

# NU SKIN<sup>®</sup>

## SALES PERFORMANCE PLAN

**Supercharge Your Future**

EFFECTIVE MARCH 1, 2025 PACIFIC REGION

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## 1. PLAN OVERVIEW

### 1.1 INTRODUCTION

The Nu Skin Sales Performance Plan (“this Plan”) is designed to reward you, as a Brand Affiliate, for:

Selling our Products to your Direct Customers;

Growing Brand Affiliates who share our Products with their Direct Customers;

Building and developing your Group of Brand Affiliates and Customers; and

Leading other Brand Representatives as they build and develop their own Groups.

This Sales Performance Plan sets forth the terms and conditions for the sales compensation you can receive through this Plan. We encourage you to carefully read this Plan and refer to the Glossary for definitions of capitalised terms.

Generating sales compensation as a Brand Affiliate requires considerable time, effort, and dedication. Success will also depend upon your skills, talents, and leadership abilities. There is no guarantee of financial success, and results will vary widely among participants. *A complete summary of earnings at each level can be found at*

*[https://www.nuskin.com/content/nuskin/en\\_AU/corporate/legal/compensation.html](https://www.nuskin.com/content/nuskin/en_AU/corporate/legal/compensation.html) for Australia or*

*[https://www.nuskin.com/content/nuskin/en\\_NZ/corporate/legal/compensation.html](https://www.nuskin.com/content/nuskin/en_NZ/corporate/legal/compensation.html) for New Zealand.*

### 1.2 PARTICIPATING IN THE PLAN

There are four ways you can participate under the Plan:

As a Brand Affiliate, you can (1) purchase Products at the Member Price for resale or personal consumption; (2) register Customers who purchase Products directly from Nu Skin; (3) register Brand Affiliates who sell Products; and (4) elect to qualify as a Brand Representative. **To remain a Brand Affiliate, you must have 50 Direct Customer Sales Volume within the most recent six months.** Otherwise, you will lose your status as a Brand Affiliate, your Sales Network will move to the Brand Affiliate directly above you, and your account will be converted to a Member account. If your Brand Affiliate account is registered as a business entity, your account will not be converted to a Member account and instead will be terminated. To become a Brand Affiliate again, you can submit a new Brand Affiliate Agreement.

As a Brand Affiliate, you can access increasing benefits as you advance in Title:

**Brand Representatives** are Brand Affiliates who have successfully completed Brand Representative Qualification and have not lost their Brand Representative status.

**Brand Partners** are Brand Representatives who have developed and are leading 1–3 Leadership Teams who achieve requisite Leadership Team Sales Volume.

**Brand Directors** are Brand Representatives who have developed and are leading four or more Leadership Teams who achieve requisite Leadership Team Sales Volume.

You can elect to qualify as a Brand Representative when you join Nu Skin as a Brand Affiliate or anytime thereafter.

### 1.3 CUSTOMERS

Customers do not participate in this Plan, cannot resell Products, and cannot register other Customers or Brand Affiliates. There are three types of Customers:

**Unregistered Customers** purchase Products directly from a Brand Affiliate at the price offered by the Brand Affiliate.

**Retail Customers** purchase Products directly through Nu Skin Systems at the published retail price, subject to any discounts that may be offered by or facilitated by Nu Skin.

**Members** sign up to purchase Products from Nu Skin at the Member Price.

Accounts of Members and registered Retail Customers who have not completed a purchase within the last 24 months will have their Customer account disabled and must register a new account to purchase again.

### 1.4 BONUSES

You can receive the following Bonuses based on your participation level:

**TABLE 1.A**

	BRAND AFFILIATES	BRAND REPRESENTATIVES	BRAND PARTNERS AND DIRECTORS
Selling Bonus and Retailing Bonus	✓	✓	✓
Affiliate Referring Bonus	✓	✓	✓
Building Bonus		✓	✓
Leading Bonus			✓

## 2. PLAN BONUSES

### 2.1 *SELLING AND RETAILING BONUSES (DAILY)*

#### A. Selling Bonus Description

You'll earn a Selling Bonus when your Direct Customers purchase eligible Products through Nu Skin Systems. This Bonus ranges from 4% to 20% of the Product's Net Sales Price depending on your total Direct Customer Sales Volume for the month.

Here are a few key terms to understand:

**Net Sales Price:** The price paid for Products, not including retail markup, tax, and shipping.

**Sales Volume:** A non-currency value set for each Product used to quantify Product sales, which is aggregated to measure eligibility for various performance benchmarks as well as Bonus percentage determination.

**Direct Customer:** A Member or Retail Customer to whom a Brand Affiliate directly sells Products through Nu Skin Systems. A Member is the Direct Customer of the Brand Affiliate who enrolled them. If the enrolling Brand Affiliate loses their Brand Affiliate status, any Members previously enrolled by that Brand Affiliate will become the Direct Customers of the next Brand Affiliate above them. When a Retail Customer purchases Products through Nu Skin Systems, the Brand Affiliate who sold them the Product is credited for that sale. A Brand Affiliate is not considered a Direct Customer.

**Nu Skin Systems:** Any process, application, or other digital property within Nu Skin's digital ecosystem designated by Nu Skin for the purchase or sale of Nu Skin Products, including Nu Skin Vera, Nu Skin Stela, nuskin.com, MySite, Personal Offer Tool, or any other Nu Skin approved platform.

**Direct Customer Sales Volume (DC-SV):** The sum of all Product Sales Volume from purchases by your Direct Customers.

#### B. Selling Bonus Calculation

- i. **What You Do:** Sell Products to your Direct Customers.
- ii. **What You Get:** Earn 4% to 20% of the Net Sales Price on your Direct Customer Sales Volume. Your Selling Bonus percentage is determined by your Direct Customer Sales Volume in the current month. Your Selling Bonus scales to 20%, as follows in Table 2.A:

**TABLE 2.A**

WHAT YOU DO	WHAT YOU GET
Sell Products to your Direct Customers	<b>4–20% Selling Bonus</b> Paid on the Net Sales Price of your total monthly product sales to your Direct Customers
0–499 DC-SV	<b>4%</b>
500–2,499 DC-SV	<b>8%</b>
2,500–9,999 DC-SV	<b>12%</b>
10,000+ DC-SV	<b>20%</b>

### C. Retailing Bonus Description

The Retailing Bonus compensates you for Product purchases by your Retail Customers. When you sell Products to Retail Customers via Nu Skin Systems for more than the Member Price, you'll earn a Retailing Bonus on top of your Selling Bonus.

### D. Retailing Bonus Calculation

- i. **What You Do:** Sell Products above Member Price to your Retail Customers.
- ii. **What You Get:** Your Retailing Bonus is the difference between (1) the price paid by your Retail Customers after any discounts (excluding shipping costs, taxes, and other promotional or personal discounts) when they purchase Products directly from Nu Skin and (2) the Member Price.

### E. Daily Pay Calculation

Each day, we will calculate Retailing Bonuses and a 4% Selling Bonus for your Product sales and add it to your Nu Skin Bonus Account. Any additional Selling Bonus percentages you qualify for will be calculated and added to your Nu Skin Bonus Account at the end of each defined weekly period. To release any payments to your financial institution, you can use the Pay Me Now feature in the Nu Skin Stela app or in your nuskin.com account anytime. All pending payments will also be automatically released to your financial institution at the completion of each weekly commission calculation subject to a minimum account balance of AU\$15 or NZ\$15.

### F. Eligibility

Only Brand Affiliates in good standing are eligible to receive Selling or Retailing Bonuses.

## 2.2 AFFILIATE REFERRING BONUS (WEEKLY)

### A. Affiliate Referring Bonus Description

You'll earn an Affiliate Referring Bonus that ranges from 4% to 24% of your Personally Registered Affiliate Sales as you grow your Direct Customer Sales Volume and help your Brand Affiliates develop their Direct Customer Sales Volume.

Here is a key term to understand:

**Personally Registered Affiliate Sales:** The Product sales made by your Personally Registered Brand Affiliates, calculated by summing the Net Sales Price of Products sold to their Direct Customers.

### B. Affiliate Referring Bonus Calculation

- i. **What You Do:** Each month, achieve at least 250 Direct Customer Sales Volume and help your Personally Registered Brand Affiliates develop their Direct Customer Sales Volume.
- ii. **What You Get:** Earn between 4% and 24% of your Personally Registered Affiliate Sales. As you grow your own monthly Direct Customer Sales Volume, you'll earn a greater percentage of your Personally Registered Affiliate Sales, as follows in Table 2.B:

**TABLE 2.B**

WHAT YOU DO	WHAT YOU GET
Sell Products to your Direct Customers	<b>4%–24% Affiliate Referring Bonus</b> <b>Paid on your Personally Registered Affiliate Sales</b>
250–499 DC-SV	<b>4%</b>
500–2,499 DC-SV	<b>12%</b>
2,500–9,999 DC-SV	<b>16%</b>
10,000+ DC-SV	<b>24%</b>

### C. Weekly Pay

We'll pay you an Affiliate Referring Bonus for any Personally Registered Affiliate Sales newly completed through the end of each weekly period. Any additional Affiliate Referring Bonus percentages you subsequently qualify for will be calculated and added to your Nu Skin Bonus Account at the end of the weekly period in which the additional percentages were earned. Your Affiliate Referring Bonus will typically be recorded in your Nu Skin Bonus Account within one business day following the end of the weekly period and will automatically transfer to your financial institution subject to a minimum account balance of AU\$15 or NZ\$15.

### D. Eligibility

Only Brand Affiliates are eligible to receive an Affiliate Referring Bonus. Affiliate Referring Bonuses will not be paid on Brand Affiliate purchases. Affiliate Referring Bonus eligibility is not

dependent on a Brand Affiliate's Title. As such, if your Personally Registered Brand Affiliate becomes a Brand Representative, their Direct Customer Sales Volume will still be included in your Personally Registered Affiliate Sales calculation.

## 2.3 BUILDING BONUS (MONTHLY)

### A. Description

When you qualify as a Brand Representative (see Section 3), in addition to the Selling Bonus, Retailing Bonus, and Affiliate Referring Bonus, you can also earn a Building Bonus ranging from 5% to 10% of the Commissionable Sales Value on the Product purchases by Customers and Brand Affiliates in your Group. The Building Bonus compensates you monthly for building sales within your Group, providing customer service to your Group, and assisting other Brand Affiliates in the promotion of Products to their Customers.

Here are a few key terms to understand:

**Commissionable Sales Value (CSV):** A currency value that is set for each Product, used to calculate Building and Leading Bonuses.

**Group:** Your Group consists of (1) you, (2) any of your Members, Retail Customers, and Brand Affiliates, and (3) any of your Brand Affiliates' Members, Retail Customers, and Brand Affiliates and so on. Your Group will include the Groups of your Brand Affiliates who are in Brand Representative Qualification. When your Brand Affiliates complete Brand Representative Qualification, they leave your Group and they (and their Groups) become part of your Team.

**Group Sales Volume (GSV):** The sum of Sales Volume from all Product purchases within your Group.

### B. Building Bonus Calculation

- i. **What You Do:** As a Brand Representative, achieve at least 2,000 Group Sales Volume (including 250 of your own Direct Customer Sales Volume) in a month by selling Products to your Customers and helping your Brand Affiliates do the same.
- ii. **What You Get:** The Building Bonus is a percentage of the Commissionable Sales Value on your Group Sales Volume that starts at 5% and scales up to 10% based on your Group Sales Volume, as follows in Table 2.C:

**TABLE 2.C**

WHAT YOU DO	WHAT YOU GET
Become a Brand Representative & grow your total Group Sales Volume, which must include 250 of your own Direct Customer Sales Volume	<b>5–10% Building Bonus</b> <b>Paid on your monthly Group Commissionable Sales Value</b>
2,000–2,999 GSV	<b>5%</b>
3,000+ GSV	<b>10%</b>



### **C. Monthly Pay**

We calculate your Building Bonus after the end of each month. The Building Bonus is generally recorded in your Nu Skin Bonus Account within the first week of each month and a transfer is automatically initiated to your financial institution subject to a minimum account balance of AU\$15 or NZ\$15.

### **D. Eligibility**

Only Brand Representatives in good standing are eligible to receive a Building Bonus. If you use Flex Points to Maintain Brand Representative status or you lose your Brand Representative status, you will not be eligible for a Building Bonus that month. See Section 3.2 and 3.3.

## **2.4 LEADING BONUS (MONTHLY)**

### **A. Description**

When you qualify as a Brand Partner or Brand Director, in addition to receiving Selling, Retailing, Affiliate Referring, and Building Bonuses, you can earn a Leading Bonus of 5% of the Commissionable Sales Value generated by your Team's Sales Volume. The Leading Bonus is based on Sales Volume and is paid, in part, for helping your Brand Affiliates qualify as Brand Representatives, and for motivating, directing, and training the Brand Representatives you directly lead in your Team, referred to as your G1 Brand Representatives (i.e., the heads of your Leadership Teams). As your G1 Brand Representatives develop into Brand Partners and Brand Directors, your role evolves, and you will now lead a Team that includes Brand Representatives on other Generations (e.g., G2, G3, etc.) as they work to develop their own Groups and increase Product sales. The Leading Bonus compensates you monthly for developing sales within your Team, providing customer service to your Team, and assisting other Brand Affiliates in the promotion of Products to their Customers.

Here are a few key terms to understand:

**Team:** Your Team consists of all Generations of Brand Representatives and their Groups as determined by your Title (see Table 2.D). Your Team does not include you or your Group.

**Title:** Titles are achieved as a Brand Representative based on your Leadership Teams and their Sales Volume. Your Title determines the number of Generations on which you can earn a Leading Bonus.

**Leadership Team:** Your Leadership Teams consist of your G1–G6 Brand Representatives starting at each of your G1 Brand Representatives. Each one of your Leadership Teams is distinct and led by your individual G1 Brand Representatives, respectively.

**Leadership Team Sales Volume (LTSV):** The sum of all Sales Volume from a given Leadership Team.

## B. Leading Bonus Calculation

- i. **What You Do:** Qualify as a Brand Partner or Brand Director, Maintain as a Brand Representative, and achieve at least 3,000 Group Sales Volume in a month.
- ii. **What You Get:** Unlock the ability to earn 5% of the Commissionable Sales Value on the total Sales Volume of your Team. Table 2.D sets forth the Title requirements, as well as the Generations on which each Title can be paid a Leading Bonus:

**TABLE 2.D**

WHAT YOU DO	WHAT YOU GET	
Maintain your Brand Representative status, achieve 3,000 Group Sales Volume each month, and develop Leadership Teams	<b>5% Leading Bonus</b> <b>Paid on your monthly Team Commissionable Sales Value</b>	
LEADERSHIP TEAMS	TITLE	GENERATIONS PAID
1	Gold Partner	5% on your G1
2	Lapis Partner	5% on your G1–G2
3 Including 1 with $\geq 5,000$ LTSV	Ruby Partner	5% on your G1–G3*
4 Including 1 with $\geq 10,000$ LTSV	Emerald Director	5% on your G1–G4*
5 Including 1 with $\geq 10,000$ LTSV + 1 with $\geq 20,000$ LTSV	Diamond Director	5% on your G1–G5*
6 Including 1 with $\geq 10,000$ LTSV + 1 with $\geq 20,000$ LTSV + 1 with $\geq 30,000$ LTSV	Blue Diamond Director**	5% on your G1–G6*

\*To be eligible to be paid on Generations 3–6 you must not be involved in Business Development Activities for another Direct Sales Company (not including Nu Skin Enterprises, Inc. affiliated entities). See Chapter 5, Section 2 of the Nu Skin Policies and Procedures.

\*\*Blue Diamond Directors and Presidential Directors may qualify for a Business Builder Position and Presidential Director Business Builder Position, respectively. See Addendum D.

## C. Monthly Pay

We calculate your Leading Bonus after the end of each month. The Leading Bonus is generally recorded in your Nu Skin Bonus Account within the first week of each month and a transfer is automatically initiated to your financial institution subject to a minimum account balance of AU\$15 or NZ\$15.

## D. Eligibility

Only Maintaining Brand Representatives are eligible to earn a Leading Bonus. If you use Flex Points to Maintain Brand Representative status or you lose your Brand Representative status, you will not be eligible for a Leading Bonus that month. See Section 3.2 and 3.3.

### 3. BRAND REPRESENTATIVE STATUS

#### 3.1 QUALIFYING AS A BRAND REPRESENTATIVE

##### A. Brand Representative Qualification Requirements

To qualify as a Brand Representative, you must submit a Letter of Intent and achieve 2,000 Group Sales Volume (including 500 of your own Direct Customer Sales Volume) during the Brand Representative Qualification Period. You can complete Brand Representative Qualification as fast as you like (in as little as one week or as long as two months), but if you choose to qualify over a two-month period, you must achieve at least 1,000 Group Sales Volume (including 250 of your own Direct Customer Sales Volume) each month.

You can find the Letter of Intent form by signing into your nuskin.com account.

##### B. Brand Representative Qualification Period

Your Brand Representative Qualification Period starts the calendar month in which you submit your Letter of Intent. You have until the end of the following calendar month to complete Brand Representative Qualification.

**EXAMPLE:** If you submit your Letter of Intent on February 25 to qualify as a Brand Representative, your Brand Representative Qualification Period would begin in February. Your Brand Representative Qualification Period would end on the earlier of:

- i. the date you advance to become a Brand Representative after meeting the Brand Representative Qualification Requirements (see Section 3.1A);
- ii. the end of the first month of your Brand Representative Qualification Period if you fail to satisfy the minimum required Sales Volume for your first month of Brand Representative Qualification (1,000 Group Sales Volume, including 250 of your own Direct Customer Sales Volume). In the example above, if you did not satisfy the minimum requirements in February, your Brand Representative Qualification Period would end on the last day of February; or
- iii. the end of the second calendar month after you submit your Letter of Intent and fail to meet the Brand Representative Qualification Requirements in that second month. In the example above, if you met the minimum requirements in February but not in March, your Brand Representative Qualification Period would end on the last day of March.

##### C. Completion of Brand Representative Qualification Requirements and Advancement

When you complete the Brand Representative Qualification Requirements, you become a Brand Representative on the first day of the next weekly period (the 8th, 15th, or 22nd of that month, or on the 1st of the next month), and you are eligible to start earning a Building Bonus on newly completed Group Sales Volume thereafter. See Table 2.C. You can also start earning the Leading Bonus for all eligible Sales Volume from purchases by your Team after your Brand Representative Advancement Date.

As Brand Affiliates in your Group advance to Brand Representative, your Team and subsequent advancement may be impacted as follows.

- i. If someone from your Group is also in Brand Representative Qualification, they will only become part of your Team if you: (1) complete your first Brand Representative Qualification month in the same month or earlier than the month they complete their Brand Representative Qualification Requirements; and (2) finish Brand Representative Qualification within your Brand Representative Qualification Period. See Addendum A.
- ii. If a Brand Affiliate in your Group completes Brand Representative Qualification prior to the timeframes noted above, they are placed in the Team of the next Brand Representative above you and you will not earn any Building or Leading Bonuses from their sales activity. However, you may still earn Affiliate Referring Bonuses from their sales activity. See Addendum A.

#### **D. Failure to Complete Brand Representative Qualification Requirements**

If you do not satisfy the Brand Representative Qualification Requirements within the Brand Representative Qualification Period, your Brand Representative Qualification will be terminated. If you want to attempt to qualify as a Brand Representative again, you will need to submit a new Letter of Intent and restart Brand Representative Qualification.

### **3.2 BRAND REPRESENTATIVE STATUS**

#### **A. Maintaining or Losing Brand Representative Status**

Maintenance requirements begin your first full month following the completion of your Brand Representative Qualification Requirements. See Addendum A. Your status as a Brand Representative is Maintained based on your sales performance each month.

- i. If you achieve at least 2,000 Group Sales Volume (including 250 of your own Direct Customer Sales Volume) in a month, you will Maintain your status as a Brand Representative for that month. If you complete 2,000 Group Sales Volume in a month but not your 250 Direct Customer Sales Volume, you will not maintain your Brand Representative status for the month and will begin the next month without Brand Representative status.
- ii. If you fail to achieve 2,000 Group Sales Volume but still achieve at least 500 Group Sales Volume (including 250 of your own Direct Customer Sales Volume) in a month and have sufficient Flex Points (described in Section 3.3 below) available to make up the difference in missing Group Sales Volume (e.g., 500 Group Sales Volume plus 1,500 Flex Points), your Flex Points will be applied to Maintain your status as a Brand Representative for that month. **Flex Points cannot be used to satisfy the 250 Direct Customer Sales Volume requirement.** When Flex Points are used to Maintain your Brand Representative status, you are not eligible to earn Building or Leading Bonuses that month.
- iii. If you do not meet Maintenance requirements, then you will lose your Brand Representative status and become a Brand Affiliate effective the first day of the next month. If you lose your Brand Representative status, you are not eligible to earn Building or Leading Bonuses and you lose your Sales Network, which moves up a

Generation and becomes part of the Sales Networks of the Brand Representatives above you. You may regain your Sales Network through Restart. See Addendum C.

You may not Maintain your status or Title by creating false accounts, buying additional Products, or using any other form of manipulation that violates the spirit and intent of this Plan or Nu Skin's Policies & Procedures.

### **3.3 FLEX POINTS**

#### **A. Description**

Flex Points are a Group Sales Volume substitute that are used to Maintain your status as a Brand Representative if you do not complete at least 2,000 Group Sales Volume in a month. Flex Points cannot be used to satisfy the 250 Direct Customer Sales Volume requirement and you cannot use more than 1,500 Flex Points in a month. Flex Points do not provide Sales Volume or Commissionable Sales Value and no Bonus is paid on Flex Points. Flex Points have no monetary value and cannot ever be redeemed for cash. Flex Points do not expire and there is no limit to the amount of Flex Points you can accumulate; however, any accumulated Flex Points will be forfeited if you lose your Brand Representative status. When Flex Points are used to Maintain your Brand Representative status, you are not eligible to earn Building or Leading Bonuses that month.

#### **B. Allocation of Flex Points**

You are allotted Flex Points as a new Brand Representative and each following year in your Brand Representative advancement anniversary month. At the beginning of your first three full months as a new Brand Representative, you are allotted 1,500 Flex Points in your first month, 1,000 in your second month, and 500 in your third month, for a total of 3,000 Flex Points. Each following year, you are allotted an additional 1,500 Flex Points in your anniversary month as a Brand Representative. Your Flex Points will be reflected in your nuskin.com account.

If you lose your Brand Representative status and complete Brand Representative Qualification again (including through Restart), you will be allocated 1,000 Flex Points in your first month and 500 in your second month following your advancement.

## 4. ADDITIONAL TERMS

### 4.1 BONUSES

#### A. Eligibility for Bonuses

To be eligible for any Bonuses (excluding Retailing Bonuses), you must have Product sales to five different Direct Customers or Unregistered Customers each month. You must notify the Company immediately if you do not meet this requirement. The Company will also randomly survey Brand Affiliates to confirm compliance with this requirement.

#### B. Bonus Calculations

Bonuses are calculated on a daily, weekly, and monthly schedule (as determined by Nu Skin) and recorded in your Nu Skin Bonus Account.

#### C. Bonuses and Exchange Rates

When calculating your Bonuses, the Commissionable Sales Value and Net Sales Price from Product sales from different markets are exchanged into your home currency using the previous month's average daily exchange rate.

**EXAMPLE:** In determining the base amount used to calculate your Bonuses on March sales, the Company would use February's average daily exchange rate.

#### D. Home Market Version

This version of the Plan applies only to Brand Affiliates who have an Australia or New Zealand Brand Affiliate ID. The Plan offers you the opportunity to receive Bonuses on sales in all our global markets, except where foreign participation is restricted (contact your Account Manager for specific markets). If you have an Australia or New Zealand market Brand Affiliate ID, your Bonus eligibility and benchmarks will be governed by the terms of this version of the Plan, even if members of your Group or Team have a Brand Affiliate ID from other markets.

**EXAMPLE:** If you are a Brand Representative with an Australia or New Zealand Brand Affiliate ID and you register a Member in Singapore and they purchase some Products through the Singapore nuskin.com website, if that individual (a) signs up as your Direct Customer, and (b) is in your Group when they purchase Products in the Singapore market, then those Product purchases will have the Sales Volume, Commissionable Sales Value, and Net Sales Price that the Singapore market has set for those Products. The Singapore Commissionable Sales Value and Net Sales Price will be exchanged into Australia or New Zealand currency at the time of sale. The local market can provide you with information regarding the Sales Volume, Commissionable Sales Value, pricing, and other sales compensation-related information for each Product in that market.

This Plan does not apply to our Mainland China or India businesses, which operate under different business models.

#### **E. Recovery of Bonuses Paid to You**

The Company has the right to recover Bonuses paid to you as published in the Policies and Procedures, including the recovery of Bonuses that were paid on

Products that were subsequently returned. The timing and method of recovery will depend on the Bonus and when the Products are returned. See Addendum B. A summary of our return policy can be found at [nuskin.com](https://nuskin.com) by accessing the Reputation page.

#### **F. Advancement to Brand Representative; Other Title Advancement Changes**

Advancement to Brand Representative occurs weekly. Other Title changes occur only during the monthly Bonus calculation and will be reflected in your [nuskin.com](https://nuskin.com) account on or before the 5th of the following month. See Addendum A.

#### **G. Product Promotions and Pricing**

We may adjust the published retail price, Sales Volume, Commissionable Sales Value, and Member Price. Please see your market's Product pricing and promotion announcements regarding any discounts and their impact on pricing, Bonuses, Sales Volume, Commissionable Sales Value, and other sales compensation-related information for each Product.

#### **H. Other Sales Compensation**

When you sell Nu Skin Products outside of Nu Skin Systems you can capture a retail profit:

- i. Retail profit equals (1) the price you sell a Product for minus (2) your
- ii. costs (your purchase price, taxes, shipping, business expenses, etc.). You keep all retail profit earned outside of Nu Skin Systems.
- iii. You can also earn incentive trips\* or other non-cash rewards and compensation from other short-term sales incentives not covered by the Sales Performance Plan.

\*In the Pacific Region, nearly 13.9% of average monthly Brand Representatives qualified for an incentive trip in 2023. On a monthly basis, an average of 4.4% of active Brand Affiliates were Brand Representatives. These data will be updated from time to time. Please contact Nu Skin for the latest data.

## ***4.2 TERMINATION OF BRAND AFFILIATE ACCOUNTS***

#### **A. Loss of Brand Affiliate Benefits**

Upon termination of your Brand Affiliate Account, you lose all benefits as a Brand Affiliate, including any access to your Brand Affiliate Account, Group, Team, Sales Network, Sales Volume generated by either your Group or Team, and Bonuses.

#### **B. Movement of Brand Affiliate Account**

The Company has the right, for as long as reasonably necessary, to delay any movement of a Brand Affiliate Account and any part of its Group or Sales Network up in a Sales Network or to a different Sales Network.



### **4.3 OTHER MATERIALS AND TRANSLATIONS**

If there are any discrepancies between the terms and conditions set forth in this Plan and any marketing materials or other related content, this Plan will control. Unless otherwise prohibited by law, if there are any discrepancies between the English version of this Plan and any translation of it, the English version will control.

### **4.4 EXCEPTIONS**

#### **A. Granting of Plan Exceptions**

The Company may, in its sole discretion, waive or modify any requirements, terms, or conditions of this Plan (collectively “Plan Exceptions”). The Company may grant Plan Exceptions to (1) an individual Brand Affiliate Account, or (2) any number of accounts, including by Team or market. The granting of a Plan Exception to a Brand Affiliate Account, Team, or market does not obligate the Company to grant a Plan Exception to any other Brand Affiliate Account, Team, or market. Any material Plan Exception requires the express written consent of an authorised officer of the Company, and the Company has no obligation to provide other Brand Affiliates, including the next Brand Affiliates above a Brand Affiliate, notice of the Plan Exception, written or otherwise.

#### **B. Termination of Plan Exceptions**

The Company may terminate any Plan Exception that has been previously granted at any time and for any reason, regardless of the length of time the exception has been operative. If a Plan Exception has been granted to a specific Brand Affiliate, then the Plan Exception is personal to the specific Brand Affiliate and the Company. Plan Exceptions will terminate upon the transfer of the Brand Affiliate Account, regardless of the form of transfer (e.g., sale, assignment, transfer, bequest, by operation of law, or otherwise), and any such exception will be void.

### **4.5 TERMINOLOGY**

Terms in this Plan may differ from previous terms and may be revised.

### **4.6 RIGHT TO MODIFY**

We can modify this Plan at any time in our sole discretion. If we change this Plan, we will provide you with 30 days notice prior to the change becoming effective.



#### ***4.7 COMPLIANCE***

To qualify for Bonuses, you must comply with the requirements of this Plan, your Brand Affiliate Agreement, and Nu Skin's Policies and Procedures.

#### ***4.8 WEEKLY AND MONTHLY PERIODS***

Any reference to a "month" means a calendar month. Any reference to a "week" or "weekly" or "weekly period" means a seven-day period beginning on the 1st, 8th, 15th, or 22nd day of each month, provided, however, that the fourth week of each month runs through the end of the month. Bonus calculations are based on Mountain Standard Time or Mountain Daylight Savings Time in Provo, Utah, United States of America (Coordinated Universal Time [UTC-7]).

## GLOSSARY

**Affiliate Referring Bonus:** A Bonus paid weekly to you as a Brand Affiliate, based on your Personally Registered Affiliate Sales. See Section 2.2.

**Bonus:** Sales compensation paid through this Plan, including the Selling Bonus, Retailing Bonus, Affiliate Referring Bonus, Building Bonus, and Leading Bonus. Bonuses do not include any retail profit you can earn on Products that you purchase and resell directly to Unregistered Customers, or any other cash or non-cash incentives.

**Brand Affiliate:** A Person who signs up with Nu Skin as a Brand Affiliate and can purchase Products at the Member Price, sell Products, and sign-up Customers and Brand Affiliates. The term Brand Affiliate can also be used as a general reference to all Brand Affiliates and Brand Representatives. For example, a Brand Partner or Brand Director can be referred to as a Brand Affiliate as a general reference when talking about all Brand Affiliates. Brand Affiliates are not Customers.

**Brand Affiliate Account:** The account created when you register as a Brand Affiliate with Nu Skin. When you create a Brand Affiliate Account, you are assigned a Brand Affiliate ID.

**Brand Affiliate Agreement:** An agreement between you and Nu Skin that sets forth certain terms relating to your relationship with Nu Skin.

**Brand Director:** A category of Brand Representatives with a Title of Emerald Director, Diamond Director, Blue Diamond Director, or Presidential Director.

**Brand Partner:** A category of Brand Representatives with a Title of Gold Partner, Lapis Partner, or Ruby Partner.

**Brand Representative:** A Brand Affiliate who has successfully completed Brand Representative Qualification and who has not lost their Brand Representative status. The term Brand Representative can also be used as a general reference for all Titles of Brand Representative and above. For example, a Ruby Partner or Diamond Director can be referred to as a Brand Representative as a general reference when talking about all Brand Representatives.

**Brand Representative Advancement Date:** The first day of the weekly period after you complete Brand Representative Qualification. If you qualify as a Brand Representative in week 1, 2, or 3 of a month, your Brand Representative Advancement Date will be the 8th, 15th, or 22nd of that month, respectively. If you qualify as a Brand Representative in week 4 of a month, your Brand Representative Advancement Date will be the first day of the following month. See Addendum A.

**Brand Representative Qualification:** The process to become a Brand Representative. See Section 3.1.

**Brand Representative Qualification Period:** A period that starts the calendar month in which you submit your Letter of Intent. You have until the end of the following calendar month to complete Brand Representative Qualification. See Section 3.1.



**Brand Representative Qualification Requirements:** During your Brand Representative Qualification Period you must submit a Letter of Intent and achieve 2,000 Group Sales Volume (including 500 of your own Direct Customer Sales Volume). See Section 3.1.

**Building Bonus:** A Bonus paid monthly to you as a Brand Representative based on the Commissionable Sales Value of Products purchased through Nu Skin Systems by Brand Affiliates and Customers in your Group. See Section 2.3.

**Business Builder Position (BBP):** A position placed on your G1. Your BBP is awarded to you after the first month you achieve the Title of Blue Diamond Director. See Addendum D.

**Business Development Activities:** Any activity that benefits, promotes, assists, or supports in any way the business, development, sales, or sponsorship of another business, including but not limited to selling products or services; promoting the business opportunity; appearing on behalf of the business or one of its representatives; allowing your name to be used to market the business, its products, services, or opportunity; sponsoring or recruiting on behalf of the business; acting as a member of the board of directors, as an officer, or a representative or distributor of the business; or having an ownership interest or any other beneficial interest, whether the interest is direct or indirect.

**Commissionable Sales Value (CSV):** A currency value that is set for each Product, used to calculate Building and Leading Bonuses.

Commissionable Sales Value is adjusted from time to time due to a variety of factors, including changes in pricing, currency fluctuations, promotions, and so on. Commissionable Sales Value is different from Sales Volume and generally does not equal the Sales Volume of a Product. Some Products may have zero Commissionable Sales Value. You can obtain information regarding the Commissionable Sales Value and other sales compensation-related information for each Product by signing into your nuskin.com account. Commissionable Sales Value is exchanged to your home market currency when selling Products in multiple markets.

**Company:** Nu Skin or “we”.

**Customer:** Anyone who purchases Products but does not participate in this Plan and cannot resell Products or register other Customers or Brand Affiliates. Brand Affiliates are not Customers.

**Direct Customer:** A Member or Retail Customer to whom a Brand Affiliate directly sells Products through Nu Skin Systems. A Member is the Direct Customer of the Brand Affiliate who enrolled them. If the enrolling Brand Affiliate loses their Brand Affiliate status, any Members previously enrolled by that Brand Affiliate will become the Direct Customers of the next Brand Affiliate above them. When a Retail Customer purchases Products through Nu Skin Systems, the Brand Affiliate who sold them the Product is credited for that sale. A Brand Affiliate is not considered a Direct Customer.

**Direct Customer Sales Volume (DC-SV):** The sum of all Product Sales Volume from purchases by your Direct Customers.



**Direct Sales Company:** A company that is a member of the Direct Selling Association or otherwise uses a sales force of independent contractors who sell products and services and that compensates the independent contractors through a single-level or multi-level compensation plan for (1) their own sales, and/or (2) the sales of other independent contractors who have signed up under the independent contractors to distribute the same products and services.

**Flex Points:** Flex Points are a Group Sales Volume substitute used to Maintain your status as a Brand Representative if you do not complete at least 2,000 Group Sales Volume in a month. Flex Points cannot be used to satisfy the 250 Direct Customer Sales Volume requirement. Flex Points do not provide Sales Volume or Commissionable Sales Value and no Bonus is paid on Flex Points. Flex Points have no monetary value and cannot ever be redeemed for cash. Flex Points do not expire and there is no limit to the amount of Flex Points you can accumulate; however, any accumulated Flex Points will be forfeited if you lose your Brand Representative status. See Section 3.3.

**Generations:** The Brand Representative levels in your Team. Every Brand Representative you directly lead and who is the first Brand Representative below you in your Team is your G1 Brand Representative. Those Brand Representatives who are on the next level below them are your G2 Brand Representatives, and so forth. Brand Affiliates who have not achieved Brand Representative status do not constitute a Generation but are part of their Brand Representative's Group. For example, the Brand Affiliates (who have not achieved Brand Representative status) of your G1 Brand Representative are not part of your G2; instead, they are part of your G1 Brand Representative's Group.

**Group:** Your Group consists of (1) you, (2) any of your Members, Retail Customers, and Brand Affiliates, and (3) any of your Brand Affiliates' Members, Retail Customers, and Brand Affiliates, and so on. Your Group will include the Groups of your Brand Affiliates who are in Brand Representative Qualification. A Brand Affiliate who completes Brand Representative Qualification will leave your Group and they and their Group will become part of your Team.

**Group Sales Volume (GSV):** The sum of Sales Volume from all Product purchases within your Group.

**Leadership Team:** Your Leadership Teams consist of your G1–G6 Brand Representatives starting at each of your G1 Brand Representatives. Each one of your Leadership Teams is distinct and led by your individual G1 Brand Representatives, respectively. See Section 2.4.

**Leadership Team Sales Volume (LTSV):** The sum of all Sales Volume from a given Leadership Team. See Section 2.4.

**Leading Bonus:** A Bonus paid monthly if you are a Brand Partner or Brand Director, based on the Commissionable Sales Value of the Sales Volume generated by your Team. See Section 2.4.

**Letter of Intent:** A document that you submit through Nu Skin Systems to notify the Company of your intention to qualify as a Brand Representative.

**Maintenance (also Maintain or Maintaining):** The requirement to achieve at least 2,000 Group Sales Volume (including 250 of your own Direct Customer Sales Volume), in a month to keep your Brand Representative status and be eligible to be paid a Building or Leading Bonus. To Maintain your Brand Representative status, Flex Points may also be used to substitute any missing Group Sales Volume, but not Direct Customer Sales Volume, requirements. However, if you use any Flex Points to Maintain your Brand Representative status, you will not be eligible to earn Building or Leading Bonuses that month. See Section 3.2 and Addendum A.

**Member:** A Customer who signs up through Nu Skin Systems based on a Brand Affiliate invitation to purchase Nu Skin Products at Member Price.

Members cannot register Customers or Brand Affiliates, cannot resell Nu Skin Products, and do not participate in this Plan.

**Member Price:** The list price for Products for both Members and Brand Affiliates, excluding tax and shipping. The Member Price is set by the local market and may occasionally be adjusted for sales promotions and incentives.

**Net Sales Price:** The price paid for Products, not including retail markup, tax, and shipping.

**Nu Skin:** Nu Skin International, Inc. and its affiliates (excluding Rhyz, Inc. and its subsidiary entities).

**Nu Skin Bonus Account:** A digital account found in Nu Skin's digital tools (e.g., Nu Skin Stela app and nuskin.com) that reflects all your Bonuses, payments, and commission adjustments. A Nu Skin Bonus Account is automatically created for you when you become a Brand Affiliate. Nu Skin Bonus Accounts do not accrue interest. You can transfer your total available balance, minus any government-mandated income taxes, from your Nu Skin Bonus Account to your designated financial institution account at any time. Transfers that you initiate do not have a minimum balance requirement. However, you are responsible for all fees associated with any transfer you initiate. Service fees may be charged by the receiving financial institution and Nu Skin. Nu Skin automatically transfers your remaining Nu Skin Bonus Account balance free of charge at the conclusion of each weekly and monthly pay period. There is a minimum account balance requirement of AU\$15 or NZ\$15 for automated transfers from Nu Skin.

**Nu Skin Stela:** A mobile application that provides information related to your Brand Affiliate Account, including your Product purchases, portions of your Sales Network, Bonuses, goal setting, reporting, recognition, and more. You can download Nu Skin Stela in your app store.

**Nu Skin Systems:** Any process, application, or other digital property within Nu Skin's digital ecosystem designated by Nu Skin for the purchase or sale of Nu Skin Products, including Nu Skin Vera, Nu Skin Stela, nuskin.com, MySite, Personal Offer Tool, or any other Nu Skin approved platform.

**Person:** An individual or business entity. A "business entity" is any business entity such as a corporation, partnership, limited liability company, trust, or other form of business organisation legally formed under the laws of the jurisdiction in which it was organised.



**Personally Register:** The act of registering a Person with Nu Skin. For example, when you sign up a Brand Affiliate, Member, or Retail Customer with Nu Skin, they become your Personally Registered Brand Affiliate, Personally Registered Member, or Personally Registered Retail Customer, respectively.

**Personally Registered Affiliate Sales:** The Product sales made by your Personally Registered Brand Affiliates, calculated by summing the Net Sales Price of Products sold to their Direct Customers.

**Policies and Procedures:** A document that is part of the agreement between you and Nu Skin and sets forth certain policies and procedures related to your business.

**Presidential Director Business Builder Position (Presidential Director BBP):** A position placed on the G1 of your BBP. Your Presidential Director BBP is awarded to you after the first month you achieve the Title of Presidential Director. See Addendum D.

**Products:** All goods and services offered by Nu Skin.

**Restart:** The process that gives former Gold Partners and above the opportunity to reclaim their Sales Network (as if they had not lost their Brand Representative status). See Addendum C.

**Retailing Bonus:** The difference between (1) the price paid by your Retail Customer (excluding shipping costs and taxes) when they purchase Products directly from Nu Skin and (2) the Member Price. See Section 2.1.

**Retail Customers:** Any Customer who purchases Products through Nu Skin Systems who is not a Member or Brand Affiliate. The Bonuses on a Retail Customer's Product purchase are paid based on the Brand Affiliate who is identified as the seller at the time of the specific Product order. For purposes of this Plan, an Unregistered Customer is not included in the definition of Retail Customers. Retail Customers do not participate in this Plan and cannot resell Products or register other Customers or Brand Affiliates.

**Sales Network:** Your Sales Network consists of your Group, your Team, and the Groups and Teams of the Brand Representatives below your Team.

**Sales Performance Plan:** This Sales Performance Plan (also "Plan") (including amendments that may be incorporated in the future) which sets forth the terms and conditions for the sales compensation you can earn as a Brand Affiliate who participates in this Plan.

**Sales Volume (SV):** A non-currency value set for each Product used to quantify Product sales, which is aggregated to measure eligibility for various performance benchmarks as well as Bonus percentage determination. Sales Volume is adjusted from time to time as the Company deems necessary. Sales Volume is different from Commissionable Sales Value and Net Sales Price. You can obtain information regarding the Sales Volume and other sales compensation-related information for each Product by signing into your nuskin.com account.

**Selling Bonus:** The Bonus paid on Product sales to your Direct Customers. See Section 2.1.



**Team:** Your Team consists of all Generations of Brand Representatives and their Groups as determined by your Title (see Table 2.D). Your Team does not include you or your Group.

**Title:** Titles are achieved as a Brand Representative based on your Leadership Teams and their Sales Volume. Your Title determines the number of Generations on which you can earn a Leading Bonus.

See Table 2.D.

**Unregistered Customers:** Individuals who purchase Products from a Brand Affiliate outside of Nu Skin Systems (regardless of whether the Unregistered Customer has previously purchased Products directly from Nu Skin). Unregistered Customers do not participate in this Plan and cannot resell Products or register Customers.



## ADDENDUM A

### ADDITIONAL QUALIFICATION DETAILS

The following provides additional information related to Brand Representative Qualification, including important dates, Maintenance, Bonuses, and other details.

#### **1. MAINTENANCE AFTER ADVANCING TO BRAND REPRESENTATIVE**

If your Brand Representative Advancement Date is the first day of a month, you must meet Maintenance requirements beginning in that month. If your Brand Representative Advancement Date is after the first day of a month, you must meet Maintenance requirements beginning with the next month.

**EXAMPLE:** If you complete Brand Representative Qualification the 4th week of May, your Brand Representative Advancement Date is June 1, and you must meet Maintenance requirements in June. If you complete Brand Representative Qualification the first week of June, your Brand Representative Advancement Date is June 8, and you must meet Maintenance requirements in July.

#### **2. BONUSES AFTER ADVANCING TO BRAND REPRESENTATIVE**

##### **A. Building Bonus**

You can earn a Building Bonus based on your Group's sales made on or after your Brand Representative Advancement Date. If you complete Brand Representative Qualification during the first week of the month, your Brand Representative Advancement Date is the 8th and you can begin earning a Building Bonus based on Product sales on or after the 8th. You will not earn a Building Bonus based on any Product sales during the first week of that month. If you complete Brand Representative Qualification in week four of a month, your Brand Representative Advancement Date is the 1st of the next month and you can begin earning a Building Bonus based on Product sales on or after the 1st of that next month.

After your Brand Representative Advancement Date, your subsequent Group Sales Volume will no longer contribute to the Group Sales Volume of the next Brand Representative above you. Instead, your Group Sales Volume will contribute to their Team Sales Volume and Leading Bonus.

**EXAMPLE:** If you complete Brand Representative Qualification during the third week of May, your Brand Representative Advancement Date is May 22. Your Group Sales Volume through May 21 will count toward the Group Sales Volume of the next Brand Representative above you, but your Group Sales Volume on Product sales on May 22 through the end of May will contribute to their Team Sales Volume and Leading Bonus instead. If you complete Brand Representative Qualification in the fourth week of May, your Brand Representative Advancement Date is June 1 and your Group Sales Volume in May will count toward the Group Sales Volume of the next Brand Representative above you for May. From June 1 forward, your Group Sales Volume will contribute to the Team Sales Volume and Leading Bonus of the next Brand Representative above you.



## B. Leading Bonus

You are eligible to earn a Leading Bonus after Date if you meet the appropriate Leading Bonus

**EXAMPLE:** If you complete Brand Representative Qualification during the first week of May, your Brand Representative Advancement Date is May 8 and you can begin earning Leading Bonus for May if you achieve 3,000 Group Sales Volume between your Brand Representative Advancement Date and the end of the month, as well as achieve the requirements of Brand Partner or above by the end of the month. If you complete Brand Representative Qualification during the fourth week of May, your Brand Representative Advancement Date is June 1 and you can begin earning a Leading Bonus in June if you meet the corresponding Leading Bonus Requirements in June.

## ADDENDUM B

### ADJUSTMENTS AND RECOVERY OF BONUSES

The Company has the right to adjust Bonuses paid to you as described in the Policies and Procedures, including adjustments based on the return of Products by you or others who were in your Group or Team at the time of purchase. The calculation and recovery of Bonus adjustments from Product returns will depend on the type of Bonus and when the Products are returned.

#### 1. *BONUS ADJUSTMENT CALCULATION*

Your Bonuses will be adjusted for Product returns as follows:

##### A. **Retailing Bonus**

When your Direct Customers return Products, the Company will recover any Retailing Bonuses you received on those Products.

##### B. **Selling and Affiliate Referring Bonuses**

When your Direct Customers or the Direct Customers of your Personally Registered Brand Affiliates return Products, the Company will recover any Selling and Affiliate Referring Bonuses you received on those Products.

If your Direct Customers return Products in the same month in which they were purchased, your Direct Customer Sales Volume will be reduced by the amount of Sales Volume returned. Your Selling and Affiliate Referring Bonus percentages paid in subsequent weeks may be reduced due to the impact those returns have on your Direct Customer Sales Volume.

If a Product return from Products purchased in a prior month reduces your Direct Customer Sales Volume below a Bonus threshold that you achieved in that month, the Company will debit your Direct Customer Sales Volume by the amount needed to reach the Bonus threshold that you were paid on. This debit will occur in the month after the Products were returned.

**EXAMPLE:** If you achieved 750 Direct Customer Sales Volume in January and were paid a 8% Selling Bonus and 12% Affiliate Referring Bonus but 400 Sales Volume of your January Product sales were returned in March, you would have a negative 150 Direct Customer Sales Volume balance at the start of April and you would not qualify to earn the 8% Selling Bonus and 12% Affiliate Referring Bonus in April unless you produce 650 Direct Customer Sales Volume in April to make up for the negative balance and achieve the 500 Direct Customer Sales Volume Bonus tier.

##### C. **Building Bonus**

When someone who was in your Group at the time of purchase returns Products, the Company will recover any Building Bonus you received on those Products.



If someone in your Group returns Products in the same month in which they were purchased, your Group Sales Volume will be reduced by the amount of Sales Volume returned.

If a Product return from Products purchased in a prior month reduces your Group Sales Volume below a Bonus threshold that you achieved in that month, the Company will debit the appropriate Group Sales Volume the month after the Product was returned.

**EXAMPLE:** If you achieved 3,300 Group Sales Volume in January and were paid a 10% Building Bonus but 600 Sales Volume of your January Product sales were returned in March, you would have a negative 300 Group Sales Volume balance at the start of April and you would not qualify to earn the 5% Building Bonus in April unless you produce 2,300 Group Sales Volume in April to make up for the negative 300 balance and achieve the 2000 Group Sales Volume Bonus tier.

#### **D. Leading Bonus**

When someone who was on your Team at the time of purchase returns Products, the Company will recover any Leading Bonus you received on those Products.

## ADDENDUM C

### RESTART

Restart is a process that gives former Gold Partners or above the opportunity to reclaim their Sales Network (as if they had not lost their Brand Representative status). The following provides additional information regarding the use, benefits, and terms of Restart.

#### **1. HOW TO USE RESTART**

If you lose your Brand Representative status and want to begin the Restart process, you must:

- i. Submit a new Letter of Intent which indicates your intention to qualify as a Brand Representative again; and
- ii. Complete Brand Representative Qualification again. This new Brand Representative Qualification must be completed within three consecutive months from the effective date of losing your status as a Brand Representative.

If you do not finish Restart within this three-month period, you will permanently lose the chance to reclaim your Sales Network.

**EXAMPLE:** If you lose your Brand Representative status effective March 1, you have until the 4th week of May to complete Brand Representative Qualification to become a Brand Representative effective June 1 in order to reclaim your Sales Network.

#### **2. BENEFITS OF RESTART**

When you complete Restart within the required time frame, you:

- Become a Brand Representative again;
- Become eligible for the Building Bonus and Leading Bonus;
- Reclaim your Sales Network (as if you had not lost your Brand Representative status); and
- Receive 1,000 Flex Points in your first month and 500 in your second month after completing Restart.

#### **3. LOSING STATUS A SECOND TIME**

If you lose your status as a Brand Representative for a second time, you will not be eligible to Restart and will permanently lose your Sales Network (it moves up a Generation to the Brand Representatives above you). However, even if Restart is no longer available, you can begin Brand Representative Qualification again at any time and build a new Sales Network. If you become a new Brand Representative, you would once again be eligible to use Restart to reclaim your new Sales Network.

## ADDENDUM D

# BLUE DIAMOND AND PRESIDENTIAL DIRECTOR BUSINESS BUILDER POSITIONS

As you build and lead your Team, you have the opportunity to become a Blue Diamond Director or a Presidential Director. The following chart shows how:

WHAT YOU DO	WHAT YOU GET	
Maintain your Brand Representative status, achieve 3,000 Group Sales Volume each month, and develop Leadership Teams	<b>5% Leading Bonus</b> <b>Paid on your monthly Team Commissionable Sales Value</b>	
LEADERSHIP TEAMS	TITLE	GENERATIONS PAID
6 Including 1 with $\geq 10,000$ LTSV + 1 with $\geq 20,000$ LTSV +1 with $\geq 30,000$ LTSV	Blue Diamond Director	5% on your G1–G6 Unlock your BBP
6 Including 1 with $\geq 10,000$ LTSV + 1 with $\geq 20,000$ LTSV + 1 with $\geq 30,000$ LTSV + 1 with $\geq 40,000$ LTSV	Presidential Director	5% on your G1–G6 Unlock your Presidential Director BBP

The first month you are paid as a Blue Diamond Director, you will receive a Business Builder Position (BBP) on your G1 and the first month you are paid as a Presidential Director you will receive a Presidential Director Business Builder Position (Presidential Director BBP) on the G1 of your BBP (the G2 of your original Brand Affiliate Account). In any month that you are qualified to be paid as a Blue Diamond Director, your BBP will occupy a Generation in the Sales Network. In any month that you are qualified to be paid as a Presidential Director, your BBP and Presidential Director BBP will each occupy a Generation (G1 and G2 respectively) in the Sales Network.

### A. Automatically Created

The BBP and Presidential Director BBP are automatically created during the Bonus calculation process for the month you meet the eligibility requirements above. You retain any BBP and Presidential Director BBP awarded to you unless you lose your status as a Brand Representative and do not complete Restart.

### 1. RELATIONSHIP BETWEEN A BBP, A PRESIDENTIAL DIRECTOR BBP, AND YOUR ORIGINAL BRAND AFFILIATE ACCOUNT

For purposes of your Brand Affiliate Agreement, your BBP and Presidential Director BBP are treated as part of your Brand Affiliate Account and may not be sold or transferred separately.

## **A. Leadership Teams**

Your BBP and Presidential Director BBP will not be considered Leadership Teams to your Brand Affiliate Account. The G1 Brand Representatives under your BBP and Presidential Director BBP function as Leadership Teams and may be compressed to meet Title requirements as outlined below.

For purposes of determining Leadership Team Sales Volume for you and the next Brand Representatives above you in a month, your BBP and Presidential Director BBP remain on your G1 and G2 respectively (unless you have lost your Brand Representative status).

## **Personally Registered Affiliate Sales**

Eligible Direct Customer Sales Volume from your original Brand Affiliate Account, BBP, and Presidential Director BBP will be summed to determine your Selling and Affiliate Referring Bonus percentages.

Direct Customer Sales Volume from your Personally Registered Brand Affiliates referred by your original Brand Affiliate Account, BBP, and Presidential Director BBP will be summed and the corresponding Net Sales Price will be paid at the qualified Affiliate Referring Bonus percentage determined by the sum of your Direct Customer Sales Volume.

Purchases made by Direct Customers of your BBP and Presidential Director BBP will not count as Personally Registered Affiliate Sales of your original Brand Affiliate Account.

Purchases made by Direct Customers of your original Brand Affiliate Account, BBP, and Presidential Director BBP will count as Personally Registered Affiliate Sales for the Brand Affiliate who referred you.

## **B. Group Sales Volume**

You, your BBP, and your Presidential Director BBP each have their own Groups. For purposes of Maintaining your Brand Representative status and determining your Building Bonus and Leading Bonus eligibility, Group Sales Volume from your original Brand Affiliate Account, BBP, and Presidential Director BBP will be combined.

## **C. BBP and Presidential Director BBP Bonuses Based on Your Original Brand Affiliate Account Title and Brand Representative Status**

### **BBP**

For a month that your original Brand Affiliate Account is qualified to be paid as a Blue Diamond Director or Presidential Director, Bonuses on your BBP will be calculated as if it was a Blue Diamond Director. For any month that your original Brand Affiliate Account does not meet all requirements to qualify to be paid as a Blue Diamond Director, your BBP will be combined with your original Brand Affiliate Account and any Sales Network of your BBP will move up one Generation in your Sales Network and the Sales Networks of the Brand Representatives above you for that month.

### **Presidential Director BBP**

For a month that your original Brand Affiliate Account meets all requirements to qualify to be paid as a Presidential Director, Bonuses on your Presidential Director BBP will be calculated as if it was a Blue Diamond Director. For any month that your Brand Affiliate Account does not meet all requirements to qualify to be paid as a Presidential Director, but does qualify to be paid as a Blue Diamond Director, your Presidential Director BBP will be combined with your BBP and any Sales Network of your Presidential Director BBP will move up one Generation in your Sales Network and in the Sales Networks of the Brand Representatives above you for that month.

For any month that your original Brand Affiliate Account does not qualify to be paid as a Blue Diamond Director, your BBP and your Presidential Director BBP will be combined with your original Brand Affiliate Account and any Sales Network of your BBP will move up one Generation and your Presidential Director BBP will move up two Generations in your Sales Network and in the Sales Networks of the Brand Representatives above you.

The following illustrates how the Leading Bonus is calculated on your original Brand Affiliate Account, BBP, and Presidential Director BBP. We assume that your original Brand Affiliate Account, BBP, and Presidential Director BBP collectively have at least 3,000 points of Group Sales Volume and are eligible to earn a 5% Leading Bonus.

### **Blue Diamond Director**

Your original Brand Affiliate Account and BBP can each earn 5% on their respective G1 to G6. This means that you can effectively earn 10% on the G1-G5 of your BBP.

### **Presidential Director**

Your original Brand Affiliate Account, BBP, and Presidential Director BBP can each earn 5% on their respective G1 to G6. This means that you can effectively earn 10% on the G1 to G5 of your BBP and on the G5 of your Presidential Director BBP, and 15% on the G1 to G4 of your Presidential Director BBP.

## **D. Movement Between Your Original Brand Affiliate Account, BBP, and Presidential Director BBP**

- i. Leadership Teams cannot be moved from your original Brand Affiliate Account to a BBP or Presidential Director BBP except as provided below.
- ii. Automatic Movement by the Company:

### **a. Leadership Teams on your original Brand Affiliate Account**

To qualify to be paid as a Presidential Director for a given commission period you must maintain a minimum of six Leadership Teams, including one with 10,000+ Leadership Team Sales Volume, one with 20,000+ Leadership Team Sales Volume, one with 30,000+ Leadership Team Sales Volume, and one with 40,000+ Leadership Team Sales Volume.

- The minimum six Leadership Teams must be directly under your original Brand Affiliate Account.

- Three of the four 10,000+, 20,000+, 30,000+, and 40,000+ Leadership Team Sales Volume Leadership Teams must be directly under your original Brand Affiliate Account. The fourth may be under either your original Brand Affiliate Account or your BBP.

**b. Movement to your original Brand Affiliate Account**

If you fall below six Leadership Teams on your original Brand Affiliate Account, then the Company will automatically move Leadership Teams from your BBP and Presidential Director BBP to your original Brand Affiliate Account until there are at least six Leadership Teams on your original Brand Affiliate Account. This movement of Leadership Teams from your BBP or Presidential Director BBP to your original Brand Affiliate Account will be effective until the requisite number of Leadership Teams are replaced, as stipulated below.

If your original Brand Affiliate Account does not qualify to be paid as a Blue Diamond Director (i.e., having six Leadership Teams, including one Leadership Team with 10,000+ Leadership Team Sales Volume, one with 20,000+ Leadership Team Sales Volume, and one with 30,000+ Leadership Team Sales Volume), then the Leadership Teams that are on your BBP and Presidential Director BBP will be evaluated and the Leadership Team(s) with the least amount of Leadership Team Sales Volume necessary to fill the Leadership Team(s) deficiency on your original Brand Affiliate Account will be moved to your original Brand Affiliate Account for the commission period being evaluated.

Additionally, if you are missing one of the four Leadership Teams with 10,000+ Leadership Team Sales Volume, 20,000+ Leadership Team Sales Volume, 30,000+ Leadership Team Sales Volume, and 40,000+ Leadership Team Sales Volume between your original Brand Affiliate Account and your BBP, then any Leadership Teams that are on your Presidential Director BBP will be evaluated and the Leadership Team with the least amount of Leadership Team Sales Volume necessary to fill the Leadership Team deficiency on your original Brand Affiliate Account or your BBP will be moved to your BBP for the commission period being evaluated.

**c. Movement Back to your BBP or Presidential Director BBP**

If a Leadership Team from your BBP or Presidential Director BBP was automatically moved from your BBP or Presidential Director BBP due to having less than six Leadership Teams on your original Brand Affiliate Account, you can request to move these Leadership Teams back to your BBP or Presidential Director BBP following your replacement of the requisite Leadership Team(s) on your original Brand Affiliate Account.

Your request must be made in writing to your Account Manager within six months following the month of the automatic move.

**EXAMPLE:** If a Leadership Team from your BBP or Presidential Director BBP was automatically moved to your original Brand Affiliate Account at the beginning of February based on your





January sales performance, then the six-month period runs from February through July. In August (based on your July sales performance), if you have not (1) replaced the required Leadership Team(s) on your original Brand Affiliate Account, and (2) requested that the Leadership Team(s) be moved back to your BBP or Presidential Director BBP, then the Leadership Team will permanently remain on your original Brand Affiliate Account.

For existing Blue Diamond and Presidential Director accounts as of the launch of this plan, to allow for a smooth transition, Nu Skin reserves the right to waive these BBP and Presidential BBP requirements for an appropriate period of time.