



Scanner Agreement

The BioPhotonic Scanner is patented and is owned by Pharmanex.

The Scanner can only be leased to Nu Skin Brand Affiliates.

The **Scanner Agreement** contains all **terms and conditions** for leasing a Scanner.

It is important to carefully read and understand it.

S3

PHARMANEX BIOPHOTONIC SCANNER

Conditions

- **Initial Term:** undetermined.
- **Termination:** Anytime with 30 days prior written notice.
- **To be valid,** complete the necessary fields on the Agreement in capital letter, initiate each page and sign it.
- **Return** the Agreement by email or post depending on your country's regulation.
- You can only lease a Scanner in Europe and Africa if you are **registered as a Nu Skin Brand Affiliates in one of the Europe and Africa open countries** for Scanner.

The Scanner is not a medical device

YOU ARE NOT ALLOWED TO:

- Claim that the Scanner can diagnose, prevent, mitigate, treat or cure a disease or illness.
- Represent that the equipment or related software is a medical device, medical equipment, or diagnostic device or tool.
- Use the equipment or related software for medical diagnostic purposes or use the equipment or related software in a medical clinic or office, even if you are a medical doctor or medical professional.



Scanner endorsement via doctors and professors

AS THE SCANNER IS NOT A MEDICAL DEVICE, THIS IS NOT RECOMMENDED.

For credible information to share with your customers, refer them to our printed material, web site, testimonials and the information in this presentation.

Remember, always focus on the right target:

- ✓ People who are 18+.
- ✓ With an open mindset towards supplementation and a healthy dietary lifestyle.
- ✓ Consumers and not professionals.



Present the Scanner as:

- ✓ a measuring tool for use in determining a person's current level of skin carotenoids.
- ✓ a help to determine whether an adequate amount of carotenoids is consumed.
- ✓ a source of motivation to apply a healthy dietary lifestyle.

To lease the S3 Scanner you need to:

Maintain at least the Brand Representative title

AND

Have in total six (6) new or recurring ADR SUBSCRIPTIONS registered in any combination on a monthly basis

OR

Achieve minimum 8 Building Blocks* (equivalent to minimum 4,000 Sales Volume** in your Consumer Group***) on a monthly basis

In case of any loss of Brand Representative status for three (3) consecutive months and failing to create/register monthly six (6) new or recurring Automatic Delivery Rewards Subscription (“ADR subscription”) orders with skin carotenoid score (“SCS”) certified products registered according to the conditions specified in point 2.2 of Schedule E of the Agreement or achieve the monthly 8 Building Blocks (equivalent to minimum 4,000 Sales Volume in your Consumer Group) according to the rules for three (3) consecutive months, the Lease Holder shall return the S3 Scanner to the Lessor.

Please refer to point 1 – Definitions in the master lease and license agreement

*** Please refer to point 1 – Definitions in the master lease and license agreement*

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Scanner maintenance program

EXAMPLE*

MAINTENANCE PROGRAM IS	MAINTENANCE PROGRAM IS	MAINTENANCE PROGRAM IS
<p>Met in May Not met in June Met in July</p>	<p>Not met in May Not met in June Met in July</p>	<p>Not met in May Not met in June Not met in July</p>
<p>You can keep the scanner in Aug</p>	<p>You can keep the scanner in Aug</p>	<p>You shall return the scanner in Aug</p>

Met: You are BR and have 6 ADRs **or** 8 building blocks (4000 SV)

Not met: You are BR and don't have 6 ADRs **or** 8 building blocks (4000 SV)

Not met: You are not BR and have 6 ADRs **or** 8 building blocks (4000 SV)

Not met: You are not BR and don't have 6 ADRs **or** 8 building blocks (4000 SV)

*3 months performance, where at least 1 month is met

Sublease

You may permit other Distributors to use and operate your Scanner provided that:

1. You first provide such Distributors with the Scanner Certification Training.
2. You remain liable for all of its obligations under the Scanner Agreement.
3. You ensure that Distributors do not permit any other person, firm or corporation to use the Scanner.
4. The Scanner Customer Service only assists the Lease Holder and not the other Scanner users.

Scanner payments

WHAT	HOW MUCH	FREQUENCY	WHEN	HOW
Deposit	3,392.64 ZAR	One time and refundable upon lease termination	When you send back the Agreement signed	Nu Skin automatically collects all payments from your credit card.
Shipping fee	628.00 ZAR + VAT	One time	When you send back the Agreement signed or just before the delivery of your Scanner	
Rental payment	1,017.79 ZAR + VAT	Monthly	07th of each month except the month when you receive your Scanner	
Loss and Damage waiver	213.00 ZAR + VAT	Monthly		

Free Programme

“LEASE YOUR SCANNER FOR FREE*”

6 new or recurring ADR*s subscription orders with SCS certified products, in any combination per month

OR

20 initial or subsequent scans
in any combination per month

AND

Is paid at least as Brand Representative title

for 100% discount

- ✓ Qualification for the Free Programme must be achieved separately each calendar month.
- ✓ This incentive does not apply for the monthly loss and damage waiver which should be paid every month.**
- ✓ You can start qualifying for the Free Programme only from the month following the delivery of your Scanner.

**New Associated ADRs means SCS (Skin Carotenoid Score) Certified product ADRs, which are linked to an initial Scan Card in a specified time range, and which are fully paid and shipped. Recurring ADR means a SCS (Skin Carotenoid Score) Certified product ADR order, which is following an initial ADR with a Scan Card eligible for a physical free re-scan, and which is fully paid and shipped.*

***Remains a business incentive that can be removed at any time. Is not part of the Scanner Agreement.*

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PHARMANEX BIOPHOTONIC SCANNER

Example 1

	JUNE	JULY	AUGUST
SITUATION	You sent back the Scanner Agreement signed, the deposit and shipping fees are cleared and you received your Scanner	You have been trained on the Scanner and you started working with it	You continue working with your Scanner
PERFORMANCE	You cannot qualify for the Free Programme this month	Minimum 6 ADRs (new or recurring in any combination) and maintain the Brand Representative title	Free Programme met
PAYMENTS	3,392.64 ZAR deposit 628.00 ZAR + VAT shipping fee	1,017.79 ZAR + VAT rental payment 213.00 ZAR + VAT loss and damage waiver <u>Paid on 07 July</u>	0 ZAR rental payment 213.00 ZAR + VAT loss and damage waiver <u>Paid on 07 August</u>

Example 2

	JUNE	JULY	AUGUST
SITUATION	You sent back the Scanner Agreement signed, the deposit and shipping fees are cleared and you received your Scanner	You started working with your Scanner	You continue working with your Scanner
PERFORMANCE	You cannot qualify for the Free Programme this month	3 ADRs and 4,000 GSV	Free Programme not met
PAYMENTS	3,392.64 ZAR deposit 628.00 ZAR + VAT shipping fee	1,017.79 ZAR + VAT rental payment 213.00 ZAR + VAT loss and damage waiver <u>Paid on 07 July</u>	1,017.70 ZAR + VAT rental payment 213.00 ZAR+ VAT loss and damage waiver <u>Paid on 07 August</u>

How to follow up your monthly scanner activity

To check your performance, go to COMMISSIONS/MORE/ and select MY UPLOADED SCAN REPORT AND/OR MY SCAN BONUS REPORT

The screenshot shows the NU SKIN dashboard with the following elements:

- Navigation menu: EARNINGS, LUMISPA IO INCENTIVE, GRAPH BY, STATEMENTS, **MORE > MY SCANS**
- Left sidebar: Sales Organization, **Commissions**, Recognition, Products, Learning Center
- Main content area: **MY SCAN BONUS REPORT** (selected), MY UPLOADED SCAN REPORT
- Month selector: December 2022
- Bonus Summary** table:

INITIAL BONUS	SUBSEQUENT BONUS	REVERSED INITIAL BONUS	REVERSED SUBSEQUENT BONUS
2	8	0	0

The report is updated only every 4 hours (CET: 9:00 am, 1:00 pm, 5:00 pm and 9:00 pm)

My Uploaded Scan Report: contains all the uploaded scans have been performed in the particular month. It is important to know if the **20** initial and/or subsequent **scans** have been reached.

Navigation: EARNINGS | SHARING TRACKER | GRAPH BY | STATEMENTS | **MORE > MY SCANS**

MY SCAN BONUS REPORT | **MY UPLOADED SCAN REPORT**

February 2023

Scan Summary Total

INITIAL	SUBSEQUENT
3	22

My Scan Bonus Report: is a list of all the scans uploaded with their bonus status. It will allow to verify if you have reached the **6** new or recurring monthly scanner related **ADRs**.

Navigation: EARNINGS | SHARING TRACKER | GRAPH BY | STATEMENTS | **MORE > MY SCANS**

MY SCAN BONUS REPORT | MY UPLOADED SCAN REPORT

January 2023

Bonus Summary

INITIAL BONUS	SUBSEQUENT BONUS	REVERSED INITIAL BONUS	REVERSED SUBSEQUENT BONUS
3	15	0	0

Bonus Statuses: Glossary

PAYABLE:

The scan card was linked to the SCS product ADR subscription in the right timeline. Also payment and delivery have been made. A potential scanner bonus payment has been added to the selected period commission calculation. This can be part of the scanner activity.

WAITING:

The scanner card has been linked to the ADR subscription , but the ADR subscription containing the SCS product has not yet been paid in full. The bonus is pending: the order is awaiting confirmation.

PAID:

The scanner bonus is already paid with the rewards of the selected period.

NOT LINKED TO ADR:

The scan card is still not linked to an ADR subscription

EXPIRED:

The system has tried to generate a scanner bonus for 89 days from the day a scan card was linked to an ADR subscription. Once the status is EXPIRED, the scan card cannot be part of the scanner activity anymore.

DATES OUT OF RANGE:

The ADR subscription linked to the scan does not meet the 90/15 days scan/ADR date rule requirement.

ADR ENDED:

The ADR subscription that was linked to the scan card was cancelled or the qualified product was removed from the ADR subscription.

SCAN CARD IS ACTIVE:

The last modification to an ADR subscription and/or scan card was done in the past few hours. The system needs at least 4-5 hours to process all data and to show the final status.

Scanner deactivation

Declined rental and loss & damage waiver **payments** result in **Scanner deactivation on the 25th** of the month of payment default.

Between the 07 and the 25 of the month, check your emails and voicemail messages from your Scanner support to avoid the deactivation of your Scanner.

Deactivated Scanners lead to **lease termination** if payment is not cleared upon deactivation.

Remaining declined payments lead to a **Sales on Hold (SOH)** placed on your account.

Loss & Damage waiver

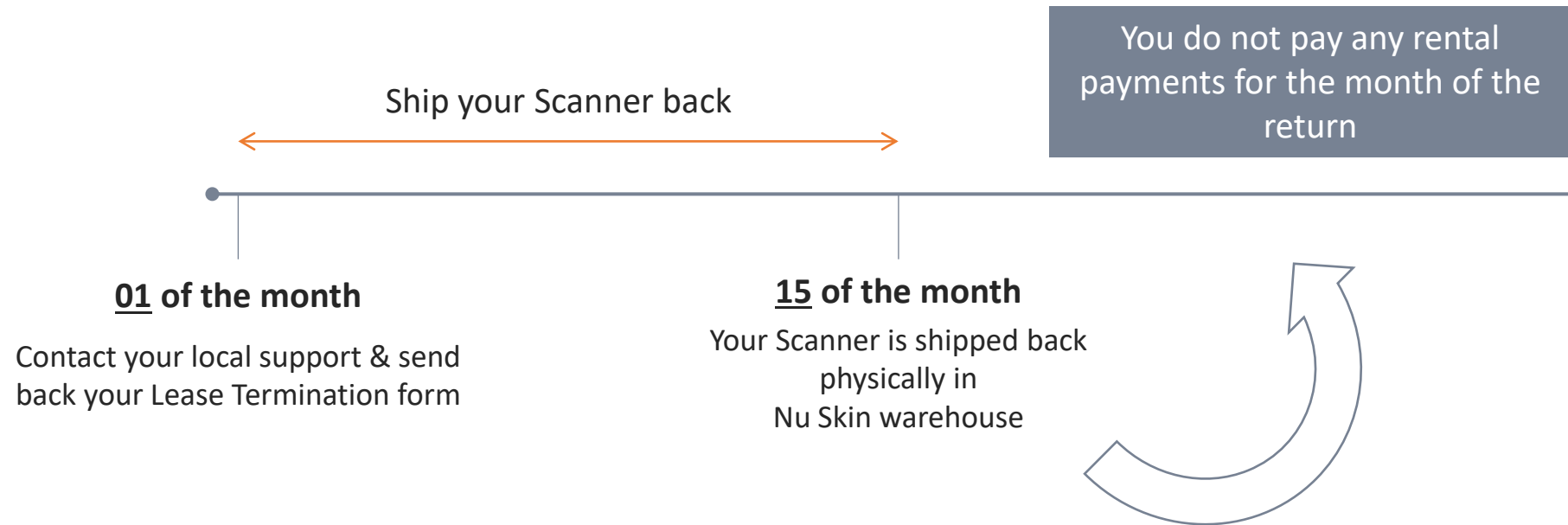
The principle of the waiver is in case of repair (in case of damage) or replacement (in case of loss or theft) of the Scanner, **you are asked to compensate Nu Skin only for a maximum amount.**

Nu Skin will pay the difference of the total cost of the repair or replacement.

Paying the monthly Loss & Damage waiver does not exempt you from paying the maximum amount of the compensation.

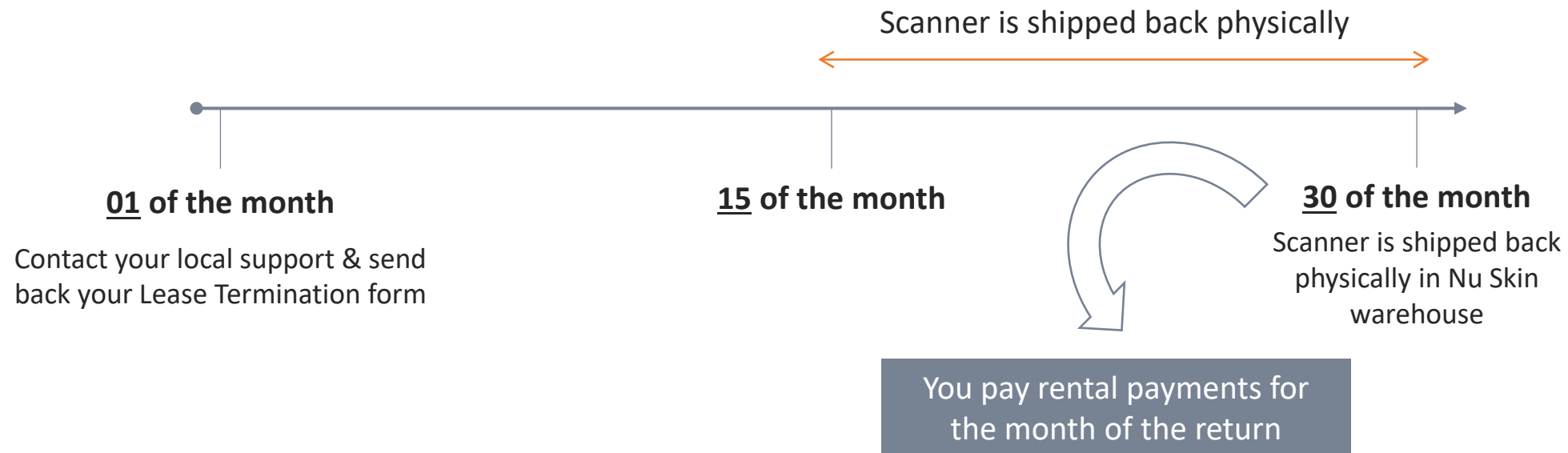
Lease termination

Should you wish to terminate your Scanner Agreement and return your Scanner, keep in mind these timelines:



Lease termination

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Lease termination

Nu Skin considers your **lease termination as effective as soon as your Scanner is returned to Nu Skin**, not when your Lease Termination form is sent back.

The equipment shall be properly packaged and fully insured at your expense in the same operating order, condition, and appearance as on the date you received it.



