the Committee may authorize the creation of trusts or other arrangements to meet the Company's obligations to deliver Stock or make payments with respect to Awards hereunder; provided, that the existence of such trusts or other arrangements is consistent with the foregoing sentence.

SECTION 13. GENERAL PROVISIONS

(a) No Distribution; Compliance with Legal Requirements. The Committee may require each person acquiring Stock pursuant to an Award to represent to and agree with the Company in writing that such person is acquiring the shares of Stock without a view to

distribution thereof. No shares of Stock shall be issued pursuant to an Award until (a) the recipient of such Stock has executed, and otherwise agreed to be bound by, all documents requested by the Company, including without limitation, the Investors Rights Agreement, and (b) all applicable securities law and other legal and stock exchange or similar requirements have been satisfied. The Committee may require the placing of such stop-orders and restrictive legends on certificates for Stock and Awards as it deems appropriate.

(b) Delivery of Stock Certificates. Stock certificates to grantees under the Plan shall be deemed delivered for all purposes when the Company or a stock transfer agent of the Company shall have mailed such certificates in the United States mail, addressed to the grantee, at the grantee's last known address on file with the Company.

(c) Other Compensation Arrangements; No Employment Rights. Nothing contained in the Plan shall prevent the Board from adopting other or additional compensation arrangements, including trusts, and such arrangements may be either generally applicable or applicable only in specific cases. The adoption of the Plan and the grant of Awards do not confer upon any employee any right to continued employment or service relationship with the Company or any Subsidiary.

(d) Trading Policy Restrictions. Option exercises and other Awards under the Plan shall be subject to such Company's insider trading policy-related restrictions, terms and conditions as may be established by the Committee, or in accordance with policies set by the Committee, from time to time.

(e) Loans to Award Recipients. The Company shall have the authority, to the extent permitted by law, to make loans to recipients of Awards hereunder (including to facilitate the purchase of shares) and shall further have the authority to issue shares for promissory notes hereunder.

(f) Designation of Beneficiary. Each grantee to whom an Award has been made under the Plan may designate a beneficiary or beneficiaries to exercise any Award on or after the grantee's death or receive any payment under any Award payable on or after the grantee's death. Any such designation shall be on a form provided for that purpose by the Committee and shall not be effective until received by the Committee. If no beneficiary has been designated by a deceased grantee, or if the designated beneficiaries have predeceased the grantee, the beneficiary shall be the grantee's estate.

(g) Legend. Any certificate(s) representing the Issued Shares shall carry substantially the following legend:

> "THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE TRANSFERRED, SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF UNLESS (i) (A) SUCH DISPOSITION IS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, (B) THE HOLDER HEREOF SHALL HAVE DELIVERED TO THE COMPANY AN OPINION OF COUNSEL, WHICH OPINION AND COUNSEL SHALL BE REASONABLY SATISFACTORY TO

THE COMPANY, TO THE EFFECT THAT SUCH DISPOSITION IS EXEMPT FROM THE PROVISIONS OF SECTION 5 OF SUCH ACT, OR (C) A NO-ACTION LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION, REASONABLY SATISFACTORY TO COUNSEL FOR THE COMPANY, SHALL HAVE BEEN OBTAINED WITH RESPECT TO SUCH DISPOSITION, (ii) SUCH DISPOSITION IS PURSUANT TO REGISTRATION UNDER ANY APPLICABLE STATE SECURITIES LAWS OR AN EXEMPTION THEREFROM, AND (iii) THE TRANSFEREE SHALL HAVE AGREED IN WRITING TO BE BOUND BY THE TERMS OF THE COMPANY'S AMENDED AND RESTATED INVESTORS RIGHTS AGREEMENT, DATED AS OF DECEMBER ___, 2012, AS AMENDED FROM TIME TO TIME."

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO TRANSFER, VOTING AND OTHER RESTRICTIONS SET FORTH IN A AMENDED AND RESTATED INVESTORS RIGHTS AGREEMENT, DATED AS OF DECEMBER ___, 2012, AS AMENDED FROM TIME TO TIME, COPIES OF WHICH ARE ON FILE WITH THE SECRETARY OF THE COMPANY."

SECTION 14. EFFECTIVE DATE OF PLAN

The Plan shall become effective upon approval of stockholders in accordance with applicable law. Subject to such approval by the stockholders and to the requirement that no Stock Option or other Award may be issued hereunder prior to such approval, Stock Options and other Awards may be granted hereunder on and after adoption of the Plan by the Board. No grants of Stock Options and other Awards may be made hereunder after the tenth (10^{th}) anniversary of the Effective Date and no grants of Incentive Stock Options may be made hereunder after the tenth (10^{th}) anniversary of the date the Plan is approved by the Board.

SECTION 15. GOVERNING LAW

This Plan, all Awards and any controversy arising out of or relating to this Plan and all Awards shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the State of New York, without regard to conflict of law principles that would result in the application of any law other than the law of the State of New York.

DATE APPROVED BY THE BOARD OF DIRECTORS:

November ___, 2012

DATE APPROVED BY THE STOCKHOLDERS:

December ___, 2012

Appendix A

STOCK OPTION EXERCISE NOTICE

Mercy Nutraceuticals, Inc.
Attention: _____

Pursuant to the terms of my stock option agreement dated _____ ___, 20__ (the "Agreement") under the Mercy Nutraceuticals 2012 Stock Option and Grant Plan, I, **[Insert Name] _____ _____**, hereby **[Circle One]** partially/fully exercise such option by including herein payment in the amount of $_____ representing the purchase price for **[Fill in number of Option Shares]** _____ option shares. I have chosen the following form(s) of payment:

[ ] 1. Cash
[ ] 2. Certified or bank check payable to MERCY NUTRACEUTICALS, INC.
[ ] 3. Other, as described in the Agreement (please describe):
_____.

In connection with my exercise of the option as set forth above, I hereby represent and warrant to Mercy Nutraceuticals, Inc. as follows:

(i) I am purchasing the option shares for my own account for investment only, and not for resale or with a view to the distribution thereof.

(ii) I have had such an opportunity as I have deemed adequate to obtain from Mercy Nutraceuticals, Inc. such information as is necessary to permit me to evaluate the merits and risks of my investment in Mercy Nutraceuticals, Inc. and have consulted with my own advisers with respect to my investment in Mercy Nutraceuticals, Inc.

(iii) I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the option shares and to make an informed investment decision with respect to such purchase.

(iv) I can afford a complete loss of the value of the option shares and am able to bear the economic risk of holding such option shares for an indefinite period of time.

(v) I understand that the option shares may not be registered under the Securities Act of 1933 (it being understood that the option shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the Securities Act of 1933 and under any applicable state securities or "blue sky" laws (or exemptions from the registration requirement thereof). I further acknowledge that certificates representing option shares will bear restrictive legends reflecting the foregoing.

(vi) I hereby irrevocably covenant and agree that I and each of the option shares owned by me, shall each be bound by the terms and conditions of the Amended and Restated Investors Rights Agreement, made by and between the Company and the Shareholders of the Company, dated as of December ___, 2012, as amended from time to time (the "Investors Rights Agreement"), and my execution of this Stock Option Exercise shall constitute my agreement to be bound by the terms and conditions of the Investors Rights Agreement with the same effect as if such Investors Rights Agreement was separately signed.

Sincerely yours,

_____
Name:

Address:
_____
_____
_____
Email: _____

APPENDIX D

FORM OF AMENDED AND RESTATED INVESTORS RIGHTS AGREEMENT

(ATTACHED)

AMENDED AND RESTATED INVESTORS RIGHTS AGREEMENT

THIS AMENDED AND RESTATED INVESTORS RIGHTS AGREEMENT (this "Agreement"), dated as of December [___], 2012 (the "Effective Date"), is made by and among MERCY NUTRACEUTICALS, INC., a Delaware corporation (the "Company"), the holders of the Company's preferred stock, including, without limitation, holders of the Company's Series AA preferred stock, and certain holders of the Company's common stock (collectively, the "Shareholders"; each, a "Shareholder").

R E C I T A L S

WHEREAS, pursuant to the Agreement and Plan of Merger, dated as of December [___], 2012 (the "Merger Agreement"), made by and among the Company and Neu Industries, Inc., a New York corporation (the "Merged Company"), the Company has acquired the Merged Company through a statutory merger, and in accordance therewith, the Shareholders have exchanged their shares of common stock and preferred stock in the Merged Company for shares of Common Stock and Preferred Stock in the Company, as applicable;

WHEREAS, the Shareholders believe that it is in the best interests of both the Company and the Shareholders to (i) provide that their Stock may be transferred only in accordance herewith, (ii) provide for certain rights and obligations with respect to the nomination and election of Directors and the decision-making and management of the Company, (iii) provide for certain drag-along rights, and (iv) otherwise set forth their agreement on certain other matters; and

WHEREAS, certain of the Shareholders have previously entered into agreements with the Merged Company, including, without limitation, the Original IRA, the Series AA SPA, stockholders' agreements, voting agreements, subscription agreements and similar agreements (collectively, the "Prior Agreements"), and each of the Shareholders hereby irrevocably covenants and agrees that this Agreement shall completely amend, restate and replace the Prior Agreements with respect to each of the matters set forth in this Agreement.

A G R E E M E N T

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises, representations, warranties, and covenants hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound hereby agree as follows:

Section 1. Recitals; Definitions. The above recitals are the basis upon which this transaction is being pursued and are hereby incorporated into this Agreement. For purposes of this Agreement, capitalized terms used herein but not defined herein shall have the meanings set forth on Appendix I attached hereto.

Section 2. Board of Directors. Each Shareholder hereby covenants and agrees that it will vote its shares to elect the Directors as follows:

(a) General. Each Shareholder will exercise its rights as a holder of Stock to cause the Board to be constituted and to conduct its proceedings in accordance with this Section 2.

(b) Number of Directors. Initially the Board will be comprised of five (5) Directors. The Board may from time to time, by majority vote, elect to increase or decrease the number of Directors comprising the Board. Each Director will have one (1) vote.

(c) Board Composition. Except as otherwise provided for in this Agreement, (i) the Company shall take all necessary and desirable actions within its control, including, without limitation, calling Shareholders' and Directors' meetings, and (ii) each Shareholder covenants and agrees that it shall vote, or cause to be voted, the Stock owned by him, her or it, or over which he, she or it has voting control at any shareholders' meeting or execute proxies, consents or other documents or agreements, from time to time and at all times, in whatever manner as shall be necessary in order to act in person and/or by written consent with respect to such Stock, and take all other actions necessary or desirable in order to cause the Board to be appointed in accordance with the terms of the Certificate.

(d) Quorum. A quorum of the Board will consist of a majority of the Directors.

(e) Director and Officer Insurance. The Company shall at all times maintain directors and officers insurance in amounts and containing such terms as the Board shall determine.

(f) Director Compensation. Directors may be compensated for services to the Company in their capacities as Directors, as determined by the Board from time to time. In addition, the Directors shall be reimbursed for out-of-pocket expenses reasonably incurred in connection with providing services to the Company, including, but not limited to, travel expenses.

Section 3. Bylaws. Each of the Shareholders hereby agrees (i) that in the event of any conflict or inconsistency between the terms and provisions set forth in this Agreement and the term and provisions of the bylaws of the Company, the terms and provisions of this Agreement shall govern to the fullest extent permitted by law, and (ii) to vote to amend the bylaws if necessary to remove any such conflict or inconsistency.

Section 4. Decision-Making; Other Matters.

(a) Powers of the Board. Except as otherwise specified in this Agreement or as may be required by applicable law, the Board will have full power to direct the activities of the Company.

(b) Voting; Generally. Except as otherwise specified in this Agreement or as may be required by applicable law, all decisions at the Shareholder meetings and all decisions of the Board will be made by simple majority vote.

Section 5. Management.

(a) Appointment of Officers. The President and CEO of the Company shall initially be Luc Tomasino. The Secretary of the Company shall initially be David Shor. The Treasurer of the Company shall initially be Richard Kimball. The Board may appoint additional Officers from time to time in accordance with the terms of this Agreement and the Organizational Documents.

(b) Removal of Officers. The Board may remove any Officer of the Company in accordance with the terms of this Agreement, the Organizational Documents and any other agreement entered into by and between the Company and such Officer related to his or her employment with the Company.

(c) Management; Day-to-Day Control. The business affairs and property of the Company will be managed on a day-to-day basis by the officers of the Company, in a manner consistent with the Budget. The officers shall have all authority necessary to fully implement the Budget and will report and be responsible to the Board for the activities and operations of the Company.

(d) Indemnification of Directors, Officers, Employees and Certain Agents. The Company shall defend, indemnify and hold harmless any Officer, Director, employee or agent, in each case, as set forth in the bylaws of the Company.

Section 6. Budget.

(a) Budget. For each Fiscal Year, the Board will consider a Budget in accordance with the following procedure:

(1) at least one month before the end of each Fiscal Year, the CEO will submit to the Board a draft Budget, which shall be prepared by the officers of the Company under the direction of the CEO, for the following Fiscal Year; and

(2) the Board will consider and seek to approve the Budget (with or without amendments) before the commencement of the relevant Fiscal Year.

(b) Failure to Adopt a Budget. If the Board fails to adopt a Budget before the commencement of any Fiscal Year, the Budget most recently approved by the Board will continue to apply until the Board adopts a new Budget provided that with respect to any particular Budget item that has not been contested by any Director, the CEO may approve departures from the Budget most recently approved by the Board based on the prior year's performance, and in a manner consistent with past practice.

Section 7. Restrictions on Transfer.

(a) General. Except as set forth in Section 7(b), no Shareholder may transfer, sell, assign, option, pledge, hypothecate or otherwise directly, indirectly, by operation of law or

otherwise (including, without limitation, by merger or sale of equity in any direct or indirect holding company), dispose of or encumber (each of the foregoing a "Transfer") any Securities without the prior approval of the Board.

(b) Certain Permitted Transfers.

(i) Securities may at all times be Transferred by all Shareholders (1) pursuant to a Family or Estate-Planning Transfer, (2) to an Affiliate, or (3) to an Involuntary Transferee in accordance with Section 8(a); provided that in each case such Transfer is not a Prohibited Transfer and is made in compliance with Section 7(c). To the extent that any Securities are transferred by a Shareholder pursuant to this Section 7(b)(i), such Securities, and the transferees of such Securities, shall remain subject to each of the restrictions on such Shareholder (and on such Shareholder's Securities) as set forth in this Agreement, as if such Transfer had not occurred.

(ii) Each of the Shareholders, shall have the right to Transfer the Securities owned by such Shareholders, provided that:

(1) any such Transfer is not (A) a Prohibited Transfer, or (B) to a competitor of the Company, as determined by the Board in its sole discretion, or an Affiliate of a competitor of the Company, and, in each case, is made in full compliance with Section 7(c); and

(2) the provisions of Section 7(d) and Section 9 shall apply.

(c) Conditions to and Consequences of Permitted Transfers. As a condition precedent to any Transfer of Securities, the transferee shall, prior to the acquisition of such Securities, (i) agree in writing to be bound by the terms of this Agreement and otherwise complete and execute any other documents reasonably requested by the Company, (ii) if such transferee is a natural person and a resident of a state with a community or marital property system, cause his or her spouse to execute a spousal waiver in the form of Exhibit A, and (iii) deliver such signature page and spousal waiver, if applicable, to the Company at its address specified in Section 17. In addition, the transferee shall deliver to the Company, if requested by the Company, an opinion of counsel, which opinion and counsel shall be reasonably satisfactory to the Company, to the effect that the Transfer does not fall within sub-clauses (v), (w), (x) or (y) of the definition of the term "Prohibited Transfer".

(d) Right of First Offer. In the event any Shareholder desires to Transfer any of such Shareholder's Securities pursuant to a bona fide, arms-length transaction, which, for the avoidance of doubt, is not a transaction set forth in Section 7(b) above, then such Shareholder (the "Offeror") shall first offer such Securities (the "Offered Securities") to the Company and/or its designee(s), which designee may include some but not all of the Shareholders (each, an "Offeree" and, collectively, the "Offerees") pursuant to the procedures herein set forth:

(1) The Offeror shall give written notice to the Company (the "Sale Notice") setting forth the purchase price for the Securities and all other material terms and conditions of such proposed sale (including, without limitation, the financing terms, if any, and the closing date). At such point the Company shall have the option to require an appraisal of

the Offeror's Securities. The appraisal shall be conducted by a regional accounting firm or valuation firm, to be selected by the Company, and shall indicate the value of the Offeror's Securities (which shall be subject to reduction for minority ownership) and the calculation thereof (the "Appraisal"). The Company shall pay the cost of the Appraisal. The accounting firm shall provide the Appraisal within thirty (30) days of the receipt of the Offer Notice. At such point it shall be immediately distributed to all of the Offerees.

(2) Each Offeree shall have ten (10) days after the later of (i) receipt of the Offer Notice (if the Company elects not to have an Appraisal) or (ii) receipt of the Appraisal (if the Company elects to have an Appraisal), within which to accept such offer (the "Acceptance Period").

(3) If the Company elects: (i) not to have an Appraisal, the "offer price" shall be deemed to be the amount set forth in the Offer Notice; or (ii) to have an Appraisal, then the "offer price" shall be deemed to be the lesser of (A) the price set forth in the Offer Notice, and (B) the price set forth in Appraisal.

(4) An Offeree's failure to respond timely shall be deemed a rejection of such offer. If only one (1) Offeree accepts the offer, such Offeree shall be entitled to purchase all of the entire Offered Securities. If more than one (1) Offeree accepts the offer to purchase, then the Company, in its sole discretion, shall determine how many of the Offered Securities each Offeree shall be entitled to purchase. If none of the Offerees accept the offer to purchase the Offered Securities, then the Offeror may consummate the proposed third-party sale, provided, and upon the express condition, that such purchaser or transferee agrees in writing to assume, and to be bound by the terms and conditions of, this Agreement, as the same may be amended and modified from time to time. An original counterpart of such assignment and assumption agreement, in form and substance satisfactory to the Company's counsel, shall be delivered to the Company within ten (10) days after the transaction is consummated. If such sale is not consummated on substantially and materially the same terms as set forth in the Offer Notice within sixty (60) days after the mailing of the Offer Notice or sixty (60) days after receipt of the Appraisal, the provisions of this Section shall again apply to a proposed sale of Securities of the Company. Upon any such sale consummated in accordance with the terms hereof, the third-party buyer shall immediately have all of the rights as the other Shareholders.

(e) "Market Stand-Off" Agreement.

(1) Notwithstanding the provisions of Section 7(b), in the event the Company's Stock (or other Securities) is registered under the Securities Act and such registration was by means of a firmly written initial public offering of the Company's Stock (an "IPO"), then each Shareholder hereby agrees that such Shareholder shall not sell, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, any Stock (or other Securities) of the Company held by such Shareholder (other than those included in the registration) for a period specified by the representative of the underwriters of Stock (or other Securities) of the Company not to exceed one hundred eighty (180) days

following the effective date of a registration statement of the Company filed under the Securities Act. Any Transfer in violation of the provisions of this Section 7(e) shall be deemed a "Prohibited Transfer".

(2) Each Shareholder agrees to execute and deliver such other agreements as may be reasonably requested by the Company and/or the managing underwriter(s) which are consistent with the foregoing or which are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the shares of such Stock (or other Securities) until the end of such period. The underwriters of the Company's Stock are intended third party beneficiaries of this Section 7(e) and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

Section 8. Other Provisions Relating to Transfer.

(a) Involuntary Transfers. Upon the Involuntary Transfer of Securities held by any Shareholder, such Shareholder shall promptly (but in no event later than two (2) days after such Involuntary Transfer) furnish written notice (the "Involuntary Notice") to the Company indicating that the Involuntary Transfer has occurred, specifying the name of the Involuntary Transferee and giving a detailed description of the circumstances giving rise to and the legal basis for the Involuntary Transfer. The Involuntary Transfer shall be void unless the Involuntary Transferee (i) agrees in writing to be bound by the terms of this Agreement, (ii) if such Involuntary Transferee is a natural person and a resident of a state with a community or marital property system, causes his or her spouse to execute a spousal waiver in the form of Exhibit A, and (iii) delivers such written agreement and spousal waiver (if applicable), to the Company at its address specified in Section 17. Such Involuntary Transferee shall, upon his, her or its satisfaction of such condition and acquisition of Securities, be a Shareholder. Notwithstanding the foregoing or anything to the contrary in this Agreement, at any time within ninety (90) days after the date of receipt by the Company of notice, or, if no such notice is received, the date the Company becomes aware, of such Involuntary Transfer, the Company shall have the right to purchase, and the Involuntary Transferee shall have the obligation to sell, all such Securities acquired by the Involuntary Transferee for a purchase price equal to the lesser of (i) the Fair Market Value of such Securities as of the fifth (5^{th}) business day prior to the date of purchase, and (ii) where applicable, the amount of the indebtedness or other liability that gave rise to the Involuntary Transfer plus the excess, if any, of the Original Cost of such Securities over the amount of such indebtedness or other liability.

(b) Legends; Securities Law Compliance. Each certificate representing Stock owned by the Shareholders shall bear the following legends:

(1) "THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE TRANSFERRED, SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF UNLESS (i) (A) SUCH DISPOSITION IS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, (B) THE HOLDER HEREOF SHALL HAVE

DELIVERED TO THE COMPANY AN OPINION OF COUNSEL, WHICH OPINION AND COUNSEL SHALL BE REASONABLY SATISFACTORY TO THE COMPANY, TO THE EFFECT THAT SUCH DISPOSITION IS EXEMPT FROM THE PROVISIONS OF SECTION 5 OF SUCH ACT, OR (C) A NO-ACTION LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION, REASONABLY SATISFACTORY TO COUNSEL FOR THE COMPANY, SHALL HAVE BEEN OBTAINED WITH RESPECT TO SUCH DISPOSITION, (ii) SUCH DISPOSITION IS PURSUANT TO REGISTRATION UNDER ANY APPLICABLE STATE SECURITIES LAWS OR AN EXEMPTION THEREFROM, AND (iii) THE TRANSFEREE SHALL HAVE AGREED IN WRITING TO BE BOUND BY THE TERMS OF THE COMPANY'S AMENDED AND RESTATED INVESTORS RIGHTS AGREEMENT, DATED AS OF DECEMBER [___], 2012, AS AMENDED FROM TIME TO TIME."

(2) "THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO TRANSFER, VOTING AND OTHER RESTRICTIONS SET FORTH IN A AMENDED AND RESTATED INVESTORS RIGHTS AGREEMENT, DATED AS OF DECEMBER [___], 2012, AS AMENDED FROM TIME TO TIME, COPIES OF WHICH ARE ON FILE WITH THE SECRETARY OF THE COMPANY."

In addition, certificates representing Stock shall bear any legends required by applicable state law. In the event any Stock has been registered under the Securities Act, and such Stock has been sold pursuant to such registration or pursuant to Rule 144 under the Securities Act, the holder of such Stock shall be entitled to exchange the certificate representing such Stock for a certificate not bearing the legend required by clause (1) of this Section 8(b). If any Stock ceases to be subject to this Agreement, the holder of such Stock shall be entitled to exchange the certificate representing such Stock for a certificate not bearing the legend required by clause (2) of this Section 8(b). Each Shareholder agrees that, in addition to complying with the restrictions on transfer set forth elsewhere in this Agreement, such Shareholder will not directly or indirectly Transfer any Stock (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of any Stock) in violation of the Securities Act, applicable state securities or "blue sky" laws or any rules or regulations thereunder, and such Shareholder will not Transfer any Stock unless the conditions set forth in the legend required by clause (1) of this Section 8(b) are satisfied.

(c) Transfers in Violation of Agreement. Any Transfer or attempted Transfer of any Securities in violation of this Agreement shall be void, no such Transfer shall be recorded on the Company's books and the purported transferee in any such Transfer (including, without limitation, an Involuntary Transferee that does not agree in writing to be bound by this Agreement as required by Section 8(a)) shall not be treated (and the purported transferor shall be treated) as the owner of such Securities for all purposes.

(d) Agreement on File at Company. A copy of this Agreement shall be filed with the Secretary of the Company and kept with the records of the Company.

Section 9. Drag-Along Rights.

(a) Participation. If at any time the (i) the Board and (ii) the Shareholders of the Company, who collectively own greater than fifty percent (50%) of the total issued and outstanding shares of Stock, with Preferred Stock being calculated on an as-converted basis (each, a "Section 9 Seller"), propose a sale of all of the Stock of the Company, the Section 9 Sellers may, in their sole and exclusive discretion, require the participation of each of the other Shareholders in such sale, in the manner set forth in this Section 9.

(b) Drag-Along Notice. The Section 9 Sellers shall exercise their rights pursuant to this Section 9 by delivering to the Company a written notice of such proposed sale (a "Drag-Along Notice") no later than twenty (20) days prior to the proposed closing thereof. Such notice shall make reference to each Shareholder's obligations hereunder and shall describe in reasonable detail: (i) the number of shares of Stock to be sold, (ii) the person or entity to whom such shares of Stock are proposed to be sold (the "Section 9 Buyer"), (iii) the terms and conditions of the sale, including the consideration to be paid, and (iv) the proposed date, time and location of the closing of the sale. The Company, at the Company's cost, shall deliver the Drag-Along Notice to all Shareholders within fifteen (15) days prior to the proposed closing of a sale of all of the Stock of the Company pursuant to this Section 9.

(c) Stock to be Sold. Each Shareholder shall sell, at the same price and on the same terms and conditions, in a sale subject to this Section 9 the same proportion of the total number of shares of Stock being sold as (i) the number of shares of Stock then owned by such Shareholder bears to (ii) the total number of shares of Stock then owned by all Shareholders (in each case on a fully-diluted basis). Each Shareholder holding Securities other than Stock shall exercise such amount of Securities (to the extent exercisable) as shall be necessary into Stock immediately prior to such sale.

(d) Other Transactions. If the Section 9 Sellers approve a merger, consolidation or recapitalization of the Company (as opposed to a sale of the Stock), the other Shareholders shall consent to and shall not object to or exercise any appraisal rights in connection with such merger, consolidation or recapitalization.

(e) Cooperation. Each Shareholder shall fully cooperate with the Section 9 Sellers and shall take all necessary actions to effectuate any sale of shares of Stock, merger, consolidation or recapitalization described in this Section 9, including, without limitation, entering into agreements and delivering certificates and instruments, all consistent with agreements being entered into and certificates and instruments being delivered by the Section 9 Sellers; provided that (x) such Shareholder shall only be required to make, in connection with a Drag-Along Sale, (i) representations and warranties with respect to its authority, its title to its Securities, the absence of conflicts, and approvals and litigation relating to it, and (ii) such representations or warranties with respect to the Company or its business, affairs, assets or liabilities as are being made by the Section 9 Sellers, (y) such Shareholder shall not, in connection with a Drag-Along Sale, be required to indemnify the Section 9 Buyer or any other Person jointly with any other Person, nor to indemnify such Section 9 Buyer or other Person in respect of more than its pro rata share (based on the numbers of shares sold in the Drag-Along Sale) of any matter relating to a breach of a representation or warranty described in clause (x)(ii)

above or of any indemnification for breaches of representations and warranties made by the Company with respect to itself or its business, affairs, assets or liabilities and (z) no such Shareholder shall be liable for any indemnification obligation in connection with a Drag-Along Sale in excess of the aggregate amount received by such Shareholder in such Drag-Along Sale.

Within five (5) Business Days prior to the date proposed for any closing of a Drag-Along Sale, each of the other Shareholders shall (i) deliver to the Section 9 Sellers a written instrument of Transfer covering the Securities of such Shareholder to be sold in the Drag-Along sale, and (ii) execute and deliver to the Section 9 Sellers (or their designee(s)) a power of attorney and a letter of transmittal in favor of the Section 9 Sellers (or their designee(s)), and in form and substance reasonably satisfactory to the Section 9 Sellers (or their designee(s)) appointing the Section 9 Sellers (or their designee(s)) as the true and lawful attorney-in-fact and custodian for such other Shareholder, with full power of substitution, and authorizing the Section 9 Sellers (or their designee(s)) to execute and deliver a purchase and sale agreement in accordance with the terms of this Section 9 and to take such actions as the Section 9 Sellers (or their designee(s)) may reasonably deem necessary or appropriate to effect the sale and Transfer of the Drag-Along Securities to the Section 9 Buyer, upon receipt of the purchase price therefor set forth in the Drag-Along Notice at the Section 9 Closing, free and clear of all security interests, liens, claims, encumbrances, options, and voting agreements of whatever nature (other than securities laws restrictions), together with all other documents delivered with such Drag-Along Notice and required to be executed in connection with the sale thereof pursuant to the Drag-Along Offer. Promptly after the closing of the Drag-Along Sale, the Section 9 Sellers shall furnish such other evidence of the completion and time of completion of such sale and the terms thereof as may reasonably be requested by any of the other Shareholders. Each Shareholder shall bear its pro rata share of expenses borne by the Section 9 Sellers or the Company related to the Drag-Along Sale. For the avoidance of doubt, Transfers of Securities in a Drag-Along Sale by Shareholders pursuant to and in conformity with this Section shall be permitted for all purposes under this Agreement.

(f) Notwithstanding anything to the contrary in this Agreement, upon the receipt of a Drag-Along Notice, and until the earlier of (i) such time that the Section 9 Sellers provide notice that they have determined not to move forward with the proposed sale or (ii) three (3) months after the date of the Drag-Along Notice, no Shareholder may Transfer any of its Securities other than pursuant to Section 7(b)(i) above.

Section 10. Specific Enforcement. Each Shareholder acknowledges and agrees that each party to this Agreement will be irreparably damaged in the event any of the provisions of this Agreement are not performed by the Shareholders in accordance with their specific terms or are otherwise breached. Accordingly, it is agreed that the Company shall be entitled to an injunction to prevent breaches of this Agreement by any Shareholder and to specific enforcement of this Agreement and its terms and provisions in any action instituted in any court of the United States or any state having subject matter jurisdiction.

Section 11. Termination. This Agreement shall be effective as of the date hereof and shall terminate upon the earlier of (a) the date none of the Shareholders hold any Stock, (b) consummation of a Company Sale, or (c) consummation of an IPO, provided that no Shareholder shall be deprived of any right or relieved of any obligation accruing prior to such termination.

Section 12. Preemptive Right of Shareholders.

(a) Each Shareholder shall have the right, but not the obligation, to purchase up to such Shareholder's pro rata share of all Securities that the Board may, from time to time, propose to sell and issue after the Effective Date of this Agreement (in each case, "New Securities"). Any Shareholder's pro rata share of any New Securities shall equal the product of (i) the number of New Securities proposed to be sold pursuant to such issuance, multiplied by (ii) such Shareholder's Percentage Interest immediately prior to such issuance of New Securities (with the Percentage of each holder of Preferred Stock being calculated on an as-converted basis). If the Board proposes to issue any New Securities, it shall give each Shareholder written notice of its intention, describing the proposed issuance, and the price, terms and conditions upon which the Company proposes to issue such New Securities. Each Shareholder shall have ten (10) days from the giving of such notice to agree to purchase up to its pro rata share of the New Securities being sold pursuant to such issuance for the price and upon the terms and conditions specified in the notice by giving written notice thereof to the Board and stating therein the quantity of New Securities such Shareholder desires to purchase. Notwithstanding anything to the contrary, the defined term "New Securities" shall not include, and the preemptive rights set forth in this Section 12 shall not apply to, any Securities issued or issuable:

(i) to Officers, Directors, or employees of, or consultants or advisors to, distributors, manufacturers, spokespeople, brokers, representatives, agents or other business relations of, the Company pursuant to the New Stock Incentive Plan, or equity purchase plans or other agreements, in each case on terms approved by the Board;

(ii) pursuant to a transaction involving the Company, and any Shareholder or third party whom the Board, in the Board's sole discretion determines to be a strategic and/or institutional investor, which may include, without limitation, private equity funds, industry players and other strategic and/or institutional investment vehicles;

(iii) pursuant to an acquisition of another entity by the Company by merger, consolidation or similar business combination, or acquisition of all or substantially all of the equity or assets of such entity, which is approved by the Board;

(iv) to equipment lessors, banks, or similar institutional credit financing sources pursuant to plans or arrangements;

(v) to the public pursuant to an IPO; and

(vi) to any Shareholder in respect of, in exchange for, or in substitution for Securities, by reason of any stock dividend, split, reverse split, combination, recapitalization, reclassification, merger, consolidation or otherwise.

Notwithstanding anything to the contrary, the provisions of this Section 12(a) may be waived in accordance with Section 19(b) hereof.

(b) With respect to the preemptive right afforded to Shareholders in accordance with Section 12(a) above, each Shareholder hereby acknowledges and agrees that (i) the Company has granted similar preemptive rights to the 2012 Noteholders pursuant to the terms of the 2012 Note

Purchase Agreements and the 2012 Convertible Notes, and (ii) such 2012 Noteholders shall have the right to participate alongside the Shareholders in any issuance of New Securities as if the 2012 Convertible Notes were converted into Common Stock immediately prior to such issuance, in each case, pursuant to and to the extent permitted by the terms of 2012 Note Purchase Agreements and the 2012 Convertible Notes.

(c) If any Stock or other Securities are issued in respect of, in exchange for, or in substitution for Securities, by reason of any stock dividend, split, reverse split, combination, recapitalization, reclassification, merger, consolidation or otherwise, such Stock or other Securities shall be subject to this Agreement and, if appropriate, all share numbers and percentages specified in this Agreement shall be proportionately adjusted to fairly and equitably preserve, as nearly as practicable, the original rights and obligations of the parties.

(d) Subject to the rights and privileges set forth in this Agreement or as may be required by applicable law, each Shareholder hereby acknowledges and agrees that the Board shall have the power, in its sole discretion, to sell and issue New Securities to third parties, at any time and from time to time after the Effective Date.

Section 13. Representations and Warranties. Each Shareholder represents and warrants to the Company and each other Shareholder that:

(a) Power and Authority. Such Shareholder has the power, authority and capacity (or, in the case of any Shareholder that is a corporation, limited liability company or limited partnership, all corporate, limited liability company, or limited partnership power and authority, as the case may be) to execute, deliver and perform this Agreement.

(b) Due Authorization. In the case of a Shareholder that is a corporation, limited liability company, or limited partnership, the execution, delivery and performance of this Agreement by such Shareholder has been duly and validly authorized and approved by all necessary corporate, limited liability company, or limited partnership action, as the case may be.

(c) Execution and Delivery. This Agreement has been duly and validly executed and delivered by such Shareholder and constitutes a valid and legally binding obligation of such Shareholder.

(d) No Conflict. The execution, delivery and performance of this Agreement by such Shareholder does not and will not conflict with, violate the terms of or result in the acceleration of any obligation under (i) any material contract, commitment or other material instrument to which such Shareholder is a party or by which such Shareholder is bound, or (ii) in the case of a Shareholder that is a corporation, limited liability company, or limited partnership, the certificate of incorporation, bylaws, certificate of formation, limited liability company agreement, certificate of limited partnership or limited partnership agreement, as the case may be.

Section 14. Basic Financial Information and Reporting.

(a) Accounts and Accounting. The Company will maintain true books and records of account in which full and correct entries will be made of all its business transactions.

(b) Financial Records. The Company will furnish to each Shareholder that owns at least ten percent (10%) of the issued and outstanding Stock of the Company (with Preferred Stock being calculated on an as-converted basis) as soon as practicable after the end of each quarterly accounting period in each fiscal year of the Company (beginning with the first fiscal quarter to end after the date hereof), unaudited quarterly consolidated financial statements of the Company as of the end of each such quarterly period, including a balance sheet, a statement of income and a statement of cash flows of the Company for such period and for the current fiscal year to date, prepared in all material respects in accordance with generally accepted accounting principles.

(c) The rights granted in this Section 14 shall terminate upon the closing of an IPO.

Section 15. Proprietary Information; Confidentiality.

(a) Proprietary Information. Each Shareholder acknowledges and agrees that it may receive and become aware of certain information of the Company which is proprietary or confidential in nature, including, without limitation, any and all Information of the following types: (a) marketing and customer data (including, but not limited to, the identity of customers and customer lists); (b) business or financial information, tax returns, financial statements, projections, business plans or strategic or marketing plans, market studies or analyses, prospectuses; (c) cost and expense information, pricing and discount information, gross or net profit margins or analyses; (d) trade secrets, secret or proprietary processes, recipes and formulae; (e) codes, designs, programs, processes, techniques, databases and Internet web-page designs; (f) terms, conditions, provisions or obligations of any contracts or agreements to which the Company is a party; (g) personnel data; (h) other non-public information concerning the business of the Company; and (i) any other information the disclosure of which might harm or destroy the competitive advantage of the Company (all of the foregoing shall hereinafter be referred to as the "Proprietary Information"). For purposes of this Section 15(a), "Information" means and includes any data or information of the Company, including, without limitation, data or information in the form of (i) any written information, reports, documents, books, notebooks, memoranda, charts or graphs; (ii) computer tapes, disks, CD-ROM, files, electronic mail (email) or other mechanical or electronic media; (iii) oral statements, representations or presentations; (iv) audio, visual or audio-visual materials or presentations, including audiotapes, videocassettes, laser discs, CDs or electronic or digital audio files; and (v) any other documentary, written, magnetic or other permanent or semi-permanent form. Notwithstanding the foregoing, the Proprietary Information shall not include any information which (w) a Shareholder obtains other than as a result of being a Shareholder, (x) is generally known, generally available in the public domain, (y) is required to be disclosed in the context of any administrative or judicial proceeding, or (z) is required by legal process, law or any governmental, administrative or regulatory authority.

(b) Confidentiality. Each Shareholder agrees that it shall not, directly or indirectly, disclose the terms of this Agreement or any Proprietary Information or any confidential information to any third party other than such Shareholder's attorneys, accountants, and financial advisors so long as such Persons are advised of the confidentiality provisions of this Section 15, copy or use any Proprietary Information, or publish any Proprietary Information, except for the purpose of fulfilling its obligations to the Company.

(c) Non-Disparagement. Each Shareholder hereby covenants and agrees that, while such Shareholder owns Securities of the Company and at all times thereafter, it shall not, directly or indirectly, disparage, criticize, defame, slander or otherwise make any negative statements or communications regarding the Company or its products, or any of the other Shareholders, or any of their respective Affiliates, including, without limitation, any of their respective past and present investors, Officers, Directors, or employees.

(d) Equitable Relief. Each Shareholder hereby acknowledges and agrees that the breach by such Shareholder of its covenants and obligations under this Section 15 is likely to cause irreparable harm and significant injury to the Company which could be difficult to limit or quantify. Accordingly, such Shareholder agrees that the Company shall have the right to seek an immediate injunction, specific performance or other equitable relief due to any such breach, without posting any bond therefor, in addition to any other remedies that may be available to the Company or the other Shareholders at law or in equity.

Section 16. Further Assurances, etc. Each party hereto shall do and perform or cause to be done and performed all such further acts and things, including, without limitation, voting its Securities, and shall execute and deliver all such other agreements, certificates, instruments and documents as any other party hereto may reasonably request in order to carry out the intent and purposes of this Agreement.

Section 17. Notices. All notices, requests, claims, waivers, demands and other communications hereunder shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by an internationally recognized overnight courier service, by facsimile, or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties hereto at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 17):

(1) if to the Company: with a copy to:

Mercy Nutraceuticals, Inc.	The Giannuzzi Group, LLP
197 Grant Street, No. 6W	411 West 14th Street, 4th Floor
New York, New York 10013	New York, New York 10014
Fax: (917) 210-3576	Fax: (212) 504-2066
Attn: Luc Tomasino, President & CEO	Attn: Nicholas L. Giannuzzi, Esq.

(2) if to any Shareholder, to the address of record for such Shareholder as recorded in the Company's records.

Section 18. Representation by Counsel; Interpretation. Each party to this Agreement acknowledges and agrees that is has had an adequate opportunity to consult with counsel in connection with their review and execution of this Agreement. Accordingly, any rule of law or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the party that drafted it has no application and is expressly waived by each party hereto.

Section 19. Arbitration: Governing Law, etc.

(a) Upon the occurrence of any dispute or disagreement between the parties hereto arising out of or in connection with any term or provision of this Agreement, the subject matter hereof, or the interpretation or enforcement hereof (a "Dispute"), the parties shall engage in informal, good faith discussions and attempt to resolve the Dispute. If the parties are unable to resolve the Dispute, then the parties shall submit the Dispute to confidential, final and binding arbitration in New York, New York, administered by JAMS, or its successor, in accordance with the rules and procedures of JAMS then in effect and Section 19(b) below. The parties hereto acknowledge that Disputes include, without limitation, disputes about the validity, interpretation or effect of this Agreement, or alleged violations of it.

(b) The parties hereto agree that any and all Disputes that are submitted to arbitration in accordance with this Agreement shall be decided by one neutral arbitrator selected in accordance with JAMS procedures. The parties hereto shall cooperate with JAMS and with one another in selecting such arbitrator and in scheduling the arbitration proceedings in accordance with applicable JAMS procedures. The arbitration shall be conducted in accordance with the JAMS Comprehensive Rules; provided, that the parties hereto agree that each party shall have the same rights and obligations with respect to discovery as such party would have if such Dispute were litigated in the state and federal courts located in New York, New York or the Southern District of New York. Any party hereto may commence the arbitration process called for in this Agreement by filing a written demand for arbitration with JAMS, with a copy to the other parties. The parties hereto agree that they will participate in the arbitration in good faith, and that they shall share equally in all administrative costs and arbitrators' fees associated with the arbitration; provided, however, that each party will bear its own attorneys' fees and costs associated with the arbitration, unless a party is ordered to pay reasonable costs and expenses. The arbitrator shall apply Delaware law without reference to conflicts or choice of law principles. The arbitrator may not modify or change this Agreement in any way, unless any provision is found to be unenforceable, in which case the arbitrator may sever it in accordance with the terms of Section 19(c) hereof. Any award issued as a result of such arbitration shall be final and binding between the parties thereto and shall be enforceable by any court having jurisdiction over the party against whom enforcement is sought. The parties hereto understand and agree that the arbitrator's decision shall be in writing with sufficient explanation to allow for such meaningful judicial review as may be permitted by law, and that such decision shall be final and binding. The parties hereto understand that, by entering into this Agreement, they each are waiving their respective rights to have a Dispute adjudicated by a court or by a jury.

(c) Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect for so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to either party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible

(d) Remedies. The Company and the Shareholders agree that money damages or other remedy at law would not be a sufficient or adequate remedy for any breach or violation of, or a default under, this Agreement by them and that, in addition to all other remedies available to them, each of them shall be entitled to an injunction restraining such breach, violation or default or threatened breach, violation or default and to any other equitable relief, including, without limitation, specific performance, without bond or other security being required.

Section 20. Entire Agreement; Amendment and Waiver; Effect on Prior Agreements.

(a) Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties hereto with respect to the matters referred to herein. The undersigned parties, who constitute the requisite parties necessary to amend the Prior Agreements, hereby agree that, effective upon the date hereof, this Agreement shall amend, restate and replace the Prior Agreements with respect to each of the matters set forth in this Agreement.

(b) Amendment and Waivers. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of a majority of the Board and the Shareholders of the Company who own greater than fifty percent (50%) of the total issued and outstanding Stock of the Company, with Preferred Stock being calculated on an as-converted basis. Notwithstanding the foregoing, this Agreement may not be amended or terminated and the observance of any term hereunder may not be waived with respect to any Shareholder without the written consent of such Shareholder, unless such amendment, termination or waiver applies to all Shareholders in the same fashion (it being agreed that a waiver of the provisions of Section 12 with respect to a particular transaction shall be deemed to apply to all Shareholder in the same fashion if such waiver does so by its terms). Any amendment, termination or waiver effected in accordance with this Section 21(b) shall be binding on all parties hereto, whether or not any such party has consented thereto. No waivers of or exceptions to any term, condition or provision of this Agreement, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such term, condition or provision.

(c) Effect on Prior Agreements. For the avoidance of doubt, each Shareholder acknowledges and agrees that this Agreement shall completely amend, restate and replace the Prior Agreements with respect to each of the matters set forth in this Agreement.

Section 21. Successors and Assigns; No Third Party Beneficiaries.

(a) Successors and Assigns Generally. This Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of the parties hereto.

(b) No Third-Party Beneficiaries. Unless otherwise indicated to the contrary, nothing in this Agreement is intended to or shall confer any rights or benefits upon any person other than the parties hereto.

Section 22. Headings. The headings of this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

Section 23. Counterparts. This Agreement may be executed in any number of counterparts each of which shall be an original and all of which taken together shall constitute one and the same agreement.

Section 24. Indemnification. Each Shareholder hereby agrees to defend, indemnify and hold harmless the Company and other Shareholders, together with any Officer, Director, employee or agent of the Company, for any claims and/or damages arising from (i) any Transfer or attempted Transfer made by such Shareholder in violation of the terms set forth in this Agreement and (ii) any breach by such Shareholder of any other term, condition or restriction set forth in this Agreement, the Certificate and/or any other governing document(s) of the Company.

Section 25. Joinder to this Agreement. It is hereby agreed that with respect to each individual owning Stock of the Company as of the Effective Date, that the execution of the proxy approving the transactions contemplated in this Agreement shall constitute such individual's agreement to be bound by the terms and conditions hereof with the same effect as if this Agreement were separately signed. Notwithstanding anything to the contrary contained herein, if the Company issues any additional shares of the Stock after the date hereof, any recipient of such shares may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement, and thereafter shall be deemed a Shareholder for all purposes hereunder. No action or consent by the then-current Shareholders shall be required for such joinder to this Agreement by such additional Shareholder, so long as such additional Shareholder has agreed in writing to be bound by all of the obligations as a party hereto.

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[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the Company and the Shareholders have executed this Amended and Restated Investors Rights Agreement as of the Effective Date.

COMPANY:

MERCY NUTRACEUTICALS.,
a Delaware corporation.

By: _____
Luc Tomasino
President & CEO

SHAREHOLDERS:

_____
DAVID SHOR

_____
RICHARD KIMBALL

_____
LUC TOMASINO

_____
SCOTT WORTMAN

SEE PROXY FOR THE ADDITIONAL SHAREHOLDER SIGNATURES

Appendix I

"2012 Convertible Note Purchase Agreements" shall refer to those certain Amended and Restated Convertible Note Purchase Agreements, executed by and between the Company and the 2012 Noteholders on or about July, 2012.

"2012 Convertible Notes" shall refer to those certain Amended and Restated Convertible Promissory Notes, executed by the Company in favor of the 2012 Noteholders on or about July, 2012.

"2012 Noteholders" shall refer to the holders of the 2012 Convertible Notes.

"Acceptance Period" is defined in Section 7(d).

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such first Person. As used in this definition of the term "Affiliate", "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of a Person by reason of ownership of voting securities, by contract or otherwise.

"Agreement" is defined in the preamble.

"Appointment Right" is defined in Section 2(c)(2).

"Appointment Transfer" is defined in Section 2(c)(3).

"Appointment Transferee" is defined in Section 2(c)(3).

"Appraisal" is defined in Section 7(d).

"as-converted basis" means the amount of Common Stock which is issued or would be issuable upon the conversion of Preferred Stock in accordance with the terms of the Certificate.

"Board" means the board of directors of the Company.

"Budget" means the annual budget of the Company.

"Business Days" means Monday through Friday except Federal or Delaware State holidays.

"CEO" means Luc Tomasino, serving in his capacity as chief executive officer of the Company, or, should Luc Tomasino cease to be the chief executive officer of the Company for any reason, such other individual who is appointed as chief executive officer in accordance with the terms hereof.

"Certificate" means the Amended and Restated Certificate of Incorporation of the Company, filed with the Department of State of the State of Delaware on December [___], 2012, as further amended and/or restated from time to time.

"Common Stock" means the common stock, par value US $0.001 per share of the Company.

"Company" is defined in the preamble.

"Company Sale" shall refer to the following transactions: (a) a merger or consolidation in which (i) the Company is a constituent party; or (ii) a subsidiary of the Company is a constituent party and the Company issues shares of its capital stock pursuant to such merger or consolidation, except any such merger or consolidation involving the Company or a subsidiary in which the shares of capital stock of the Company outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of (1) the surviving or resulting corporation or (2) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation; or (b) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Company or any subsidiary of the Company of all or substantially all the assets of the Company and its subsidiaries taken as a whole, or the sale or disposition (whether by merger or otherwise) of one or more subsidiaries of the Company if substantially all of the assets of the Company and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Company.

"Dispute" is defined in Section 19(a).

"Director" means a member of the Board.

"Drag-Along Sale" means any sale or other transaction contemplated by Section 9(a) or Section 9(d).

"Drag Along Notice" is defined in Section 9(b).

"Effective Date" has the meaning set forth in the introductory paragraph.

"Encumbrance" means any security interest, pledge, hypothecation, mortgage, lien (including environmental and tax liens), violation, charge, lease, license, encumbrance, servient easement, adverse claim, reversion, reverter, preferential arrangement, restrictive covenant, condition or restriction of any kind, including any restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership.

"Fair Market Value" as of any date means for (a) publicly traded Securities, the average of the daily volume-weighted average price per share of such Securities for each of the ten (10) trading days prior to such date (as reported by Bloomberg Financial L.P. using the VWAP function, or if unavailable, by another authoritative source, or if no other authoritative source is

available, based upon the average of the daily closing prices (instead of the daily volume-weighted average prices) for such ten (10) trading days, as reported by Bloomberg Financial L.P. or another authoritative source), and (b) non-publicly traded Securities, the fair market value of such Securities as of such date as determined in good faith by the Board.

"Family Member" means a spouse, parents, grandparents, aunts, uncles, siblings and descendants of them (including adoptive relationships and stepchildren) and the spouses of all such persons.

"Family or Estate-Planning Transfer" means, with respect to a Shareholder, a transfer of Securities (a) to a trust under which the distribution of Securities may be made only to such Shareholder and/or Family Members of such Shareholder, (b) to a charitable remainder trust, the income from which will be paid to such Shareholder during his or her life, (c) to a corporation, the shareholders of which are only such Shareholder and/or Family Members of such Shareholder, (d) to a partnership or limited liability company, the partners or members of which are only such Shareholder and/or Family Members of such Shareholder, or (e) by will or by the laws of interstate succession, to such Shareholder's executors, administrators, testamentary trustees, legatees or beneficiaries, provided in the case of the foregoing clauses (a) – (d) that such Shareholder has sole control of the entity referred to.

"Fiscal Year" means the period from January 1 through December 31 during each calendar year of this Agreement.

"Indebtedness" means, with respect to any Person, (a) all indebtedness of such Person, whether or not contingent, for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services, (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all obligations of such Person as lessee under leases that have been or should be recorded as capital leases, (f) all obligations, contingent or otherwise, of such Person under acceptance, letter of credit or similar facilities, (g) all obligations of such Person to purchase, redeem, retire, defease or otherwise acquire for value any capital stock of such Person or any warrants, rights or options to acquire such capital stock, valued, in the case of redeemable preferred stock, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends, (h) all Indebtedness of others referred to in clauses (a) through (g) above guaranteed directly or indirectly in any manner by such Person, or in effect guaranteed directly or indirectly by such Person, and (i) all Indebtedness referred to in clauses (a) through (g) above secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Encumbrance on property (including accounts and contract rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such Indebtedness.

"Information" is defined in Section 15(a).

"Involuntary Notice" is defined in Section 8(a).

"Involuntary Transfer" means any Transfer, other than by voluntary act of a Shareholder, or any proceeding or action by or in which a Shareholder shall be deprived or divested of any right, title or interest in or to any Securities or any Securities shall become encumbered, whether or not such Shareholder consents to such proceeding or action, including, without limitation, (a) any seizure under levy of attachment or execution, (b) any foreclosure upon a pledge of, or a security interest in, Securities, (c) any Transfer in connection with bankruptcy or similar proceedings relating to a Shareholder, (d) any Transfer to a state or to a public officer or agency pursuant to any statute pertaining to escheat or abandoned property, (e) any Transfer in connection with the disposition of the community property interest of such Shareholder's spouse, (f) any Transfer upon the death of such Shareholder, (g) any Transfer occasioned by the incompetence of such Shareholder, or (h) any Transfer to a Shareholder's spouse as a result of the termination of the marital relationship. "Involuntary Transferee" shall have a corresponding meaning.

"IPO" is defined in Section 7(e)(1).

"Losses" means all damages, liabilities, awards, judgments, assessments, fines, sanctions, penalties, charges, costs, liens, losses, payments, expenses and fees, including, without limitation, all court costs and reasonable attorneys' and accountants' fees and expenses sustained or incurred in connection with the defense or investigation of any Proceeding.

"Merged Company" has the meaning set forth in the recitals.

"Merger Agreement" has the meaning set forth in the recitals.

"New Securities" is defined in Section 12(a).

"New Stock Incentive Plan" means that certain Mercy Nutraceuticals, Inc. 2012 Stock Option and Grant Plan], made as of the Effective Date.

"Non-Qualified Preferred Stock" shall refer to those shares of Preferred Stock to be issued as "Series AA-1 Preferred Stock" in the event of an automatic conversion of the 2012 Convertible Notes pursuant to the terms set forth in Section 1(c) of the 2012 Convertible Notes.

"Offered Securities" is defined in Section 7(d).

"Offeree" is defined in Section 7(d).

"Offeror" is defined in Section 7(d).

"Officer" means an officer of the Company.

"on a fully-diluted basis" means after giving effect to the conversion into Common Stock of all outstanding Securities that are or will become convertible into Common Stock, including, without limitation, the Preferred Stock and the 2012 Notes.

"Organizational Documents" means the Certificate and the bylaws of the Company.

"Original Cost" means, for any Securities, the original purchase price paid to the Company for such Securities, as reflected in the records of the Company.

"Original IRA" means that certain Investors' Rights Agreement, entered into as of December 16, 2010, by and among the Merged Company and the Series AA Investors, as amended by (i) that certain First Amendment to Series AA Investors' Rights Agreement, entered into as of September 12, 2011, (ii) that certain Second Amendment to Series AA Investors' Rights Agreement, entered into as of November 3, 2011, and (iii) that certain Third Amendment to Series AA Investors' Rights Agreement, entered into as of August 13, 2012., which Original IRA is completely amended, restated and replaced by this Agreement.

"Percentage Interest" means, with respect to a Shareholder, the Stock held by such Shareholder, as a percentage of the total of all issued and outstanding shares of Stock (with Preferred Stock being calculated on an as-converted basis).

"Permitted Transferee" means any Person that obtains a direct ownership interest in any Security pursuant to a Transfer permitted under Section 7.

"Person" means any individual, corporation, partnership, firm, joint venture, association, limited liability company, joint-stock company, trust, unincorporated organization, governmental or regulatory body or other legal entity.

"Preferred Stock" means all preferred stock of the Company (i) previously issued by the Merged Company (including, without limitation, the Series AA preferred stock issued to the Series AA Investors pursuant to the terms of the Series AA SPA) and (ii) hereinafter issued by the Company pursuant to this Agreement, in each case, at par value US $0.001 per share.

"Prior Agreements" shall have the meaning set forth in the recitals.

"Prohibited Transfer" means any Transfer of Securities to a Person that (u) would violate any provision of this Agreement, (v) may not be effected without registering the securities involved under the Securities Act, (w) would result in the assets of the Company constituting "plan assets" as such term is defined in the Department of Labor regulations promulgated under the Employer Retirement Income Security Act of 1974, as amended, (x) would cause the Company to be controlled by or under common control with an "investment company" for purposes of the Investment Company Act of 1940, as amended, (y) would require any securities of the Company to be registered under the Exchange Act or would cause the Company to be subject to Section 12(g) or 15(d) of the Exchange Act, or (z) the Board determines in good faith would result in a change of control under an indenture or credit agreement to which the Company is a party.

"Proprietary Information" is defined in Section 15(a).

"Pro Rata Number" means a number determined by multiplying, in the case of each Offeree, the Offered Securities by a fraction, the numerator of which is the total number of shares of Stock held by such Offeree and the denominator of which is the total number of shares of Common Stock owned by all Offerees (with Preferred Stock being calculated on an as-converted basis).

"Rule 144" means Rule 144 under the Securities Act or any successor or similar rule as may be enacted by the Securities and Exchange Commission from time to time, as in effect from time to time.

"Sale Notice" is defined in Section 7(d)(1).

"Section 9 Buyer" is defined in Section 9(b).

"Section 9 Seller" is defined in Section 9(a).

"Securities" means (a) the Common Stock or any preferred stock or other equity security of the Company, (b) any security convertible, with or without consideration, into Common Stock or any preferred stock or other equity security (including any option to purchase such a convertible security), (c) any warrant, option or right to subscribe for or purchase Common Stock or any preferred stock or other equity security or (d) any security carrying such warrant, option or right.

"Securities Act" means the Securities Act of 1933, as amended, or any successor Federal statute, and the rules and regulations thereunder which shall be in effect at the time. Any reference to a particular section thereof shall include a reference to the corresponding section, if any, of any such successor federal statute, and the rules and regulations thereunder.

"Series AA Investor" refers to any Person who is a signatory to the Series AA SPA (other than the Merged Company).

"Series AA SPA" refers to that certain Series AA Preferred Stock Purchase Agreement, entered into as of December 16, 2010, by and among the Merged Company and the Series AA Investors, which Series AA SPA is completely amended, restated and replaced by this Agreement..

"Shareholder" is defined in the preamble.

"Supermajority Vote" means, with respect to any matter, a vote in favor of such matter by greater than a majority of the Directors as determined by the Board from time to time.

"Stock" means Common Stock and Preferred Stock, collectively.

"Transfer" is defined in Section 7(a).

Exhibit A

SPOUSAL WAIVER

I, _____ hereby waive and release any and all equitable or legal claims and rights, actual, inchoate or contingent, which I may acquire with respect to the disposition, voting or control of the Securities subject to the Amended and Restated Investors Rights Agreement, dated as of December [___], 2012, among Mercy Nutraceuticals, a Delaware corporation, and its shareholders, as the same shall be amended from time to time, except for rights in respect of the proceeds of any disposition of such Securities.

_____

Name:

APPENDIX E

FORM OF AGREEMENT AND PLAN OF MERGER

(ATTACHED)

AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger (this "Merger Agreement") is entered into as of December ___, 2012, by and between Neu Industries, Inc., a New York corporation ("New York Mercy"), and Mercy Nutraceuticals, Inc., a Delaware corporation and wholly-owned subsidiary of New York Mercy ("Delaware Mercy").

Introduction

WHEREAS, New York Mercy, having authority to issue 3,781,654 shares of capital stock (consisting of 3,000,000 shares of common stock and 781,654 shares of Series AA preferred stock), and Delaware Mercy, having authority to issue 30,000,000 shares of capital stock (consisting of 20,000,000 shares of common stock and 10,000,000 shares of preferred stock, 781,363 shares of which preferred stock are designated as "Series AA" preferred stock), desire to enter into this Merger Agreement for the purpose of effecting a reorganization of New York Mercy from New York to Delaware;

WHEREAS, Delaware Mercy is a newly formed corporation which has one (1) share outstanding which is owned by New York Mercy and has been formed for the purpose of effecting this reincorporation;

WHEREAS, the Delaware General Corporation Law (the "DGCL") permits the merger of a Delaware corporation with a corporation organized under the laws of another jurisdiction;

WHEREAS, the New York Business Corporation Law (the "NYBCL") permits the merger of a New York corporation with a corporation organized under the laws of another jurisdiction;

WHEREAS, the Sole Incorporator of Delaware Mercy, and the respective Boards of Directors of New York Mercy and Delaware Mercy, have adopted resolutions approving this Merger Agreement and declaring its advisability; and

WHEREAS, the respective stockholders of New York Mercy and Delaware Mercy, to the extent required, have adopted and approved this Merger Agreement in accordance with the applicable provisions of the DGCL and the NYBCL.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements contained in this Merger Agreement, New York Mercy and Delaware Mercy agree to merge on the terms and conditions as follows:

ARTICLE 1
The Merger

Section 1.1. The Merger. In accordance with the provisions of this Merger Agreement, the DGCL and the NYBCL, New York Mercy shall be merged with and into Delaware Mercy (the "Merger") as of the Effective Time (as hereinafter defined in Section 1.2). Following the Effective Time, Delaware Mercy shall continue its existence as the "surviving corporation," and the identity, rights, titles, privileges, powers,

franchises, properties and assets of Delaware Mercy shall continue unaffected and unimpaired by the Merger. Following the Effective Time, the identity and separate existence of New York Mercy shall cease, and all of the rights, titles, privileges, powers, franchises, properties and assets of New York Mercy shall be vested in Delaware Mercy and all debts, liabilities or duties of New York Mercy shall attach to Delaware Mercy.

Section 1.2. Effective Time. The Merger shall be effected by the filing of a Certificate of Merger or otherwise acceptable documentation (the "Certificate of Merger"), together with any other documents required to be filed to consummate the Merger, with the Secretary of State of the State of Delaware and the Secretary of State of the State of New York. The term "Effective Time" shall mean 12:00 A.M. December ___, 2012.

ARTICLE 2
Charter; Bylaws

Section 2.1. Charter. The Certificate of Incorporation (the "Charter") of Delaware Mercy, as adopted and approved prior to the Effective Time, shall be the Charter of the Delaware Mercy from and after the Effective Time, except as the Charter may thereafter be altered, amended, restated or repealed.

Section 2.2. Bylaws. The Bylaws of Delaware Mercy, as in effect immediately prior to the Effective Time, shall be the Bylaws of the Delaware Mercy from and after the Effective Time, except as the Bylaws may thereafter be altered, amended or repealed.

ARTICLE 3
Directors and Officers

Section 3.1. Directors. From and after the Effective Time of the Merger, the directors of Delaware Mercy shall be those individuals duly appointed in the Charter, and such directors shall hold office until their successors are elected and qualified according to the Bylaws of Delaware Mercy and the Charter.

Section 3.2. Officers. From and after the Effective Time of the Merger, the officers of Delaware Mercy shall be those individuals duly appointed in that certain Amended and Restated Investors Rights Agreement, made by and among Delaware Mercy, the holders of Delaware Mercy's Series AA preferred stock and certain holders of Delaware Mercy's common stock (the "Investors Rights Agreement"), and such officers shall hold office until their successors are elected and qualified according to the terms set forth in the Investors Rights Agreement.

ARTICLE 4
Conversion and Exchange of Shares

Section 4.1. Conversion of Shares. At the Effective Time, and without any action on the part of New York Mercy or Delaware Mercy, or any other holders of any of the capital stock of any of those corporations:

(a) each share of the common stock, $0.001 par value per share, of New York Mercy (the "New York Mercy Common Stock") issued and outstanding immediately prior to the Effective Time shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted into and exchanged for one share of the common stock, $0.001 par value per share, of Delaware Mercy (the "Delaware Mercy Common Stock");

(b) each share of New York Mercy Common Stock issued and outstanding immediately prior to the Effective Time shall, by virtue of the Merger, be cancelled and shall cease to exist;

(c) each share of the Series AA preferred stock, $0.001 par value per share, of New York Mercy (the "New York Mercy Preferred Stock"; together with the New York Mercy Common Stock, the "New York Mercy Stock") issued and outstanding immediately prior to the Effective Time shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted into and exchanged for one share of the Series AA preferred stock, $0.001 par value per share, of Delaware Mercy (the "Delaware Mercy Preferred Stock"; together with the Delaware Mercy Common Stock, the "Delaware Mercy Stock"); and

(d) the stock transfer books of New York Mercy shall be closed, and there shall be no further registration of transfers of shares of capital stock thereafter on the records of New York Mercy.

Section 4.2. Exchange of Shares.

(a) All of the shares of New York Mercy capital stock converted into Delaware Mercy capital stock as provided in this Article 4 shall no longer be outstanding and shall automatically be canceled and shall cease to exist, and each certificate (each a "Certificate") previously representing any such shares of New York Mercy capital stock, as the case may be, shall thereafter represent the right to receive the number of whole shares of Delaware Mercy capital stock into which such shares of New York Mercy capital stock represented by such Certificate have been converted pursuant to Section 4.1.

(b) In the event any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such Certificate to be lost, stolen or destroyed and, if required by Delaware Mercy, the posting by such person of a bond in such amount as Delaware Mercy may direct as indemnity against any claim that may be made against it with respect to such Certificate, Delaware Mercy will issue in exchange for such lost, stolen or destroyed Certificate, certificates representing shares of Delaware Mercy capital stock pursuant to this Merger Agreement.

Section 4.3. Options.

(a) Each outstanding and unexercised option, warrant, convertible debt instrument or other right to purchase or receive, or a security convertible into, New York Mercy Stock, shall become an option, warrant, convertible debt instrument, or other right to purchase or receive, or a security convertible into, Delaware Mercy Stock, on the

basis of one share of Delaware Stock (common or preferred, as applicable) for each share of New York Mercy Stock issuable pursuant to any such option, warrant, convertible debt instrument or other right to purchase or convertible security, on the same terms and conditions and at an exercise price per share equal to the exercise price applicable to any such New York Mercy option, warrant, convertible debt instrument or other stock purchase right or convertible security at the Effective Time of the Merger.

(b) Shares of Delaware Stock shall be reserved for issuance in an amount necessary to effectuate all such conversions of New York Stock immediately prior to the Effective Time of the Merger.

Section 4.4. Designation and Number of Outstanding Shares.

As to each of New York Mercy and Delaware Mercy, the designation and number of outstanding shares of each class and series of stock, and the specifications of each class and series entitled to vote to approve the Merger and this Merger Agreement are as follows:

NEU INDUSTRIES, INC.

Name and Type of Stock Outstanding	Number of Outstanding Shares	Name and Type of Shares Entitled to Vote
Common Stock	424,980	All Common Stock, voting as part of the total outstanding shares.
Series AA Preferred Stock	768,363	All Series AA Preferred Stock, voting as: (i) part of the total outstanding shares (on an as-converted basis); **and** (ii) a separate class

MERCY NUTRACEUTICALS, INC.

Name and Type of Stock Outstanding	Number of Outstanding Shares	Name and Type of Shares Entitled to Vote
Common Stock	1	Common Stock, voting as part of the total outstanding shares

ARTICLE 5
Further Assurances

If, at any time on and after the Effective Time, Delaware Mercy or its successors and assigns shall consider or be advised that any further assignments or assurances in law or any organizational or other acts are necessary or desirable (a) to vest, perfect or confirm, of record or otherwise, in Delaware Mercy title to and possession of any property or right of New York Mercy acquired or to be acquired by reason of, or as a result of, the Merger, or (b) otherwise to carry out the purposes of this Merger Agreement, New York Mercy and its directors, officers and stockholders shall be deemed to have granted to Delaware Mercy an irrevocable power of attorney to execute and deliver all such proper deeds, assignments and assurances in law and to do all acts necessary or proper to vest, perfect or confirm title to and possession of such property or rights in Delaware Mercy and otherwise to carry out the purposes of this Merger Agreement; and the director(s) and officer(s) of Delaware Mercy are fully authorized in the name of New York Mercy or otherwise to take any and all such action.

ARTICLE 6
Amendment or Abandonment

Subject to applicable law, at any time prior to the Effective Time, the director(s) and officer(s) of New York Mercy or Delaware Mercy may amend or abandon this Merger Agreement without the vote of the constituent stockholders.

ARTICLE 7
Conditions

The respective obligations of New York Mercy and Delaware Mercy to effect the transactions contemplated hereby are subject to satisfaction of the following conditions (any or all of which may be waived by either of New York Mercy or Delaware Mercy in its sole discretion to the extent permitted by law):

(a) Owners of the issued and outstanding shares of the New York Mercy Stock shall not have dissented nor invoked their appraisal rights such that New York Mercy becomes obligated to make a substantial payment, as determined by the New York Mercy Board of Directors, to such dissenting shareholders; and

(b) Any and all consents, permits, authorizations, approvals and orders deemed in the sole discretion of the New York Mercy Board of Directors and the Delaware Mercy Board of Directors, respectively, to be material to the consummation of the Merger shall have been obtained.

ARTICLE 8
Miscellaneous

Section 8.1. Waivers. Any party, by written instrument signed by any duly authorized officer, may extend the time for the performance of any of the obligations or other acts of any other party hereto, and may waive compliance with any of the covenants

or performance of any of the obligations of the other party contained in this Merger Agreement.

Section 8.2. Governing Law. This Merger Agreement shall be governed by and construed in accordance with the laws of the State of Delaware applicable to agreements made and entirely to be performed within such State.

Section 8.3. Construction. The headings of the several Articles and Sections herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Merger Agreement.

Section 8.4. Counterparts. This Merger Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Merger Agreement as of the date first above written.

MERCY NUTRACEUTICALS, INC,
a Delaware corporation

By: _____
Luc Tomasino
Chief Executive Officer

NEU INDUSTRIES, INC.,
a New York corporation

By: _____
Luc Tomasino
Chief Executive Officer

APPENDIX F

WRITTEN CONSENT

(ATTACHED)

NEU INDUSTRIES, INC.

WRITTEN CONSENT
OF THE STOCKHOLDERS
IN LIEU OF SPECIAL MEETING

The undersigned stockholders of Neu Industries, Inc., a New York corporation (the "Company"), pursuant to authority to act without a meeting pursuant to Section 615(a) of the New York Business Corporation Law and the Bylaws of the Company, consent to the taking of the actions and adopt the resolutions set out below. This written consent is in lieu of a special meeting of the stockholders of the Company, and all of the actions taken and resolutions set out in it shall have the same force and effect as if they were taken or adopted at such special meeting. This written consent is executed and effective as of the latest date written beside the names of the stockholders below and shall be filed in the Company's minute book.

Amendment, Restatement and Correction of the Certificate of Incorporation

RESOLVED, that the stockholders hereby confirm and ratify the following certificate of incorporation, the amendments thereto and restatements thereof:

- Certificate of Incorporation, filed March 13, 2003;
- Certificate of Amendment, filed May 9, 2006;
- Restated Certificate of Incorporation, filed December 16, 2010;
- Restated Certificate of Incorporation of the Company, filed September 19, 2011;
- Certificate of Amendment, filed May 7, 2012; and
- Certificate of Correction, filed September 10, 2012.

Omnibus Resolutions

RESOLVED, that, in addition to and not in limitation of the foregoing, Authorized Officers be, and each of them hereby is, authorized, empowered, and directed to make, execute, acknowledge, deliver, file, record and publish in the name and on behalf of the Company any and all orders, directions, requests, undertakings, receipts, certificates or other instruments, papers and documents, and to perform any and all such acts and things as may be required or appropriate to carry out the terms, provisions and intent of each of the foregoing resolutions and the transactions contemplated hereby, the execution, delivery or performance thereof, or the taking of any such action to be conclusive evidence of such approval and authority;

RESOLVED FURTHER, that all actions heretofore taken by any Authorized Officer or director in connection with the foregoing resolutions hereby are approved, ratified and confirmed in all respects; and

RESOLVED FURTHER, that the omission from these resolutions of any agreement or other arrangement contemplated by any of the agreements or instruments described in the foregoing resolutions or any action to be taken in accordance with any requirement of any of the agreements or instruments described in the foregoing resolutions shall in no manner derogate from the authority of the Authorized Officers to take all actions necessary, desirable, advisable or appropriate to consummate, effectuate, carry out or further the transactions contemplated by, and the intent and the purposes of, the foregoing resolutions.

[signature page to follow]

IN WITNESS WHEREOF, the undersigned has executed this written consent effective as of December ___, 2012.

Signature of Stockholder: _____

Name of Stockholder: _____

Title (if Stockholder is an entity): _____

[ADDITIONAL SIGNATURES TO BE OBTAINED VIA PROXY]

APPENDIX G

FORM OF AMENDMENT NO. 1 TO AMENDED AND RESTATED CONVERTIBLE NOTE PURCHASE AGREEMENT AND CONVERTIBLE PROMISSORY NOTE

(ATTACHED)

AMENDMENT NO. 1
TO
AMENDED AND RESTATED CONVERTIBLE NOTE PURCHASE AGREEMENT
AND
AMENDED AND RESTATED CONVERTIBLE PROMISSORY NOTE

THIS AMENDMENT NO. 1 TO AMENDED AND RESTATED CONVERTIBLE NOTE PURCHASE AGREEMENT AND AMENDED AND RESTATED CONVERTIBLE PROMISSORY NOTE (this "Amendment") is entered into as of December [___], 2012 (the "Effective Date"), by and among NEU INDUSTRIES, INC., a New York corporation (the "New York Company"), MERCY NUTRACEUTICALS, INC., a Delaware corporation (the "Delaware Company"), and the purchasers who have invested, or will hereafter invest (each, a "Purchaser"), in the Financing (as hereinafter defined).

W I T N E S S E T H:

WHEREAS, the New York Company is currently conducting a financing raise (the "Financing") through the sale of convertible promissory notes (each, a "Note");

WHEREAS, in connection with the Financing Raise, the New York Company and certain Purchasers of the Financing previously entered into that certain Convertible Note Purchase Agreement (the "Original Purchase Agreement"), which Original Purchase Agreement was subsequently executed by additional Purchasers of the Financing following the effective date of such Original Purchase Agreement;

WHEREAS, the New York Company and certain Purchasers of the Financing previously entered into that certain Amended and Restated Convertible Note Purchase Agreement (the "Amended and Restated Purchase Agreement"; together with the "Original Purchase Agreement", the "Purchase Agreement"), which Purchase Agreement was subsequently executed by additional Purchasers of the Financing following the effective date of such Amended and Restated Purchase Agreement;

WHEREAS, the Purchase Agreement currently provides for a "Maximum Raise" of $2,500,000;

WHEREAS, the New York Company is contemplating a merger of the New York Company into the Delaware Company (the "Merger"), which Merger has been, or soon will be, adopted and approved by the board of directors of the New York Company, the sole incorporator of the Delaware Company and the respective stockholders of the New York Company and the Delaware Company, in each case, to the extent such adoption and approval is required;

WHEREAS, pursuant to Section 7.7 of the Purchase Agreement, the Purchase Agreement and the Notes may be amended with the written consent of the New York Company and the Purchasers who, in the aggregate, hold Notes representing a majority of the principal balance of all of the Notes issued pursuant to the Purchase Agreement;

WHEREAS, in light of the Merger, the corporate governance documents being executed simultaneously with the Merger and the need for additional funding for expansion and marketing efforts, the New York Company and the Purchasers hereby desire to amend the Purchase Agreement (and the Notes, as applicable) to reflect (1) the assignment of the Purchase Agreement and the Notes from the New York Company to the Delaware Company, as if the Delaware Company were the original corporate signatory thereto, (2) the appointment of the "Noteholder Director" pursuant to Section 4 of the Purchase Agreement and (3) the increase of the Maximum Raise from $2,500,000 to $4,500,000, together with certain additional terms and conditions relating to such matters;

WHEREAS, the Delaware Company hereby desires (1) to assume the rights, liabilities and obligations relating to the Purchase Agreement and the Notes from the New York Company, and to consent to become a signatory thereto, and (2) to accept the Purchasers' designation of the Noteholder Director; and

WHEREAS, the New York Company, the Delaware Company and the Purchasers hereby desire to effectuate the above-referenced actions and amendments, and to set forth their mutual agreement on all of the terms and conditions relating thereto, in each case, in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Recitals. The recitals set forth above are hereby incorporated and deemed a part of this Amendment.

2. Assignment of Purchase Agreement and Notes. The New York Company hereby assigns to the Delaware Company, and the Delaware Company hereby assumes from the New York Company, all of the rights, liabilities and obligations accruing under the Purchase Agreement and the Notes to the partied entitled "Company" therein (the "Assignment Transaction"), which Assignment Transaction is hereby acknowledged and agreed to by the Purchasers.

3. Appointment of Noteholder Director. As of the Effective Date, the Purchasers hereby (i) appoint Gerald Palacios to serve as the initial noteholder director of the Delaware Company (the "Noteholder Director") and (ii) agree that the Noteholder Director shall be subject to removal and reappointment in accordance with the terms of the Delaware Company's Amended and Restated Certificate of Incorporation, to be filed with the Secretary of State of the State of Delaware in connection with the Merger, in substantially the form attached hereto as Exhibit A.

4. General Amendments. As of the Effective Date, the parties hereto hereby acknowledge and agree that:

4.1 Any and all references to the "Investors Rights Agreement" or the "Investor Rights Agreement" or the "IR Agreement", in both the Purchase Agreement and in the Notes, shall henceforth refer to that certain Amended and Restated Investors Rights Agreement entered into by and among the Delaware Company, holders of preferred stock of the Delaware Company and certain holders of common stock of the Delaware Company, dated as of December [___], 2012; and

4.2 Any and all references to "Neu Industries, Inc." or the "Company" shall henceforth refer to Mercy Nutraceuticals, Inc., a Delaware corporation.

5. Specific Amendments. As of the Effective Date, the parties hereto hereby acknowledge and agree that:

5.1 The first "WHEREAS" clause in the Purchase Agreement is hereby amended and restated in its entirety as follows:

> "WHEREAS, the Company is conducting a financing to raise up to $4,500,000 ("**Maximum Raise**") through the sale of convertible promissory notes ("**Financing**")."

5.2 Section 4 of the Purchase Agreement is hereby amended and restated in its entirety as follows:

"Purchasers who, in the aggregate, hold Notes representing a majority of the principle balance of all Notes issued and outstanding pursuant hereto shall have the right to designate one (1) initial director to the Company's board of directors ("**Noteholder Director**"), which Noteholder Director shall be subject to removal and reappointment in accordance with the terms of the Company's Amended and Restated Certificate of Incorporation (as further amended and/or restated from time to time). The right to designate and remove such initial Noteholder Director shall terminate at such time as (i) all obligations under the Notes have been satisfied and (ii) there are no longer any Non-Qualified Preferred Shares (as defined in the Notes) outstanding."

5.3 Section 6.3 of the Purchase Agreement is hereby amended to include the following additional provision:

"6.3.5 Each Purchaser acknowledges and agrees that that the Shares issuable upon the conversion of the Notes shall be subject to the terms, conditions and restrictions contained in IR Agreement, and, as a condition of the issuance of such Shares to any Purchaser hereunder, each Purchaser hereby agrees to execute an addendum to the IR Agreement (as amended from time to time) and/or the then-governing document(s) of the Company, in the form provided by the Company, pursuant to which such Purchaser shall agree to be bound by the terms, conditions and restrictions of any and all such agreements."

6. Further Assurances. Each Purchaser hereby agrees from time to time, as and when reasonably requested by the New York Company and/or the Delaware Company, to execute and deliver or cause to be executed and delivered, all such documents, instruments and agreements and to take or cause to be taken such further or other action as the New York Company or the Delaware Company, as applicable, may reasonably deem necessary or desirable in order to carry out the intent and purposes of the terms set forth in this Amendment.

7. Miscellaneous. Except as provided herein, the Purchase Agreement and the Notes are in all other respects ratified and confirmed and shall continue to bind the parties in accordance with the terms thereof, as amended by the terms hereof. This Amendment may be executed in any number of counterparts, including, without limitation, via proxy, all of which counterparts shall constitute but one and the same Amendment. This Amendment shall be governed by and construed in accordance with the law of the State of New York, without giving effect to any conflicts or choice of law principles that would apply the laws of another jurisdiction. In the event of any conflict or inconsistency between this Amendment and the Purchase Agreement or the Notes, the terms of this Amendment shall govern.

[Remainder of page intentionally left blank; signature page to follow.]

IN WITNESS WHEREOF, this Amendment No. 1 to Amended and Restated Note Purchase Agreement and Amended and Restated Convertible Promissory Note has been duly executed as of the Effective Date by the New York Company, the Delaware Company and the Purchasers who, in the aggregate, hold Notes representing a majority of the principal balance of all of the Notes issued pursuant to the Purchase Agreement.

NEU INDUSTRIES, INC.

By: _____
Luc Tomasino
President & CEO

MERCY NUTRACEUTICALS, INC.

By: _____
Luc Tomasino
President & CEO

[PURCHASER SIGNATURES TO BE OBTAINED VIA PROXY]