

SALES COMPENSATION PLAN DETAILS

OUR VISION  
IS TO BECOME  
THE WORLD'S LEADING  
DIRECT SELLING COMPANY BY GENERATING  
MORE INCOME  
FOR OUR DISTRIBUTORS  
THAN ANY OTHER COMPANY

# STEP 1 GETTING STARTED

Enroll Customers and new Distributors to begin earning Fast-Start Payments, retail profits and volume commissions.

## EARNINGS POTENTIAL

As a **Distributor** there are 3 ways to get paid:

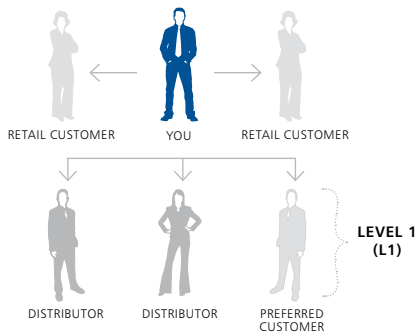
- Fast-Start Payments
- Up to 30% profit on Retail Customer purchases\*\*
- 5% commission on Level 1 (L1) sales volume generated monthly

Note: Commissions and sales bonuses are paid only to active Distributors. See Glossary for explanation of Active Requirements, including retail sales requirements.

\* The only required purchase to become a distributor is a not-for-profit Business Portfolio. All product purchases are optional. There are no bonuses paid for recruiting. All bonuses are paid only when products are sold.

\*\*You are free to set your own resale prices to Retail Customers. The published purchase price is only a suggested purchase price.

## FAST-START PAYMENTS, RETAIL PROFITS, AND VOLUME COMMISSIONS



Earn payments when you sell Fast-Start Product Packages

### EXAMPLE ONE

- \$250 US (\$275 CA) package price\*
- 200 Personal Sales Volume (PSV)
- \$50 paid to the seller

### EXAMPLE TWO

- \$1250 US (\$1375 CA) package price\*
- 1000 Personal Sales Volume (PSV)
- \$250 paid to the seller

See Glossary for explanation of terms.

# STEP 2 LEADERSHIP DEVELOPMENT

Build your organization to become an Executive leader and see your earnings multiply:

## EARNINGS POTENTIAL

During **Executive Qualification** you can earn:

- The same as Step 1, PLUS
- Opportunity to participate in the Mega Performance Bonus Pool

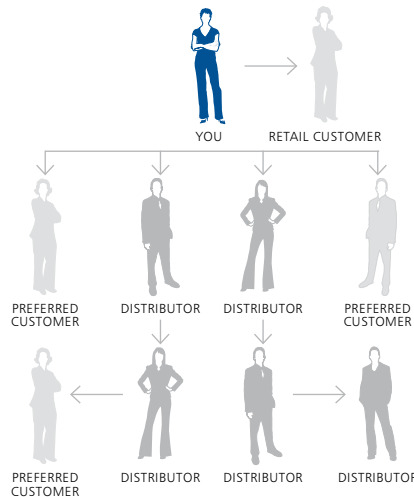
## FOUNDATION FOR YOUR FUTURE

### HOW TO QUALIFY AS AN EXECUTIVE...

MONTH 1 (LOI)	MONTH 2 (Q1)	MONTH 3 (Q2)
100 PSV and 1,000 GSV*	100 PSV, ADR, and 1,500 GSV*	100 PSV, ADR, and 2,000 GSV*

### ...AND THEN EARN EXECUTIVE BONUS

<b>9%</b>	2,000-2,999 GSV
<b>10%</b>	3,000-4,999 GSV
<b>11%</b>	5,000-9,999 GSV
<b>12%</b>	10,000-14,999 GSV
<b>13%</b>	15,000-24,999 GSV
<b>14%</b>	25,000-49,999 GSV
<b>15%</b>	50,000-GSV (additional 5% EB)



## EARNINGS POTENTIAL

As an **Executive** you can earn:

- The same as a Qualifying Executive, PLUS
- A monthly Executive Bonus (EB) on your total Group Sales Volume\*

\* GSV represents the cumulative volume of all PSV, Retail Customers, Preferred Customers, and Distributors in your Circle Group.

Note: Executive maintenance requirements are a minimum 100 Personal Sales Volume, 2,000 GSV, and a monthly ADR order.

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						

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

**STEP 3** NU SKIN ENTERPRISES' REVOLUTIONARY WEALTH MAXIMIZER<sup>+</sup>

Increase your earning potential as Nu Skin Enterprises pays you the maximum commission possible.

ENSURES THE MAXIMUM PAYOUT FOR YOU

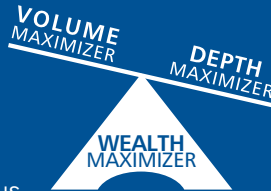
EARNINGS POTENTIAL

With **Wealth Maximizer** earn:

- Commissions from Steps 1 and 2, PLUS
- The method that pays you the most from the Wealth Maximizer calculations

# WEALTH MAXIMIZER

MAXIMIZE YOUR BONUS POTENTIAL



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

OR

**DEPTH MAXIMIZER:**  
BREAKAWAY EXECUTIVE BONUS

EXTRA EXECUTIVE BONUS (EEB)	
MIN GSV	BONUS %
3000	5%
+	
DOUBLE G1 BONUS (DBLG1)	
MIN GSV	BONUS %
3000	10%
Earn 5% commission on your GSV plus 10% commission on the GSV of your G1 Breakaway Executives	

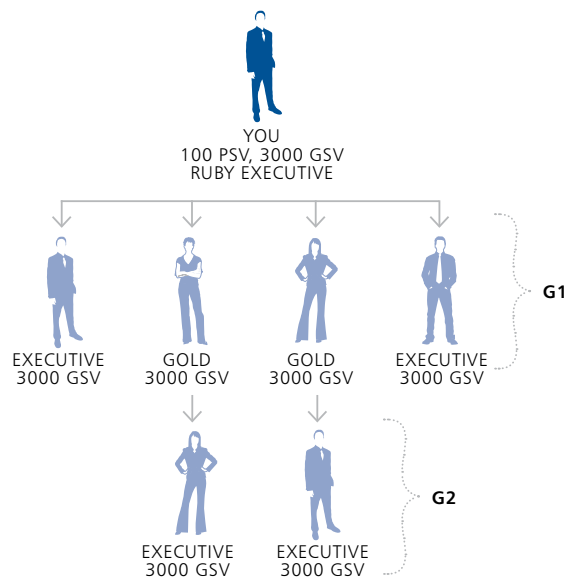
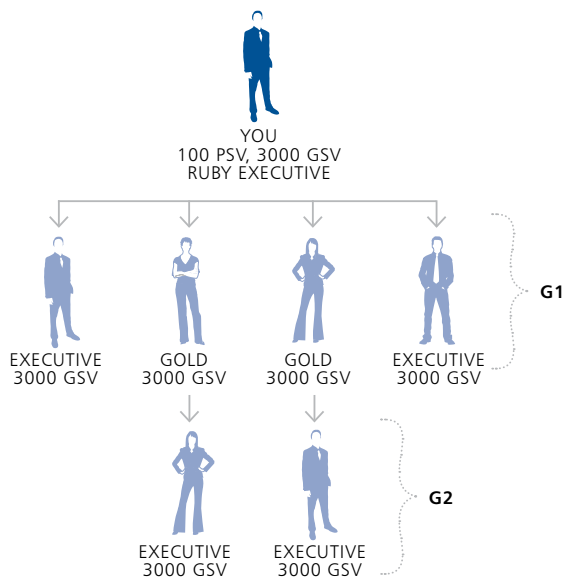
TITLE	GOLD	LAPIS	RUBY	EMERALD	DIAMOND	BLUE DIAMOND
NUMBER OF G1 BREAKAWAY EXECUTIVES						
	1	2,3	4,5	6,7	8,9,10,11	12
1	5%	5%	5%	5%	5%	5%
2		5%	5%	5%	5%	5%
3			5%	5%	5%	5%
4				5%	5%	5%
5					5%	5%
6						5%

Earn up to 5% commission on the GSV of every Breakaway Executive in your organization

**BONUS PAYOUT EXAMPLE** Nu Skin Enterprises automatically maximizes your commissions, every month, and pays you on the calculation that offers you the greatest reward.

VOLUME MAXIMIZER	
Extra Executive Bonus (EEB) at 5%	\$150
Double G1 (DBLG1) at 10%	\$1200
<b>TOTAL</b>	<b>\$1350</b>

DEPTH MAXIMIZER	
Generation 1 (G1) at 5%	\$600
Generation 2 (G2) at 5%	\$300
<b>TOTAL</b>	<b>\$900</b>



## MEGA PERFORMANCE BONUS POOL\*\*

### EARN A SHARE OF THE REGION'S SUCCESS

Qualifying Executives and Executives earn a share of the Americas, Europe and South Pacific commissionable sales through the Mega Performance Bonus Pool.\* The Mega Performance Bonus Pool incorporates monthly commissionable sales volume from the United States, Canada, Europe, Russia, Israel, South Africa and the South Pacific.

MINIMUM 6 SHARES REQUIRED TO PARTICIPATE		
QUALIFYING EXECUTIVE	1 Share =	6 new ADR accounts at 100 PSV <b>OR</b> 1 new qualified Letter of Intent (LOI)
EXECUTIVE	1 Share =	6 new ADR accounts at 100 PSV <b>OR</b> 1 new qualified Letter of Intent (LOI) <b>OR</b> Each Distributor passed Q1 <b>OR</b> Each Distributor passed Q2

## EARNINGS POTENTIAL

A share of the Americas, Europe and South Pacific Commissionable Sales

Mega Performance Bonus Pool Shares can be accumulated by the following:

### Qualifying Executives and Executives:

- 1 share for every 6 new, personally sponsored, 100 PSV ADR accounts.
- 1 share for each new qualified Letter of Intent (LOI)

### Executives Only:

- 1 share for each passed Q1 Qualifying Executive
- 1 share for each passed Q2 Qualifying Executive

\* In order to qualify, a Qualifying Executive or Executive must meet the minimum bonus and sales criteria in effect at the end of each commission period as set forth by the Company and fulfill the other Active Requirements of the Sales Compensation Plan. Complete details are available online by visiting any of our websites (nuskin.com, pharmanex.com or bigplanet.com) and clicking on "Opportunity."

\*\* This bonus pool is a temporary incentive and not considered a part of the Sales Compensation Plan. It may be modified or discontinued with 30 days notice from Nu Skin Enterprises.

## 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 act just like Executives for genealogy purposes: they count as a Breakaway Executive to their upline, GSV is not included in their upline's GSV, and they maintain their own Breakaway Executives. An 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 Executiveship. Provisional Executives can only earn L1 Bonus at 5%, provided they continue to meet activity requirements. **See Example below:**

	PSV	GSV	TITLE	PAID AS	UPLINE PAID AS
FEB	100	1900	GRACE	DISTRIBUTOR	G1
MARCH	100	800	PEXEC 1	DISTRIBUTOR	G1
APRIL	100	800	PEXEC 2	DISTRIBUTOR	G1
MAY	100	800	PEXEC 3	DISTRIBUTOR	G1
JUNE	100	800	DISTRIBUTOR	DISTRIBUTOR	ROLL-UP

# GLOSSARY

**Active Requirement:** Obtain 100 PSV and make five retail sales per month.<sup>†</sup> Qualifying Executives and above need to have a monthly ADR order.

**Additional 5% Executive Bonus:** A 5% bonus that is paid on monthly GSV. This bonus can be earned by achieving over 50,000 GSV and having fewer than 3% total circle group product returns (within 90 days from the month the bonus is earned) on the original volume. Bonus is paid in the 4th month.

**ADR: Automatic Delivery Rewards** is a program that offers the convenience of monthly automatic delivery of Nu Skin, Pharmanex, and some Big Planet products with the opportunity to earn reward points.

**Breakaway Executive:** A Distributor who has completed Executive Qualification and “broken away” from their upline, meaning that the new Executive and their circle group no longer count toward upline GSV.

**BEB: Breakaway Executive Bonus** is a bonus that offers up to 5% earnings on each generation level 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 Executive’s GSV for that month.

**Circle Group:** Circle group consists of all Retail Customers, Preferred Customers, Distributors and Qualifying Executives. Your Executive Circle Group does not include Breakaway Executives’ GSV. See chart in Step 2 for details on whose sales volume you can count.

**DBLG1: Double G1 Bonus** is a bonus that offers 10% earnings on the total GSV of G1 Executives. To receive a 10% Double G1 Bonus, an Executive must have at least 3,000 GSV. Only paid on the Volume Maximizer calculation.

**DEXEC: Demoted Executive** is an Executive who has failed to maintain Executive requirements and is demoted back to Distributor. This occurs after completing Provisional Executive 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. There are no bonuses paid for recruiting. All bonuses are paid only when products are sold.

**EB: Executive Bonus** is a bonus earned monthly on your total GSV. Bonuses range from 9% to 20% depending on total GSV achieved and the Additional 5% EB (see chart in Step 2).

**EEB: Extra Executive Bonus** is a bonus that offers an additional 5% earnings on your GSV. To receive this extra 5% Extra Executive Bonus, an Executive must have at least 3,000 GSV (see chart on Step 3). Only paid on the Volume Maximizer calculation.

**Executive Maintenance Requirements:** 100 Personal Sales Volume, 2,000 GSV, and monthly ADR shipment.

**Executive Re-entry:** Executives who have failed to maintain their Executive requirements (i.e. DEXEC) will need to complete the qualification process again to regain Executive status. If a DEXEC goes through qualification and passes to Executive, they will receive their former Breakaway organization so long as they pass to Executive within 6 months of falling to Distributor.

**Fast-Start Payment:** The Fast-Start payment is earned by selling corporate-sponsored Fast-Start Product Packages to newly sponsored Customers and Distributors.

**G1: Generation 1** is personally sponsored Breakaway Executives or Rolled-up first generation Breakaway Executives.

**GRP: Gross Retail Profit** is the earning difference between purchasing at wholesale and selling at retail. It is earned by selling product to retail customers at the suggested retail price or your own set price.

**GSV: Group Sales Volume** represents the cumulative volume of all PSV, Retail Customers, Preferred Customers, and Distributors in your Circle Group. Executive-level Distributors may also count Qualifying Executives’ volume in their GSV.

**LOI: Letter of Intent** is a letter showing a Distributor’s intention to become an Executive. A Distributor will automatically meet their requirement for Month 1 (LOI Month) the first month they achieve 100 PSV and 1,000 GSV—with no further paperwork (mailed, faxed or submitted online LOI form) required. If a Distributor has been a Qualifying Executive in the past and wishes to enter Executive Qualification again, the Distributor must submit an LOI to the Company.

**L1: Level 1** is personally sponsored Preferred Customers and Distributors or roll-up Distributors and Preferred Customers.\*

**Level 1 (L1) Bonus:** A 5% bonus paid based on the PSV of all personally sponsored Distributors and Preferred Customers. L1 Bonus is paid only to Distributors that fulfill the Active Requirement. L1 Bonus does not include roll-up Distributors or Preferred Customers.\*

**Mega Performance Bonus Pool:** Qualifying Executives and Executives earn a share of the Americas, Europe, and South Pacific commissionable sales through the Mega Performance Bonus Pool.<sup>††</sup> The Mega Performance Bonus Pool incorporates monthly commissionable volume from the United States, Canada, Europe, Russia, Israel, South Africa and the South Pacific. Complete details are available online by going to any of our websites and clicking on Opportunity.

**Pin Title Grace Month:** A month where you do not meet the Executive maintenance requirements in order to maintain your Executive title. Each Executive is entitled to one grace month per 12-month period on a rolling calendar. 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. To earn the L1 Bonus, during a grace month, active requirements must be met.

**PSV: Personal Sales Volume** is the monthly Point 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 does not maintain their Executive status and does not have a grace month available will become a Provisional Executive. Provisional Executives act just like Executives for genealogy purposes: they count as a Breakaway Executive to their upline, GSV is not included in their upline’s GSV, and they maintain their own Breakaway Executives. An 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 Executiveship. Provisional Executives can only earn L1 Bonus at 5%, provided they continue to meet activity requirements.

**QEXEC: Qualifying Executive** is a Distributor who has submitted an LOI and is meeting 3 monthly requirements to earn Executive status (see chart in Step 2 for monthly requirement details).

**Retail Customer:** A Retail Customer is a non-Distributor who purchases products at the retail price from a Distributor or from the Company. Volume from product purchases are counted towards the sponsor’s PSV.<sup>†</sup>

**Roll-up Executive:** At the time a Distributor qualifies as an Executive, they and their circle group move past non-Executive Distributors to the first qualified upline Executive (or Qualifying Executive who successfully completes their qualification process that was in progress at the time the downline Distributor qualified as Executive) becoming a G1 to them. Roll-up also occurs when an account drops back from Provisional Executive to Distributor status. However, a DEXEC may recapture downline Breakaway Executive Groups that have rolled past him/her through the Executive Re-entry Program.

**Roll-up GSV\*\*:** In the month an Executive does not meet maintenance requirements and falls to Distributor their downline GSV will move past non-Executive Distributors to the first qualified upline Executive (or Qualifying Executive who successfully completes their qualification process that was in progress at the time the downline Distributor qualified as Executive). The new Executive upline cannot count the roll-up GSV towards the Executive Maintenance.<sup>†</sup>

**Sponsor:** A Distributor who personally recruits another Distributor to be in their L1.

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

<sup>†</sup> 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 non-Distributors or 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.

<sup>††</sup> In order to qualify, a Qualifying Executive must meet the minimum bonus and sales criteria in effect at the end of each commission period as set forth by the Company and fulfill the other Active Requirements of the Sales Compensation Plan. Complete details are available online by visiting any of our websites (nuskinusa.com, pharmanexusa.com or bigplanetusa.com) and clicking on “Opportunity.”

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

<sup>‡</sup> For a summary of distributor earnings/bonuses paid to distributors at all levels within the Sales Compensation Plan, please refer to the Resource section of the CD-rom located in your business portfolio or visit our company website at nuskin.com, pharmanex.com or bigplanet.com. You may also contact the company at 800-487-1000.

For information about average Distributor compensation at all levels, see the document entitled “Distributor Compensation Summary” included in the Distributor Business Kit, or contact the Company at 1-800-487-1000 to receive the average Distributor earnings information.