

# SALES COMPENSATION PLAN OVERVIEW

Nu Skin is THE DIFFERENCE. DEMONSTRATED.

By partnering with you, we continue to distinguish ourselves as the true leaders in global compensation.

Our vision is perfectly clear—to become the world's leading direct sales company by generating more income for our distributors than any other company.



NU SKIN®

THE DIFFERENCE. DEMONSTRATED.®

SUCCESS is neither magical nor is it mysterious.  
Success with Nu Skin is the natural consequence of  
HARD WORK and consistently applying  
THE BASIC FUNDAMENTALS.

USE THE PRODUCTS  
SHARE THE PRODUCTS  
SHARE THE NU SKIN BUSINESS  
STAY PRODUCTIVE





# SALES COMPENSATION PLAN AT A GLANCE

STEP  
1

## GETTING STARTED

Begin building your consumer and Distributor network and build your organization to become an Executive leader and see your earnings multiply.

STEP  
2

## LEADERSHIP DEVELOPMENT & LEADERSHIP BONUS POOL

Build the value of your asset as Nu Skin pays you the maximum commission possible.

STEP  
3

## BUILD YOUR WEALTH ENGINE

Increase your earning potential as Nu Skin pays you the maximum commission possible **AND**

## SUCCESS TRIP

Executives earn a share of the Americas commissionable sales through the Leadership Bonus Pool.

Join us in celebrating your success at our Success Trip.

To get started, please view our compensation plan training videos now: [nuskin.com/compplantraining](https://nuskin.com/compplantraining)



# STEP 1

## GETTING STARTED

USE THE PRODUCTS, SHARE THE PRODUCTS,  
SHARE THE NU SKIN BUSINESS

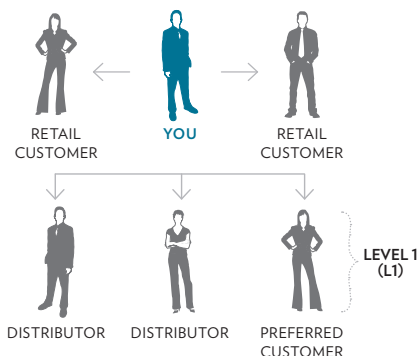
1. Sign-up and purchase your product package.
2. Enroll in the Automatic Delivery Rewards Program (ADR).
3. Share the Nu Skin products and story.
4. Meet all Active Requirements to get paid commissions and bonuses.

## BEGIN BUILDING YOUR CONSUMER AND DISTRIBUTOR NETWORK

### 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

#### 100 PSV + ADR + RETAIL SALES

The best way to maintain an active status is by enrolling on a 100 PSV monthly shipment. A 50 PSV ADR is only required for all LOI's, Qualifying Executives, and Executives.

### IMPORTANT TERMS TO UNDERSTAND

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

**CSV: Commissionable Sales Value** is the value 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.

**100 PSV**  
(QUALIFICATION  
VOLUME)

**102 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.

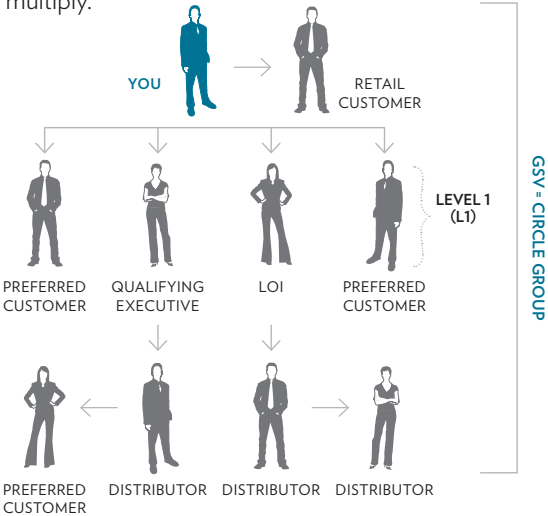
<sup>1</sup> The published retail price is only a suggested price and as an independent distributor you are free to set your own retail price for customers. Any potential retail profit will depend on the retail price you set. The potential retail profit described above is an example of how your retail markup can generate additional profits.

YOUR PATH TO EXECUTIVE, THE FOUNDATION FOR THE FUTURE LEADERSHIP BONUS POOL

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

HOW TO QUALIFY AS AN EXECUTIVE

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



... AND THEN EARN EXECUTIVE BONUS

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

EARNINGS POTENTIAL

AS AN EXECUTIVE YOU CAN EARN:

- L1 Bonus and retail profit
- The same as a Qualifying Executive, **PLUS**
- A monthly Executive Bonus (EB) on your total GSV\*
- Opportunity to participate in the Leadership Bonus Pool

LEADERSHIP BONUS POOL <sup>1</sup>

EARN A SHARE OF THE REGION'S SUCCESS

Executives with 3,000+ GSV are eligible to participate in the Americas Leadership Bonus Pool Program.<sup>1</sup> The Leadership Bonus Pool incorporates monthly commissionable sales volume from America and South America.

MINIMUM 2 SHARES REQUIRED TO PARTICIPATE	
1 SHARE=	<ul style="list-style-type: none"><li>• Each Distributor passing Q2</li><li>• New Executive Month 1 at 2,000 GSV and an additional share at 3,000 GSV</li><li>• New Executive Month 2 at 3,000 GSV</li><li>• New Executive Month 3 at 3,000 GSV</li></ul>

<sup>1</sup> In order to qualify, an 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.

NOTE

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

\* 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.

\*\* ADR must be greater than or equal to 50 PV in the United States at any Qualifying Executive and Executive titles.

# STEP 2

## LEADERSHIP DEVELOPMENT

BUILD THE VALUE OF YOUR ASSET-DEVELOP NEW EXECUTIVES ON YOUR TEAM, INCREASE YOUR PIN TITLE

1. Continue to enroll new Customers and Distributors
2. Help those you personally enroll to achieve Executive status
3. Participate in Wealth Maximizer by maintaining 3,000 GSV
4. Qualify for the Leadership Bonus Pool

### EARNINGS POTENTIAL

- Commissions from Step 1
- PLUS...**
- The method that pays you the most from the Wealth Maximizer calculations

**WEALTH MAXIMIZER**

**MAXIMIZE YOUR BONUS POTENTIAL**

# WEALTH MAXIMIZER

**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%

Earn an extra 5% commission on Circle Group CSV plus 10% commission on the CSV of your G1 Breakaway Executives

**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						

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

**LEADERSHIP & LOYALTY BONUS\***

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

### BONUS PAYOUT EXAMPLE

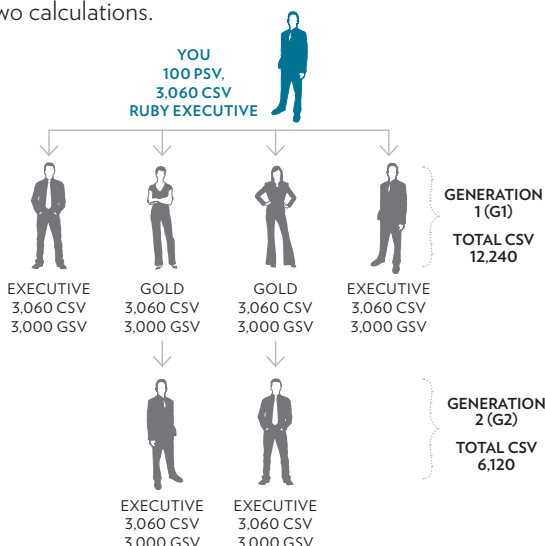
Nu Skin automatically maximizes your commissions by paying you the higher of two calculations.

EXAMPLE:

VOLUME MAXIMIZER	
EB at 10%	\$306
EEB at 5%	\$153
DBLG1 at 10%	\$1224
<b>TOTAL*</b>	<b>\$1,683</b>

OR

DEPTH MAXIMIZER	
EB at 10%	\$306
G1 at 5%	\$612
G2 at 5%	\$306
<b>TOTAL*</b>	<b>\$1,224</b>



## STEP 3

# BUILD YOUR WEALTH ENGINE

## CONTINUED LEADERSHIP DEVELOPMENT— RUBY TO BLUE DIAMOND SUCCESS TRIP

1. Continue to enroll new Distributors and customers
2. Develop Executives in your organization
3. Participate in the Leadership Bonus Pool
4. Make a goal to achieve Ruby-Blue Diamond pin title and attend a Success Trip

## SUCCESS TRIP

Once you achieve Ruby Executive, you can qualify to attend our Success Trip. This amazing all-expenses-paid trip is our opportunity to celebrate your success. Each time you advance in pin title from Ruby—Blue Diamond, you can qualify for another trip.



For complete details on the current qualification track and Success Trip destination, go to [www.nuskin.com/successtrip](http://www.nuskin.com/successtrip)



# GLOSSARY

**ACTIVE REQUIREMENT:** In order to qualify for any bonus under the Sales Compensation Plan, obtain 100 PSV and make five retail sales per month.\* LOI and above also need to have a monthly ADR order (ADR not required in Canada).

**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 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 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 in or 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 PSV and GSV.

**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.

**EGB: 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:** 100 Personal Sales Volume a 50 PSV ADR is also required to be commissions eligible. 2,000 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.

**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. In the US and Canada, a formal letter is no longer required. A Distributor will automatically be put into Executive qualification once the requirements for Month 1 (referred to as the LOI Month) are met. 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: Level 1** includes personally sponsored accounts, regardless of title.

**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.

**LEADERSHIP BONUS POOL:** Executives may earn a share of the Americas commissionable sales through the Leadership Bonus Pool.\*\* The Leadership Bonus Pool incorporates monthly commissionable volume from the United States, Canada, Central America and South America. Complete details are available online by going to any of our websites and clicking on Opportunity. This bonus pool is a temporary incentive and not considered a part of the Sales Compensation Plan, and may be modified or discontinued at any time with 30 days notice from Nu Skin.

**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 Value of the products and services you purchase from the Company primarily for retail sale or personal consumption.\* PSV includes points from purchases made directly from the company by your personal retail customers.

**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 Opportunity.

**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 at retail price from a Distributor or from the Company. Volume from product purchases made through the company by retail customers assigned to a Distributor account are counted towards the sponsor's PSV.\*

**RPF: Retail Processing Fee** is a 15% fee of gross retail profit, retained by the Company as a fee for all retail orders placed directly through the Company. This fee can be waived, however, by purchasing and continually subscribing to [www.nsedreams.com](http://www.nsedreams.com).

**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.

**ROLL-UP BREAKAWAY 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).

\* 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.

\*\* In order to qualify for the Mega Performance Bonus Pool, 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 ([nuskin.com](http://nuskin.com) or [pharmanex.com](http://pharmanex.com)) and clicking on Opportunity.

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