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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): June 30, 2012**

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**THE HAIN CELESTIAL GROUP, INC.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**0-22818**  
(Commission  
File Number)

**22-3240619**  
(I.R.S. Employer  
Identification No.)

**58 South Service Road, Melville, NY 11747**  
(Address of principal executive offices)

**Registrant's telephone number, including area code: (631) 730-2200**

**Not Applicable**  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On June 30, 2012, The Hain Celestial Group, Inc. (the “Company”) entered into an amendment (the “Amendment”) to the Company’s employment agreement with Irwin D. Simon, dated as of July 1, 2003, as amended (the “Employment Agreement”), the material terms of which are as follows:

- Extends the term of the Employment Agreement until June 30, 2017;
- Establishes Mr. Simon’s base salary of \$1,600,000 for the fiscal year ending June 30, 2013;
- Amends the maximum annual incentive award so that Mr. Simon will be eligible to receive up to 225% of his base salary based on Mr. Simon’s and the Company’s performance during the fiscal year, as determined by the Compensation Committee of the Board of Directors (the “Compensation Committee”);
- Amends the target and maximum long-term incentive compensation (“LTI”) awards payable to Mr. Simon as follows: with respect to the total LTI awarded in any of the Company’s fiscal years during the period Mr. Simon is employed by the Company, the LTI target award will be 250% of his base salary with a maximum award equal to 333% of his base salary, based upon the level of achievement of certain Company and/or individual performance objectives and based on vesting conditions, in each case, as determined by the Compensation Committee in its sole discretion; and
- Provides that Mr. Simon will not compete with the Company during the term of his employment and for a period of three years following his employment if his termination of employment is due to a termination without cause, termination for good reason or non-renewal, each as defined in the Employment Agreement.

In connection with the extension and amendment of Mr. Simon’s Employment Agreement and pursuant to a Restricted Stock Agreement, dated July 3, 2012, between the Company and Mr. Simon (the “Restricted Stock Agreement”), the independent members of the Board of Directors approved a grant of 400,000 shares of restricted stock (the “Shares”) to Mr. Simon. The vesting of the Shares is both performance- and time-based. With respect to the performance vesting, the Shares will vest in increments of 100,000 Shares each based on the Company achieving four share price targets. On the last day of any forty-five (45) consecutive trading day period during which the average closing price of the Company’s common stock on the NASDAQ Global Select Market equals or exceeds the following prices: \$62.50, \$72.50, \$82.50 and \$100, respectively, 100,000 Shares will vest, respectively. The performance vesting must occur prior to June 30, 2017. Once the performance goal has been satisfied, each tranche of 100,000 Shares will vest in equal amounts annually over a five year period. Except in the case of a change of control, termination without cause, death or disability (each as defined in Mr. Simon’s Employment Agreement), the Shares are subject to forfeiture unless Mr. Simon remains employed through the performance vesting and applicable time vesting periods.

The foregoing description of the Employment Agreement, the Amendment and the Restricted Stock Agreement does not purport to be complete and is qualified in its entirety by reference to the actual Employment Agreement, as amended (as previously publicly filed and described by the Company), the full text of the Amendment (included as Exhibit 10.1 to this Current Report on Form 8-K (the “Form 8-K”) and the Restricted Stock Agreement (included as Exhibit 10.2 to this Form 8-K), each incorporated herein by reference.

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**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits. The following exhibits are filed herewith:

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amendment to Employment Agreement between the Company and Irwin D. Simon, dated as of June 30, 2012
10.2	Restricted Stock Agreement between the Company and Irwin D. Simon, dated as of July 3, 2012

**SIGNATURES**

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

Date: **July 6, 2012**

THE HAIN CELESTIAL GROUP, INC.  
(Registrant)

By: /s/ Ira J. Lamel

Name: Ira J. Lamel

Title: Executive Vice President and  
Chief Financial Officer

## AMENDMENT TO EMPLOYMENT AGREEMENT

**THIS AMENDMENT** ("Amendment") is made effective on the date hereof to the employment agreement dated as of July 1, 2003, as amended on October 30, 2006, December 31, 2008 and July 1, 2009 (the "Employment Agreement"), between The Hain Celestial Group, Inc., a Delaware corporation (the "Company"), and Irwin D. Simon (the "Executive").

**WHEREAS**, Executive has been employed by the Company pursuant to the terms of the Employment Agreement; and

**WHEREAS**, the parties desire to amend the Employment Agreement in accordance with the provisions of Section 7(j) of the Agreement.

**NOW, THEREFORE**, in consideration of the foregoing, of the mutual promises contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree to amend the Agreement and supersede the provisions of the Agreement as follows:

1. The first sentence of Section 1 of the Employment Agreement is hereby amended to change the phrase "June 30, 2012" to "June 30, 2017".

2. Section 2 of the Employment Agreement is hereby amended to delete the last sentence in its entirety and to insert the following: "Executive's place of employment shall be at the Company's principal executive office in Melville, New York until such time as the Company shall relocate to its new executive office in Lake Success, New York which shall then be Executive's place of employment."

3. Section 3(a) of the Employment Agreement is hereby amended to delete the first paragraph and chart in its entirety and to insert the following: "The Company shall pay Executive a base salary of \$1,600,000 for the fiscal year ending June 30, 2013."

4. Section 3(b) of the Employment Agreement is hereby amended to change the phrase "up to 200% of his Base Salary" to "up to 225% of his Base Salary".

5. Section 3(e) of the Employment Agreement is hereby deleted in its entirety and replaced with the following:

"(e) Long-Term Incentive Compensation. For each fiscal year during the Employment Period, Executive shall be eligible to receive long-term incentive compensation ("LTI") in cash, performance-based restricted stock, performance-based restricted stock units, restricted stock, restricted stock units, stock options or any combination thereof, as determined by the Compensation Committee in its sole discretion. With respect to the total LTI awarded in any such fiscal year during the Employment Period, Executive's LTI target award shall equal 250% of his Base Salary upon the achievement of target performance levels, with a maximum award equal to 333% of his Base Salary, based upon the level of achievement of certain Company and/or individual performance objectives and based on vesting conditions, in each case, as determined by the Compensation Committee in its sole discretion."

6. Section 4(b) of the Employment Agreement is added to insert a new subsection (4) at the end thereof to read as follows:

“(4) long term disability coverage for the benefit of Mr. Simon and long term care coverage for the benefit of Mr. Simon and his spouse with annual premiums of not more than \$60,000, in the aggregate.”

7. Section 5(d) of the Employment Agreement is hereby amended by adding a new subsection (iv) at the end of the definition of “Additional Benefits” to read as follows:

“(iv) Executive (and to the extent applicable, his dependents) will be entitled to continue to receive the perquisites set forth in Sections 4(b)(3) and (4), until the third anniversary of Executive’s termination of employment.”

8. Section 6(a) of the Employment Agreement is hereby deleted in its entirety and replaced with the following:

“(a) Noncompetition.

(i) The Executive acknowledges that (a) the Company is engaged in a continuous program of research, development, marketing, sales and production regarding natural and organic products throughout the United States and internationally (the foregoing, together with any other businesses in which the Company engages from the date hereof to the date of the termination of the Executive’s employment with the Company and its subsidiaries is referred to herein as the “Company Business”); (b) the Company Business is national and international in scope; and (c) the agreements and covenants contained in this Agreement are necessary and essential to protect the business, goodwill, and customer relationships that the Company and its subsidiaries have expended significant resources to develop.

(ii) In accordance with the foregoing and this Agreement, the Executive hereby agrees that, during the term of the Executive’s employment with the Company and for a period of three year(s) after the termination of Executive’s employment with the Company due to a Termination Without Cause, Termination for Good Reason or Non-Renewal (it being understood and agreed that the provisions of this Section 6 shall not apply in the event Executive’s employment terminates for any reason without payment of the Additional Benefits), (the “Restricted Period”), the Executive will not, directly or indirectly, individually or on behalf of any person or entity other than the Company or any of its subsidiaries:

(a) Provide Competing Services (as defined below) to any company or business (other than the Company or any subsidiary) engaged in the manufacture, or marketing of any of the Relevant Products (as defined below) to retailers in the Relevant Market Area (as defined below); or

(b) Approach, consult, solicit or accept business from, or contact or otherwise communicate, directly or indirectly, in any way with any Customer (as defined below) in an attempt to (1) divert business from, or interfere with any business relationship of the Company or any of its subsidiaries, or (2) convince any Customer to change or alter any of such Customer's existing contractual terms and conditions with the Company or any subsidiary.

(iii) For purposes of this Agreement, the following terms shall have the meanings indicated:

(a) To provide "Competing Services" means to provide, manage, supervise, or consult about (whether as an employee, owner, partner, stockholder (except to the extent provided in Section 6(a)(iv) below), joint venturer, lender (except to the extent provided in Section 6(a)(iv) below), director, manager, officer, employee, consultant, independent contractor, representative or agent, or otherwise) any services that (1) are similar in purpose or function to services the Executive provided to the Company or any subsidiary in the two year period preceding the termination of the Executive's employment, (2) might involve the use of confidential information concerning the Company or its subsidiaries, or (3) involve business opportunities related to Relevant Products.

(b) "Customer" means any and all persons or entities who purchased any Relevant Product directly from the Company or any majority owned subsidiary during the term of the Executive's employment with the Company or any majority owned subsidiary of the Company with whom Executive had contact during Executive's employment or about whom Executive obtained confidential information.

(c) "Relevant Products" means any natural or organic branded product that was developed or sold by the Company or any subsidiary within the course of the last two (2) years of the Executive's employment with the Company or any subsidiary.

(d) "Relevant Market Area" means the counties (or county equivalents) of any country where the Company does business that the Participant assists in providing services to and/or receives confidential information about in the two (2) year period preceding the termination of the Participant's employment so long as the Company continues to do business in that geographic market area during the Restricted Period.

(iv) Notwithstanding the foregoing, (a) the restrictions of subsection 6(a)(ii)(a) and 6(a)(ii)(b) above shall not prohibit the Executive's employment with a non-competing, independently operated subsidiary, division, or unit of a diversified company (even if other separately operated portions of the diversified company are involved in Relevant Products) if in advance of the Executive's providing any services, the Executive and the diversified company that is going to employ or retain the Executive both provide the Company with written assurances that are satisfactory to the Company establishing that (1) the entity, subsidiary, division or unit of the diversified business that the Executive is going to be employed in or retained by is not involved in Relevant Products or preparing to become involved in Relevant Products, and (2) the Executive's position will not involve Competing Services of any kind, and (b) the Executive is not prohibited from owning either of record or beneficially, up to five percent (5%) of the shares, other equity or debt of any publicly traded company."

9. Section 6 of the Employment Agreement is added to insert a new subsection (e) at the end thereof to read as follows:

“(e) Acknowledgements with Respect to Foregoing Covenants.

(i) The Executive acknowledges that the Executive has given careful consideration to the restraints imposed by this Agreement, and the Executive fully agrees that they are necessary for the reasonable and proper protection of the business of the Company and its subsidiaries. The restrictions set forth herein shall be construed as a series of separate and severable covenants. The Executive agrees that each and every restraint imposed by this Agreement is reasonable with respect to subject matter, time period, and geographical area. Except as expressly set forth herein, the restraints imposed by this Agreement shall continue during their full time periods and throughout the geographical area set forth in this Agreement.

(ii) If any of the covenants in this Section 6 are deemed unenforceable as written, the Executive and the Company expressly authorize the court to revise, delete or add to the restrictions contained in this Section 6 to the extent necessary to enforce the intent of the parties and to provide the goodwill, confidential information, and other business interests of the Company and its subsidiaries with effective protection to the maximum extent permitted by law.

(iii) The parties expressly acknowledge and agree that the right and opportunity to receive the benefits of this Agreement in exchange for compliance with the restrictions set forth herein is full and sufficient consideration for the obligations imposed by this Agreement.”

Except as provided herein, all other terms and conditions of the Agreement shall remain in full force and effect. Executive hereby agrees and acknowledges that the terms of this Amendment shall not create or provide any grounds for payment of any benefits under Section 5(b) of the Employment Agreement or otherwise trigger any rights of Executive under the Employment Agreement.



**IN WITNESS WHEREOF**, the undersigned has caused this Amendment to be executed as of June 30, 2012.

**EXECUTIVE**

Date: June 30, 2012

/s/ Irwin D. Simon

Irwin D. Simon

**THE HAIN CELESTIAL GROUP, INC.**

Date: June 30, 2012

By: /s/ Denise M. Faltischek

Name: Denise M. Faltischek

Title: Senior Vice President &  
General Counsel

**THE HAIN CELESTIAL GROUP, INC.**  
**RESTRICTED STOCK AGREEMENT**

This RESTRICTED STOCK AGREEMENT (the “**Agreement**”), dated as of the 3<sup>rd</sup> day of July, 2012 (the “**Date of Grant**”), by and between The Hain Celestial Group, Inc., a Delaware corporation (the “**Company**”), and Irwin D. Simon (the “**Participant**”).

1. **DEFINITIONS AND CONSTRUCTION.**

1.1 **Definitions.** Unless otherwise defined herein, capitalized terms shall have the meanings assigned to such terms in the Plan.

1.2 **Construction.** Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of this Agreement. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

2. **ADMINISTRATION.**

All questions of interpretation concerning this Agreement shall be determined by the Committee. All determinations by the Committee shall be final and binding upon all persons having an interest in the Award. The Chief Executive Officer or Chief Financial Officer shall have the authority to act on behalf of the Company with respect to any matter, right, obligation, or election which is the responsibility of or which is allocated to the Company herein.

3. **THE AWARD.**

3.1 **Grant and Issuance of Shares.** Upon the later of (a) the Date of Grant and (b) the date the Agreement shall have been fully executed, the Participant shall acquire and the Company shall issue, subject to the provisions of this Agreement, 400,000 Shares. This Award shall constitute a Restricted Share award under the Plan. The Company granted the Award pursuant to the Company’s Amended and Restated 2002 Long Term Incentive and Stock Award Plan (the “**Plan**”), as amended to the Date of Grant, the provisions of which are incorporated herein by reference. As a condition to the issuance of the Shares, the Participant shall execute and deliver to the Company along with the Agreement the Assignment Separate from Certificate duly endorsed (with date and number of shares blank) in the form attached to the Agreement. This Award of Shares is intended to qualify as “performance-based compensation” within the meaning of Section 162(m) of the Code, and, accordingly is subject to Sections 3(d) and 5(f)(i) of the Plan.

3.2 **No Monetary Payment Required.** The Participant is not required to make any monetary payment (other than to satisfy applicable tax withholding, if any, with respect to the issuance or vesting of the Shares) as a condition to receiving the Shares, the consideration for which shall be past services actually rendered or future services to be rendered to the Company or for its benefit. Notwithstanding the foregoing, if required by applicable law,

the Participant shall furnish consideration in the form of cash or past services rendered to the Company or for its benefit having a value not less than the par value of the Shares issued pursuant to the Award.

**3.3 Beneficial Ownership of Shares; Certificate Registration.** The Participant hereby authorizes the Company, in its sole discretion, to deposit the Shares with the Company's transfer agent, including any successor transfer agent, to be held in book entry form during the term of the Escrow pursuant to Section 6. Furthermore, the Participant hereby authorizes the Company, in its sole discretion, to deposit, following the term of such Escrow, for the benefit of the Participant with any broker with which the Participant has an account relationship of which the Company has notice any or all Shares which are no longer subject to such Escrow. Except as provided by the foregoing, a certificate for the Shares shall be registered in the name of the Participant, or, if applicable, in the names of the heirs of the Participant.

**3.4 Issuance of Shares in Compliance with Law.** The issuance of the Shares shall be subject to compliance with all applicable requirements of federal, state or foreign law with respect to such securities. No Shares shall be issued hereunder if their issuance would constitute a violation of any applicable federal, state or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Shares may then be listed. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance of any Shares shall relieve the Company of any liability in respect of the failure to issue such Shares as to which such requisite authority shall not have been obtained. As a condition to the issuance of the Shares, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company.

4. **VESTING OF SHARES.**

4.1 **Normal Vesting.** Except as provided by Sections 4.2 or 4.3, the Shares shall be subject to performance and time vesting as follows:

(a) **Performance Vesting-** The performance goal for the Shares is share price. In accordance with Section 5(d)(i) of the Plan, the Board of Directors has selected the performance goal from the list of criteria set forth in Section 5(f)(i) of the Plan. In order for the Shares to vest, the Board of Directors must certify in writing prior to the vesting date that such performance goals were in fact satisfied. On the last day of any forty-five (45) consecutive trading day period during the Performance Period (as defined below) and during which the average closing price of the Company's common stock on the NASDAQ Global Select Market (or such other securities exchange on which the Corporation's Common Stock may then be traded) equals or exceeds the price as set forth below (the "**Performance Date**"), the performance goal for the 100,000 Shares listed next to the price (the "**Earned Shares**") shall have been deemed satisfied:

<u>Stock Price</u>	<u>Number of Shares</u>
\$62.50	100,000
\$72.50	100,000
\$82.50	100,000
\$100.00	100,000

(b) Time Vesting- Any Earned Shares will vest annually in equal amounts over a five-year period on each anniversary of the relevant Performance Date (each, a "**Vesting Period**"). Except as provided in Section 4.2 and 4.3 herein, the Shares are subject to forfeiture unless the Participant remains employed through the Performance Period and any applicable Vesting Period

**4.2 Acceleration of Vesting in Connection with a Change in Control.** In the event of a Change in Control (as defined in the Participant's Employment Agreement with the Company as amended through the date hereof), then any Shares which have not previously met the performance vesting or time vesting requirements of Section 4.1 ("**Unvested Shares**") shall, immediately prior to the record date for distribution with respect to such event, or if there is no such record date, then immediately prior to such event, become immediately vested on both a performance and time vesting basis and all restrictions shall lapse.

**4.3 Acceleration of Vesting Upon Certain Terminations.** In the event that the Participant's service is terminated as a result of "Termination without Cause" (as defined in the Participant's Employment Agreement with the Company as amended through the date hereof), Participant's death or "Disability" (as defined in the Participant's Employment Agreement with the Company as amended through the date hereof) during the Performance Period (as defined below) or any Vesting Period, then any Unvested Shares shall become immediately vested on both a performance and time vesting basis and all restrictions shall lapse. For purposes of this Agreement, the "**Performance Period**" shall mean July 1, 2012 through June 30, 2017. Additionally, in the event Participant's service is terminated as a result of a "Termination for Good Reason" or "Non-Renewal" (each as defined in the Participant's Employment Agreement with the Company as amended through the date hereof) then any Earned Shares which have not previously met the time vesting requirements of Section 4.1(b) shall become immediately vested and all restrictions shall lapse.

## **5. COMPANY REACQUISITION RIGHT.**

**5.1 Grant of Company Reacquisition Right.** In the event that (a) the Participant's service terminates for any reason other than as provided in Section 4.3, or (b) the Participant, or other holder of the Shares, attempts to sell, exchange, transfer, pledge, or otherwise dispose of (other than pursuant to a transaction approved by the Company), including, without limitation, any transfer to a nominee or agent of the Participant, any Unvested Shares, the Company shall automatically reacquire any Unvested Shares, and the Participant shall not be entitled to any payment therefor. In addition, at the end of the Performance Period, the Company shall automatically reacquire any Unvested Shares which are not Earned Shares, and the Participant shall not be entitled to any payment therefor. The rights of the Company described in this Section 5.1 shall be referred to as the "**Company Reacquisition Right.**"

**5.2 Dividends, Distributions and Adjustments.** Upon the occurrence of a dividend or distribution to the stockholders of the Company paid in Shares or other property, or any other adjustment upon a change in the capital structure of the Company as described in Section 8, any and all new, substituted or additional securities or other property (other than regular, periodic dividends paid on Shares pursuant to the Company's dividend policy) to which the Participant is entitled by reason of the Participant's ownership of Unvested Shares shall be immediately subject to the Company Reacquisition Right and included in the terms "Shares," and "Unvested Shares" for all purposes of the Company Reacquisition Right with the same force and effect as such Unvested Shares immediately prior to the dividend, distribution or adjustment, as the case may be.

6. **ESCROW.**

**6.1 Appointment of Agent.** To ensure that Shares subject to the Company Reacquisition Right will be available for reacquisition, the Participant and the Company hereby appoint the Secretary of the Company, or any other person designated by the Company, as their agent and as attorney-in-fact for the Participant (the "**Agent**") to hold any and all Unvested Shares and to sell, assign and transfer to the Company any such Unvested Shares reacquired by the Company pursuant to the Company Reacquisition Right. The Participant understands that appointment of the Agent is a material inducement to make this Agreement and that such appointment is coupled with an interest and is irrevocable. The Agent shall not be personally liable for any act the Agent may do or omit to do hereunder as escrow agent, agent for the Company, or attorney in fact for the Participant while acting in good faith and in the exercise of the Agent's own good judgment, and any act done or omitted by the Agent pursuant to the advice of the Agent's own attorneys shall be conclusive evidence of such good faith. The Agent may rely upon any letter, notice or other document executed by any signature purporting to be genuine and may resign at any time.

**6.2 Establishment of Escrow.** The Participant authorizes the Company to deposit the Unvested Shares with the Company's transfer agent to be held in book entry form, as provided in Section 3.3, and the Participant agrees to deliver to and deposit with the Agent each certificate, if any, evidencing the Shares and an Assignment Separate from Certificate with respect to such book entry shares and each such certificate duly endorsed (with date and number of Shares blank) in the form attached to the Agreement, to be held by the Agent under the terms and conditions of this Section 6 (the "**Escrow**"). Upon the occurrence of a change in the capital structure of the Company, as described in Section 8, in the character or amount of any outstanding stock of the corporation the stock of which is subject to the provisions of this Agreement, any and all new, substituted or additional securities or other property to which the Participant is entitled by reason of his or her ownership of the Shares that remain subject to the Company Reacquisition Right shall be immediately subject to the Escrow to the same extent as the Shares immediately before such event. The Company shall bear the expenses of the Escrow.

**6.3 Delivery of Shares to Participant.** The Escrow shall continue with respect to any Shares for so long as such Shares remain subject to the Company Reacquisition Right. Upon termination of the Company Reacquisition Right with respect to Shares, the Company shall so notify the Agent and direct the Agent to deliver such number of Shares to the Participant. As soon as practicable after receipt of such notice, the Agent shall cause to be delivered to the Participant the Shares specified by such notice, and the Escrow shall terminate with respect to such Shares.

7. **TAX MATTERS.**

**7.1 Tax Withholding.**

(a) **In General.** The Company shall have no obligation to deliver the Shares or to release any Shares from the Escrow established pursuant to Section 6 until the federal, state, local and foreign tax withholding obligations of the Company, if any, which arise in connection with the Award, including, without limitation, obligations arising upon (a) the transfer of Shares to the Participant, (b) the lapsing of any restriction with respect to any Shares, (c) the filing of an election to recognize tax liability, or (d) the transfer by the Participant of any Shares have been satisfied by the Participant. In general, withholding obligations will apply to any Eligible Person who is an Employee of the Company or a Subsidiary on the Date of Grant.

(b) **Withholding in Shares.** The Participant shall satisfy all such withholding obligations by the Company withholding a sufficient number of whole Vested Shares otherwise deliverable to the Participant with a fair market value in an amount of such tax withholding obligations determined utilizing the applicable minimum statutory withholding rates.

**7.2 Election Under Section 83(b) of the Code.**

(a) The Participant understands that Section 83 of the Code taxes as ordinary income the difference between the amount paid for the Shares, if anything, and the fair market value of the Shares as of the date on which the Shares are “substantially vested,” within the meaning of Section 83. In this context, “substantially vested” means that the right of the Company to reacquire the Shares pursuant to the Company Reacquisition Right has lapsed. The Participant understands that he or she may elect to have his or her taxable income determined at the time he or she acquires the Shares rather than when and as the Company Reacquisition Right lapses by filing an election under Section 83(b) of the Code with the Internal Revenue Service no later than thirty (30) days after the date of acquisition of the Shares. The Participant understands that failure to make a timely filing under Section 83(b) will result in his or her recognition of ordinary income, as the Company Reacquisition Right lapses, on the difference between the purchase price, if anything, and the fair market value of the Shares at the time such restrictions lapse. The Participant further understands, however, that if Shares with respect to which an election under Section 83(b) has been made are forfeited to the Company pursuant to its Company Reacquisition Right, such forfeiture will be treated as a sale on which there is realized a loss equal to the excess (if any) of the amount paid (if any) by the Participant for the forfeited Shares over the amount realized (if any) upon their forfeiture. If the Participant has paid nothing for the forfeited Shares and has received no payment upon their forfeiture, the Participant understands that he or she will be unable to recognize any loss on the forfeiture of the Shares even though the Participant incurred a tax liability by making an election under Section 83(b).

(b) The Participant understands that he or she should consult with his or her tax advisor regarding the advisability of filing with the Internal Revenue Service an

election under Section 83(b) of the Code, which must be filed no later than thirty (30) days after the date of the acquisition of the Shares pursuant to this Agreement. Failure to file an election under Section 83(b), if appropriate, may result in adverse tax consequences to the Participant. The Participant acknowledges that he or she has been advised to consult with a tax advisor regarding the tax consequences to the Participant of the acquisition of Shares hereunder. ANY ELECTION UNDER SECTION 83(b) THE PARTICIPANT WISHES TO MAKE MUST BE FILED NO LATER THAN 30 DAYS AFTER THE DATE ON WHICH THE PARTICIPANT ACQUIRES THE SHARES. THIS TIME PERIOD CANNOT BE EXTENDED. THE PARTICIPANT ACKNOWLEDGES THAT TIMELY FILING OF A SECTION 83(b) ELECTION IS THE PARTICIPANT'S SOLE RESPONSIBILITY, EVEN IF THE PARTICIPANT REQUESTS THE COMPANY OR ITS REPRESENTATIVE TO FILE SUCH ELECTION ON HIS OR HER BEHALF.

(c) The Participant will notify the Company in writing if the Participant files an election pursuant to Section 83(b) of the Code. The Company intends, in the event it does not receive from the Participant evidence of such filing, to claim a tax deduction for any amount which would otherwise be taxable to the Participant in the absence of such an election.

8. **ADJUSTMENTS FOR CHANGES IN CAPITAL STRUCTURE.**

Subject to any required action by the stockholders of the Company, in the event of any change in the Shares effected without receipt of consideration by the Company, whether through merger, consolidation, reorganization, reincorporation, recapitalization, reclassification, stock dividend, stock split, reverse stock split, split-up, split-off, spin-off, combination of shares, exchange of shares, or similar change in the capital structure of the Company, or in the event of payment of a dividend or distribution to the stockholders of the Company in a form other than Shares (excepting normal cash dividends) that has a material effect on the fair market value of Shares, appropriate adjustments shall be made in the number and kind of shares subject to the Award, in order to prevent dilution or enlargement of the Participant's rights under the Award. For purposes of the foregoing, conversion of any convertible securities of the Company shall not be treated as "effected without receipt of consideration by the Company." Any fractional share resulting from an adjustment pursuant to this Section shall be rounded down to the nearest whole number. Such adjustments shall be determined by the Committee, and its determination shall be final, binding and conclusive.

9. **RIGHTS AS A STOCKHOLDER, DIRECTOR, EMPLOYEE OR CONSULTANT.**

The Participant shall have no rights as a stockholder with respect to any Shares subject to the Award until the date of the issuance of the Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date the Shares are issued, except as provided in Section 8. Subject to the provisions of this Agreement, the Participant shall exercise all rights and privileges of a stockholder of the Company with respect to Shares deposited in the Escrow pursuant to Section 6. If the Participant is an Employee, the Participant understands and acknowledges that, except as otherwise provided in a separate, written employment agreement between the Company and the Participant, the

Participant's employment is "at will" and is for no specified term. Nothing in this Agreement shall confer upon the Participant any right to continue in the service of the Company or any Subsidiary or interfere in any way with any right of such entities to terminate the Participant's service at any time.

10. **LEGENDS.**

The Company may at any time place legends referencing the Company Recquisition Right and any applicable federal, state or foreign securities law restrictions on all certificates representing the Shares. The Participant shall, at the request of the Company, promptly present to the Company any and all certificates representing the Shares in the possession of the Participant in order to carry out the provisions of this Section. Unless otherwise specified by the Company, legends placed on such certificates may include, but shall not be limited to, the following:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS SET FORTH IN AN AGREEMENT BETWEEN THIS CORPORATION AND THE REGISTERED HOLDER, OR HIS PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL OFFICE OF THIS CORPORATION."

11. **TRANSFERS IN VIOLATION OF AGREEMENT.**

No Shares may be sold, exchanged, transferred, assigned, pledged, hypothecated or otherwise disposed of, including by operation of law, in any manner which violates any of the provisions of this Agreement until the date on which such shares become Vested Shares, and any such attempted disposition shall be void. The Company shall not be required (a) to transfer on its books any Shares which will have been transferred in violation of any of the provisions set forth in this Agreement or (b) to treat as owner of such Shares or to accord the right to vote as such owner or to pay dividends to any transferee to whom such Shares will have been so transferred. In order to enforce its rights under this Section, the Company shall be authorized to give a stop transfer instruction with respect to the Shares to the Company's transfer agent.

12. **MISCELLANEOUS PROVISIONS.**

12.1 **Termination or Amendment.** The Board may terminate or amend the Plan or this Agreement at any time; provided, however, that no such termination or amendment may adversely affect the Participant's rights under this Agreement without the consent of the Participant unless such termination or amendment is necessary to comply with applicable law or government regulation. No amendment or addition to this Agreement shall be effective unless in writing.

12.2 **Nontransferability of the Award.** The right to acquire Shares pursuant to the Award shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to the Award shall be exercisable during the Participant's lifetime only by the Participant or the Participant's guardian or legal representative.



12.3 **Further Instruments.** The parties hereto agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

12.4 **Binding Effect.** This Agreement shall inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer set forth herein, be binding upon the Participant and the Participant's heirs, executors, administrators, successors and assigns.

12.5 **Delivery of Documents and Notices.** Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, addressed to the other party at the address shown below that party's signature to the Agreement or at such other address as such party may designate in writing from time to time to the other party.

(a) **Description of Electronic Delivery.** The Plan documents, which may include but do not necessarily include: the Plan this Agreement, the Plan's prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. In addition, the parties may deliver electronically any notices called for in connection with the Escrow and the Participant may deliver electronically the Agreement to the Company or to such third party involved in administering the Plan as the Company may designate from time to time. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.

(b) **Consent to Electronic Delivery.** The Participant acknowledges that the Participant has read Section 12.5(a) of this Agreement and consents to the electronic delivery of the Plan documents, the Agreement and notices in connection with the Escrow, as described in Section 12.5(a). The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents described in Section 12.5(a) or may change the electronic mail address to which such documents are to be delivered (if Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents described in Section 12.5(a).

12.6 **Integrated Agreement.** This Agreement and the Plan shall constitute the entire understanding and agreement of the Participant and the Company with respect to the subject matter contained herein or therein and supersedes any prior agreements, understandings, restrictions, representations, or warranties between the Participant and the Company with respect to such subject matter other than those as set forth or provided for herein or therein. To the extent contemplated herein or therein, the provisions of the Agreement shall survive any settlement of the Award and shall remain in full force and effect.

12.7 **Applicable Law.** This Agreement shall be governed by the laws of the State of New York as such laws are applied to agreements between New York residents entered into and to be performed entirely within the State of New York.

12.8 **Severability.** If any term or provision of this Agreement or the application thereof to any Participant or circumstance shall to any extent be invalid or unenforceable, such provision will be modified, rewritten or interpreted to include as much of its nature and scope as will render it enforceable. If it cannot be so modified, rewritten or interpreted to be enforceable in any respect, it will not be given effect and the remainder of this Agreement, or the application of such term or provision to Participants or circumstances other than those held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

12.9 **Counterparts.** The Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

By signing this Agreement, the Participant: (a) acknowledges receipt of and represents that the Participant has read and is familiar with this Agreement and the Plan, (b) accepts the Award subject to all of the terms and conditions of this Agreement and the Plan and (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under this Agreement or the Plan.

**IN WITNESS WHEREOF**, the undersigned has caused this Agreement to be executed as of July 3, 2012.

**PARTICIPANT**

Date: July 3, 2012

/s/ Irwin D. Simon

Irwin D. Simon  
875 Park Avenue Apt. 12A  
New York, NY 10075

**THE HAIN CELESTIAL GROUP, INC.**

Date: July 3, 2012

By: /s/ Michael J. Speiller

Name: Michael J. Speiller  
Title: Senior Vice President & Chief Accounting Officer