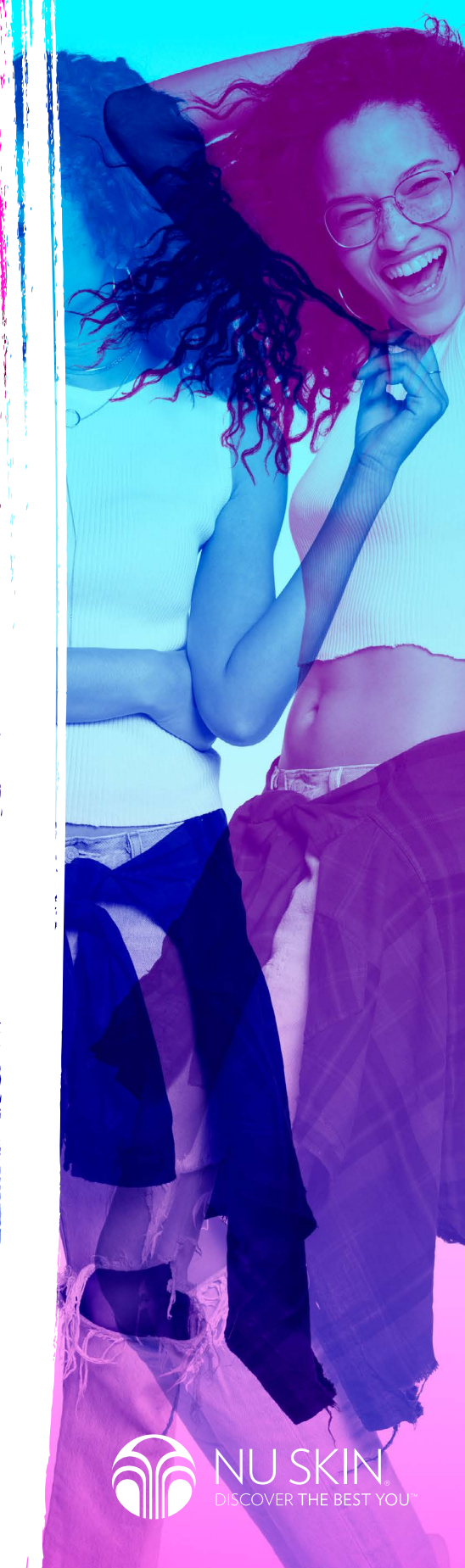


# SALES COMPENSATION PLAN

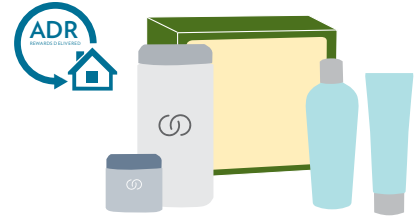


NU SKIN  
DISCOVER THE BEST YOU™

## STEP 1

### ENROLL WITH NU SKIN

1. Enroll as a Nu Skin Distributor and begin marketing Nu Skin's extraordinary products and building your personal consumer base to earn retail profits and sales bonuses
  - a. Earn up to 25% or more in retail profits on the products you sell to consumers
  - b. Earn a 5% bonus on the purchases of your personally enrolled consumers and Distributors



## STEP 2

### TEACH OTHERS

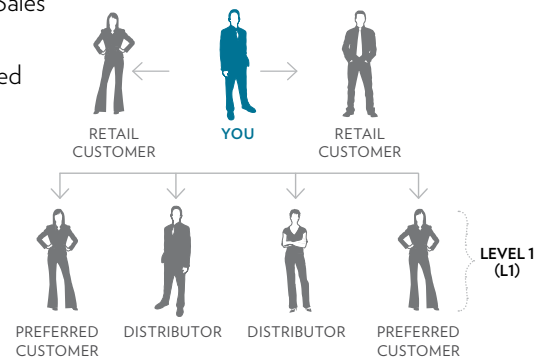
#### BEGIN BUILDING YOUR CONSUMER AND DISTRIBUTOR NETWORK

1. Teach others to begin engaging and enrolling new consumers
2. As your consumer base and sales network grows, you can begin qualification to become a Sales Network Executive to increase your earnings potential
3. Meet all Active Requirements to get paid bonuses. There are no personal purchases required personal purchase required

#### EARNINGS POTENTIAL

AS A DISTRIBUTOR & QUALIFYING EXECUTIVE YOU CAN EARN:

- Up to 25% profit on Retail Customer purchases<sup>1</sup>
- 5% commission on L1 CSV generated monthly, called the L1 Bonus



#### ACTIVE REQUIREMENTS

**DISTRIBUTOR AND QUALIFYING EXECUTIVE DISTRIBUTOR: 200 L1 VOLUME & 5 CUSTOMERS SALES PER MONTH**

**EXECUTIVE DISTRIBUTOR: 2,000 GROUP SALES VOLUME & 5 CUSTOMERS SALES PER MONTH**

#### IMPORTANT TERMS TO UNDERSTAND

**PSV: Personal Sales Volume** is the monthly wholesale point value of the products and services you and your retail customers purchase from the company.

**CSV: Commissionable Sales Value** is the value associated with product purchases from the company, used to calculate monthly commissions.

**GSV: Group Sales Volume** represents the total PSV in your Circle Group, including your own PSV, for a given month.

**GCSV: Group Commissionable Sales Value** is the value associated with product purchases from the company in your circle group.

**100 PSV**  
(QUALIFICATION VOLUME)

**106 CSV**  
(COMMISSIONABLE VALUE (\$))



**NOTE**  
Commissions and sales bonuses are paid only to active Distributors. See Glossary for explanation of Active Requirements, including retail sales requirements. You must have sold or consumed 80% of your inventory before your next order.  
<sup>1</sup> The published retail price is only a suggested price and as an independent distributor you are free to set your own retail price for customers. Any potential retail profit will depend on the retail price you set. The potential retail profit described above is an example of how your retail markup can generate additional profits.

# STEP 3

## BECOME A SALES NETWORK EXECUTIVE

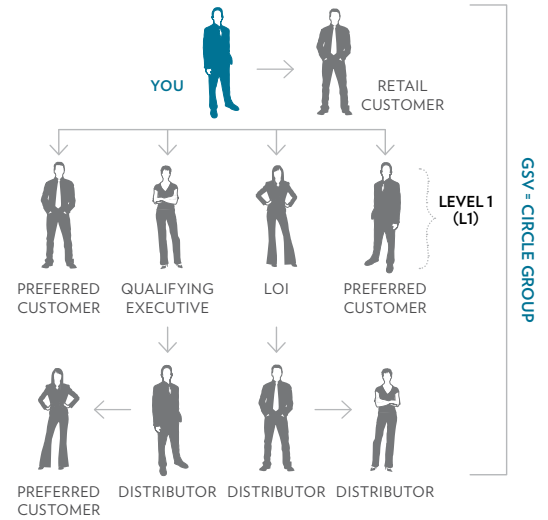
1. As a Sales Network Executive, you can begin earning bonuses on Nu Skin product sales within your own consumer and sales network
2. As a Sales Network Executive, you can qualify for our bi-annual Success Trip

### HOW TO QUALIFY AS AN EXECUTIVE

MONTH 1 (LOI)	MONTH 2 (Q1)	MONTH 3 (Q2)
1,000 GSV* and 200 L1 VOLUME*	1,500 GSV* and 200 L1 VOLUME*	2,000 GSV* and 200 L1 VOLUME*

Whose sales volume can you count? The following chart explains how your downline's volume may count toward your GSV requirement.

UPLINE TITLE (YOU) →	DISTRIBUTOR	MONTH 1 (LOI)	MONTH 2 (Q1)	MONTH 3 (Q2)	EXECUTIVE	PEXEC
DISTRIBUTOR	*	*	*	*	*	*
MONTH 1 (LOI)	*	*	*	*	*	*
MONTH 2 (Q1)					*	*
MONTH 3 (Q2)					*	*
EXECUTIVE						
PEXEC						



... AND THEN EARN

### EXECUTIVE BONUS

9% of GCSV	2,000–2,999 GSV
10% of GCSV	3,000–4,999 GSV
11% of GCSV	5,000–9,999 GSV
12% of GCSV	10,000–14,999 GSV
13% of GCSV	15,000–24,999 GSV
14% of GCSV	25,000–49,999 GSV
15% of GCSV	50,000+ GSV

### EARNINGS POTENTIAL

AS AN EXECUTIVE YOU CAN EARN:

- The same as a Distributor and Qualifying Executive, **PLUS**
- A monthly Executive Bonus (EB) on your total GCSV

### NOTE

Executive maintenance requirements are a minimum 2,000 GSV.\*

\*GSV represents the cumulative volume of all PSV, Retail Customers, Preferred Customers, and Distributors in your Circle Group, and is used to determine the percentage you will earn from CSV totals.

† See active requirement to qualify for commissions.

**STEP 4**

TEACH OTHERS HOW TO BECOME SALES NETWORK EXECUTIVES AND QUALIFY FOR SUCCESS TRIPS

1. Continue to market the products and expand your consumer base; teach other Distributors how to market the products and become Sales Network Executives
2. Increase your earnings potential when you qualify for sales bonuses from the other Sales Network Executives on your team

**WEALTH MAXIMIZER**

MAXIMIZE YOUR BONUS POTENTIAL

**VOLUME MAXIMIZER:**  
EXTRA EXECUTIVE BONUS + DOUBLE G1 BONUS

EXTRA EXECUTIVE BONUS (EEB)	
MIN GSV	BONUS %
3,000	5%
+	
DOUBLE G1 BONUS (DBLG1)	
MIN GSV	BONUS %
3,000	10%
<small>Earn an extra 5% commission on Circle Group CSV plus 10% commission on the CSV of your G1 Breakaway Executives</small>	

**OR DEPTH MAXIMIZER:**  
BREAKAWAY EXECUTIVE BONUS

TITLE	GOLD	LAPIS	RUBY	EMERALD	DIAMOND	BLUE DIAMOND
	Number of G1 Breakaway Executives					
	1	2,3	4,5	6,7	8,9,10,11	12
1	5%	5%	5%	5%	5%	5%
2						
3						
4						
5						
6						
<small>Earn up to 5% commission on the CSV of every Breakaway Executive in your organization</small>						

LEADERSHIP & LOYALTY BONUS†

† For details on qualifications for the Leadership & Loyalty Bonus, please see the Glossary of Terms.

**EARNINGS POTENTIAL**

- Commissions from Steps 2 & 3
- PLUS...**
- The method that pays you the most from the Wealth Maximizer calculations

**BONUS PAYOUT EXAMPLE**

Nu Skin automatically maximizes your commissions by paying you the higher of two calculations.

EXAMPLE:

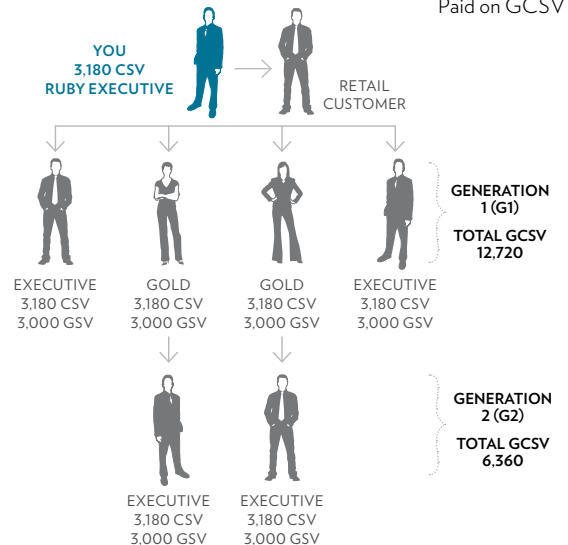
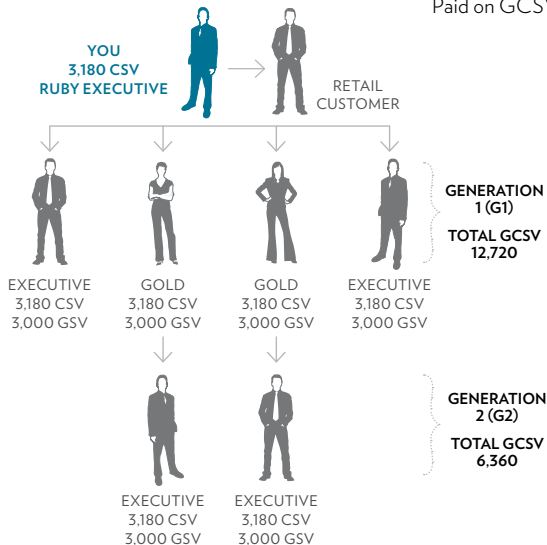
VOLUME MAXIMIZER	
Executive Bonus at 10%	\$318
Extra Executive Bonus at 5%	\$159
Double G1 (DBG1) at 10%	\$1,272
<b>TOTAL*</b>	<b>\$1,749</b>

OR

DEPTH MAXIMIZER	
Executive Bonus at 10%	\$318
Generation 1 (G1) at 5%	\$636
Generation 2 (G2) at 5%	\$318
<b>TOTAL*</b>	<b>\$1,272</b>

Paid on GCSV

Paid on GCSV





# SUCCESS TRIP

Once you achieve Executive, you can qualify to attend our Success Trip. This amazing trip is our opportunity to celebrate your success.





# SUPPLEMENTAL INFORMATION:

## PROVISIONAL EXECUTIVE

An Executive who does not maintain their Executive status and does not have a grace month available will become a Provisional Executive. Provisional Executives count as Executives for genealogy purposes, i.e., they count as a Breakaway Executive until such time as they become a DEXEC. Their GSV is not included in their upline's GSV, and they maintain their own Breakaway Executives. A Distributor account can maintain the title of Provisional Executive for up to 3 consecutive months. If at any time during the 3 months the Provisional Executive meets Executive maintenance requirements, he/she will be immediately promoted to and paid as an Executive in that same month. If an Executive, who has been a Provisional Executive, subsequently fails to maintain Executive status, he/she will fall back to Distributor at the first of the next month. Provisional Executive status is available once per Executive qualification. Provisional Executives can only earn L1 Bonus at 5%, provided they continue to meet Activity Requirements. Provisional Executives may still earn Fast-Start Payments and retail profits. See Example below:

	L1 VOLUME*	GSV	TITLE	PAID AS	UPLINE PAID AS
FEB	200	1900	GRACE	DISTRIBUTOR	G1
MARCH	200	800	PEXEC 1	DISTRIBUTOR	G1
APRIL	200	800	PEXEC 2	DISTRIBUTOR	G1
MAY	200	800	PEXEC 3	DISTRIBUTOR	G1
JUNE	200	800	DISTRIBUTOR	DISTRIBUTOR	ROLL-UP

\* See active requirement to qualify for commissions.



# GLOSSARY

**ACTIVE REQUIREMENT:** In order to qualify for any bonus under the Sales Compensation Plan, Distributors and Qualifying Executive Distributors must have 200 L1 volume and five Customer sales per month; Executive Distributors must have 2000 Group Sales Volume (GSV) and five Customer sales per month.

**BREAKAWAY EXECUTIVE:** A Distributor who has completed Executive Qualification and broken away from their upline, meaning that the sales volume of the new Executive and their Circle Group no longer count toward the upline's GSV. When this event occurs, the upline Executive can qualify to receive the Breakaway Bonus on the Commissionable Sales Value (CSV) of their new Breakaway Executive. If a downline Distributor submits their LOI before you do, you may reclaim them as a Breakaway Executive by submitting your LOI before their last month of Executive qualification.

**BREAKAWAY EXECUTIVE BONUS:** A bonus that offers up to 5% earnings on the Commissionable Sales Value (CSV) of each generation based on the total number of G1 Breakaway Executives (see chart on Step 3). To receive a 5% Breakaway Executive Bonus, an Executive must have at least 3,000 GSV. If the GSV falls between 2,000 and 2,999, then the Breakaway Executive Bonus will be paid at 2.5% on the G1 to G6 Breakaway Executives' GSV for that month.

**CIRCLE GROUP:** For non-Executives, a circle group consists of all Retail Customers, Preferred Customers and Distributors. For Executives, a circle group includes all Retail Customers, Preferred Customers, Distributors and Qualifying Executives.

**CSV: Commissionable Sales Value** is the monthly currency value of the commissionable products and services purchased from the Company upon which sales compensation plan bonuses and commissions will be calculated. CSV is equal to the wholesale price of a product or service, minus any discounts (which may include taxes, Fast-Start Payments, ADR or Web discounts). Qualification requirements will be based upon GSV.

**CUSTOMER:** A Customer refers collectively to non-participants in the Sales Compensation Plan who are either (i) Retail Customers, or (ii) Preferred Customers.

**DBLG1: Double G1 Bonus** is a bonus that offers 10% earnings on the total CSV of G1 Executives. To receive a 10% Double G1 Bonus, an Executive must have at least 3,000 GSV. This bonus is only paid in accordance with the Volume Maximizer calculation if it contributes to the higher payout of the two alternatives.

**DEXEC: Demoting Executive** is an Executive who has failed to maintain Executive requirements and is in the process of being demoted back to Distributor. This usually occurs at the conclusion of Provisional Executive (PEXEC) status.

**DISTRIBUTOR:** A person engaged in the general distribution of Nu Skin Enterprises' products or services. The only required purchase to become a Distributor is a not-for-profit Business Portfolio. All product purchases are optional.

**EB: Executive Bonus** is a bonus earned monthly on your total Circle Group GSV. Executive Bonuses percentages range from 9% to 15% based on the total GSV (see chart in Step 2). Percentages are paid from the total CSV of your Circle Group.

**EEB: Extra Executive Bonus** is a bonus that offers an additional 5% earnings on your Circle Group CSV. To receive this extra 5% Extra Executive Bonus, an Executive must have at least 3,000 GSV (see chart on Step 3). This bonus is only paid in accordance with the Volume Maximizer calculation if it contributes to the higher payout of the two alternatives.

**EXECUTIVE MAINTENANCE REQUIREMENTS:** 2000 GSV

**EXECUTIVE RE-ENTRY:** The process by which fallen Executives complete the qualification process again and regain Executive status. If an account who was once an Executive goes through qualification and passes to Executive within 6 months of falling to Distributor, they will recapture their former Breakaway organization. While an account can go through qualification as many times as they like, the option to recapture one's Breakaway organization is only available during the six months after falling to Distributor. Executive Re-entry is only available once per Executiveship.

**FAST-START PAYMENT:** The Fast-Start Payment is earned by selling corporately approved Fast-Start Product Packages to newly sponsored Customers and Distributors. There will be a \$1 processing fee, per transaction, for the weekly direct deposit option (only available in the US).

**G1: Generation 1** refers to your first generation of Breakaway Executives.

**GCSV: Group Commissionable Sales Value** is the monthly currency value of the commissionable products and services purchased from the Company by yourself and by those in your Circle Group for a given month.

**GRP: Gross Retail Profit** is the amount earned by purchasing products at wholesale price and re-selling at retail. It is earned by selling product to retail customers at the suggested retail price or at any price you choose to set for products.

**GSV: Group Sales Volume** represents the total PSV in your Circle Group, including your own PSV, for a given month.

**LOI: Letter of Intent** is a letter showing a Distributor's intention to become an Executive. During their first month of Executive Qualification, a Distributor is often referred to as an "LOI." An LOI is not the same as a Qualifying Executive (QEXEC), although both are in qualification to become an Executive. If a Distributor has been a Qualifying Executive in the past and wishes to enter Executive Qualification again, the Distributor must submit a formal LOI to the Company.

**L1 VOLUME:** The wholesale point value of products purchased by (i) your Retail Customers, who purchase directly from the company, (ii) your L1 Preferred Customers, and (iii) the PSV of personally sponsored Distributors provided this sales volume is within your GSV.

**LEADERSHIP AND LOYALTY BONUS:** Breakaway Bonus paid to Ruby and higher Executives based on their Breakaway Executives CSV on levels G3-G6. This payment is based on your compliance with the requirements of the Sales Compensation Plan and Policies and Procedures, including acting exclusively as a Nu Skin Distributor. If you are directly or indirectly involved in any manner with another Direct Sales Company (as defined in the Policies and

Procedures), you will not be eligible to receive the Leadership and Loyalty Bonus.

Additionally, your account may be subject to other disciplinary actions, including termination. (Please see Chapter 5 of the P&P for more details)

**LEVEL 1 (L1) BONUS:** A 5% bonus paid based on the CSV of all personally sponsored accounts. L1 Bonus is paid only to Distributors that fulfill the Active Requirement.

**PIN TITLE GRACE MONTH:** If an Executive fails to meet Executive maintenance requirements, a grace month may be used to maintain Executive status. Each Executive is entitled to one grace month per 12-month rolling calendar period. For example, if you use a grace month in May, the next time you can take one is May of the following year. Executive bonuses will not be paid during a grace month. An Executive may earn the L1 bonus during a grace month if they meet the minimum activity requirements.

**PSV: Personal Sales Volume** is the monthly point wholesale value of the products and services you purchase from the Company primarily for retail sale or personal consumption."

**PREFERRED CUSTOMER:** A Preferred Customer is a non-Distributor who receives at least one order or service through the ADR program. A Preferred Customer qualifies for product purchases at discounted prices; plus, a Preferred Customer can earn ADR points to redeem for free products. Distributors are paid the L1 Bonus on personally sponsored Preferred Customer purchases.

**PEXEC: Provisional Executive** is an Executive who has not met Executive maintenance requirements and has already used their grace month. A Provisional Executive keeps all of their own Breakaways in addition to counting as a Breakaway Executive to their upline. A PEXEC's GSV is not included in their upline's GSV. An account may be a PEXEC for up to three consecutive months. If a PEXEC meets Executive maintenance requirements, they will be immediately promoted to an Executive in the month that they meet Executive maintenance requirements. Provisional Executive is only available once per Executiveship. For complete details regarding Provisional Executive usage, please visit our website [www.nuskin.com](http://www.nuskin.com) and click on Join our Team.

**QEXEC: Qualifying Executive** is a Distributor who has successfully passed their first month of Executive qualification (called an LOI month) and is now fully on track to qualifying as an Executive distributor for Nu Skin (see chart in Step 2 for monthly requirement details).

**RETAIL CUSTOMER:** A Retail Customer is a non-Distributor who purchases products from a Distributor or from the Company. The point value of products purchased by a Retail Customer, who purchases directly from the company, count towards the Sponsor's PSV.\*

**ROLL-UP EXECUTIVE:** A Breakaway Executive in your G1-G6 who, because their upline Executive fails to maintain their Executive status, rolls up to the next eligible upline Executive. To recapture a Breakaway Executive, the upline Executive's qualification date must be on or before the Roll-up Breakaway Executive's date.

**SPONSOR:** A Distributor who personally recruits another Distributor or Preferred Customer to sign up in their L1.

**WEALTH MAXIMIZER:** A bonus calculating component of the Sales Compensation Plan that will automatically pay the higher of two alternate bonus calculations: Volume Maximizer (including Extra Executive Bonus + Double G1 Bonus) OR Depth Maximizer (including Breakaway Executive Bonus).

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Generating meaningful compensation as a distributor requires considerable time, effort, and commitment. To qualify for any bonus you must meet all requirements of the Sales Compensation Plan including retail sales to customers. For a complete summary of distributor earnings paid to distributors at all levels within the Sales Compensation Plan, please contact the Company at 800-487-1000 or visit [www.nuskin.com/cadistributorearnings](http://www.nuskin.com/cadistributorearnings) or [www.nuskin.com/usdistributorearnings](http://www.nuskin.com/usdistributorearnings)

+ Qualification for all bonuses requires retail sales to at least five individuals on a monthly basis. You must keep all records of retail sales for at least four years. Compliance with the retail sales requirements of the Company is randomly monitored. Each product purchased through ADR orders by Customers is automatically counted on a monthly basis toward retail sales requirements. Bonuses are never paid for recruiting. The only way to earn bonuses is through the sale of products.

\* All bonuses are calculated on a monthly basis, and mailed or deposited on or about the 20th of the following month.

\*\* 80% of PSV must be sold or consumed prior to your next order.