Overview of China

Development History of NU SKIN in China

- 1993 Research trips to China
- 1998 Invested to establish 5 manufacturing plants and 2 R&D centers
- 2003 Retail model launched officially
- 2006 Started to obtain Direct Selling License from MOFCOM
- (Approved areas include Shanghai, Beijing, 5 cities in Guangdong province, Guiyang, Hangzhou,
- Chengdu, Tianjin, 2 cities in Shandong province, please refer to the government official website: http://zxgl.mofcom.gov.cn/zxnet/index.jsp)
- 2007 Direct selling model launched in experimental area
- 2008 First batch of NU SKIN Plazas and Image Stores opened
- 2009 Total investment of NU SKIN China 1.0 was over RMB1 Billion!
- 2010 Purchased 57 mu of land in Shanghai to establish a Headquarters
- of Great China, new investment Nu Skin 2.0 stated at RMB300 Million!!

Outlets in China





For more information about NU SKIN Plazas, Image Stores and Boutiques, please visit:

http://china.nuskin.com/contact/index_contact.htm

Anti-aging Products in China

- NU SKIN Personal Care Products
- Pharmanex Nutritional Supplements
- ageLOC Products

♣ For detail information, please visit: http://china.nuskin.com/products/nuskin/index nuskin.htm

Business Model in China

(Retail Stores + Sales Employees)

Business Model in China

Retail Customers

 Customers purchase products at retail price, similar to other retail companies.

Become a Preferred Customer(PC)

PC will enjoy 10% off on retail price

- Minimum RMB 500 purchasing at retail price at one time; OR
- Sign up and commit to ARO program and initial minimum purchase more than RMB 500 at 20% off from retail price



优惠/ARO顾客申请书



*	姓名: 性别: □男 □女			
*	身份证号码			
	联系地址: 省 市 区(县)			
	固定电话 —— 移动电话			
	电子邮箱: @ * 参考编号: CN			
	购货单编号: CN 实付金额: \(\frac{1}{2}\) 参考姓名:			
*	*配偶姓名:			
请在选择项后签字确认 □ 本人自愿申请参加ARO计划,享受8折购货优惠 申请人签字:				
	□ 本人只愿申请成为优惠顾客,享受9折购货优惠 申请人签字:			

Note: * Compulsory

ARO-More discount

- Initial order reaches RMB 500, can apply to be ARO customer
- ARO customer enjoys 20% off from retail price



ARO-More flexible

- No amount limitation on one single ARO order
- You can place more than one time on ARO order in a month

♣For more information, please visit: http://china.nuskin.com/sales/aro/aro_index.html

ARO Credits

- Get ARO credits by placing a single ARO order with RMB 500 before 20th each month.
- Get 50% of original ARO credits by placing a single ARO order with minimum RMB 500 purchase within 3 month since dropping from ARO program.

Actual payment	ARO Credits Rate
≥1000	1=1.2
500≤, <1000	1=1
< 500	No

■ What is the Net Retail Sales Volume (NRSV)?

- The base for calculating qualification and maintenance
- NRSV=Actual purchase price (including retail price, PC price and ARO price), excluding the particular package

What is bonus base?

- The base for calculating bonus
- Bonus Base = NRSV / 1.17 x 0.9

Examples of NRSV/ Bonus Base:

- Assuming the retail price for product A is RMB500 and the NRSV is RMB400 (20% discount with ARO), then the bonus base = 400 / 1.17 x 0.9 = 307.69
- For Galvanic Spa Package, the retail sales price for individual package is RMB4850, and the ARO purchase price is RMB 3880, the NRSV is fixed as RMB 2500/set, then the bonus base = RMB2500 / 1.17 x 0.9 = 1923.08

Qualifying Sales Representative (QSR)

- Sign a Sales Agreement with the company
- Submit Sales Representative(SR) Application Form
- A QSR may become a SR if he could accumulate total volume requirement of RMB30,000 within 6 months with the minimum monthly Net Retail Sales of RMB5,000.
- Enjoy 10% Sales Bonus

SR Application Form



如新(中国)推广代理申请书



- ID Number
- Birth Date
- Education
- Desired city of employment and the store

Documents required for QSR

- The certificate for current job
- The receipt of opening bank account
- ID card
- Health certificate

Notice:

Since QSR is the part-time sales people, so they should provide **the** certificate for current job

Sales Representative (SR)

- Enjoy Sales Pioneer Bonus
- Enjoy 20-25% Retail Sales Bonus

Minimum monthly NRSV: RMB10,000. SR's sales agreement will be terminated if he/she does not reach the monthly minimum volume of RMB10,000

Sales Pioneer Bonus

PAID As	Group NRS Volume	Sales Pioneer Bonus (RMB)	Double Sales Pioneer Bonus (RMB)
NSD	30,000	3,000	+3,000
SD	30,000	3,000	+3,000
SSM	24, 000	3,000	+3,000
SM	24, 000	3,000	+3,000
SSE	18,000	1,000	+1,000
SE	18,000	1,000	+1,000
SR	15,000	500	0

Remark:

- Group NRS Volume should be completed on or before the 20th of each month and the earner should pass the last month qualification
- Double Sales pioneer: Only apply to new SR during their first 6 months since becoming SR with pin title advancement

Extra Sales Pioneer Half-Year Bonus (Applicable in 2011 only)

- Person: Qualified SE and above
- Time: Each month in 2011
- Method:
 - First half (Jan Jun):
 - Qualify Sales Pioneer Bonus at least four months from January to June, will receive the total accumulated Sales Pioneer Bonus of this half year again in August, 2011
 - Second half (Jul Dec):
 - ✓ Qualify Sales Pioneer Bonus at least four months from July to December, will receive the total accumulated Sales Pioneer Bonus of this half year again in February, 2012

Great Reward on Celebrating the 20th anniversary of NU SKIN Asia

BENZ S300L

There will be TWO RMB 1 million-valued S-class Benz for you!

All the distributors receiving the half-year bonus will participant into the lucky draws:

First half-year qualifiers will join the lucky draw in Aug, 2011

Second half-year qualifiers will join the lucky draw in Feb, 2012

• Retail Bonus **20% - 25%**

Net Retail Sales Volume	Retail Bonus %
10,000-24,999	20%
25,000-49,999	21%
50,000-99,999	22%
100,000-149,999	23%
150,000-199,999	24%
200,000+	25%

[♣] Retail Bonus are calculated respectively with QSR they supervised



ageLOC™ Spa kit Service Bonus

Qualifiers: SR and above

For example:

	Price	Volume	Retail Bonus	Service Bonus	Total	
Special kit (SPA)	3,880	2,500	20%	20%	¥ 77 61	+29%
Other product	3,880	3,880	20%	-	¥597	

ageLOC™ Galvanic Spa

ageLOC Facial Pack RMB3,880(NRSV=2,500)

• ageLOC™ Galvanic Spa	1
• ageLOC™ Facial Gels	6
• Tru Face™ Line Corrector	2
 Nu Skin and Pharmanex Product Catalogue 	1
• Training pass	1









ageLOC™ Galvanic Spa

ageLOC Family Pack RMB7,760 (NRSV=5,000)



ageLOC™修身美颜Spa家庭套装 ageLOC™ GALVANIC SPA FAMILY PACK

ageLOC™修身美颜Spa	2台
ageLOC™净化凝露/舒活凝露	6盒
活颜舒纹精华露	2支
美体紧致凝胶	4支
美体紧肤乳	2支
CoQ10活能肌肤修护露	2瓶
如新传奇	1本
产品目录	1本
如新华茂产品简册	2本
培训通行证	2张
如新拉杆箱	1个
化妆包	1个
ageLOC™教战手册	2本
ageLOC [™] 经营手册	1本
ageLOC™产品简册	2本
ageLOC™科技简册	2本
ageLOC™ DVD	1张
一次性压缩毛巾	5粒
美容发夹	2个
美容镜	1个
美容卷尺	1个

产品编号:29003833 RMB9700 套装

China Market Business Model

Title Promotion

- Nu Skin China strictly abide by the direct selling regulations of the People's Republic of China.
- All Sales Employee get bonus on the basis of sale volume, no group commissions.
- Sales Employee with outstanding performance and leadership will have the opportunity for promotion to higher levels of leadership positions.
- Sales Leaders are responsible for guiding and training to their supervised
 QSR and SR weekly.

China Market Business Model

Sales Executive (SR)

Senior Sales Executive (SSE)

Sales Manager (SM)

Senior Sales Manager (SSM)

Sales Director(SD)

National Sales Director(NSD)

Quarterly Performance Evaluation

- Occurred in every January/April/July/October
- Adjust base pay and title
- Adjusted base pay and title will be reflected in the next three months

China Market Business Model

Quarterly Performance Evaluation Process

- Ability to abide by company policies
- Ability of establish long-term relationships with customers
- Total number of active PC for in the last quarter
- Total number of new PC for in the last quarter
- Ability to sell
- Ability to supervise and train subordinate sales employees

2011 Key Business Building Platform

2011 Q3	2011 Q4	2012 Q1	2012 Q2
JULY	ОСТ	JAN	APR
SM MEETING	star creatur	SM MEETING	SM MEETING
SUCCESS SEMINAR	STAR CREATOR+ GLOBAL CONVENTION	EXPO	TI DESCRIPTION OF THE PARTY OF
SPONSORING!!!	SPONSORING!!!	SPONSORING!!!	SPONSORING!!!
AUG	NOV	FEB	MAY
EXPO	EXPO	a	EXPO
NSD MEETING	a	NSD MEETING	TE TRIP@PARIS
MASTER FORUM	NU SKIN 2012 SE MEETING	SUCCESS SEMINAR	
SPONSORING!!!	SPONSORING!!!	SPONSORING!!!	SPONSORING!!!
SEP	DEC	MAR	JUN
NSA@MACAU	CSELB	SUCCESS TRIP	REGIONAL CONVENTION
ВОМ		SPONSORING!!!	
SPONSORING!!!	SPONSORING!!!	51 01130 MITG	SPONSORING!!!

2011 Key Business Building Platform

日期/时间	活动	地点
8.15	NSD MEETING	BEIJING
8.16	MATSTER FORUM	BEIJING
9	вом	XI AN(9.8)/GUANGZHOU (5) /SUZHOU (7) /BEIJING(9)
9.14-17	NU SKIN ACADMY	MACAU
10.23	STAR CREATOR	L.A/LAS.VEGAS/SALT LAKE CITY
10.26-29	GLOBLE CONVENTION	SALT LAKE CITY
11.11-12	ЕХРО	SHANGHAI/HANGZHOU/ZHENGZHOU; XI AN/YINCHUAN/Urumchi; BEIJING/TIANJIN/SHIJIAZHUANG; GUANGZHOU/SHENZHEN
11	NU SKIN 2012 GOLD MEETING	SHANGHAI(14)ZHENGZHOU,ZHUHAI,XIAN,SHIJIAZHUANG,Kaohsiung(15)Urumchi,GUANGZHOU,HANGZHOU,BEIJING。 Taichung(16)CHONGQING KUNMING,YINCHUAN,TIANJIN,TAIPEI(17日)SHENZHEN,CHENGDU(18)
2012.1	SM MEETING	SHANGHAI(1.9)/XIAN (10) /BEIJING (11) /GUANGZHOU (13)
1.6-7	EXPO	LEADSHIP CITY
2.22	NSD MEETING	SHANGHAI
2	SUCCESS SEMINAR	SUZHOU (4)/DONGGUAN (11)/XIAN (18)/BEIJING (25)
3.5-9	SUCCESS TRIP	CRUISE@SOUTH ASIA
4	SM MEETING	SHANGHAI/GUANGZHOU/XIAN/BEIJING
5.4-5	EXPO	LEADSHIP CITY
6.13-15	REGIONAL CONVENTION	нк





Talk to People Every Day



Create New Stars Every Year



Qualify for Success Trip Every Year



Qualifying period: July in 2010-June in 2011

Qualification Criterion: Achieve SM title at least for 4 months For a 2-Persons Trip!



2012 SUCCESS TRIP@Southeast Asia

Qualification Period: Jan to Dec in 2011

SM & above

Achieve pin title
 advancement
 compared with the
 highest title of 2010

- Ever reached title is NSD in 2010
 - maintain NSD title for 4months +



For 2 Person Trip

Maintain the newly advanced title at least

4 months





Be Create Multiply



	NU SKIN Academy	Success Trip
Positioning	 Communications & Learning Platform 	RecognitionMotivation and Sharing
Activities	 80% Learning 20% Relaxation Learning TSF's 5 Success Motions Announce next year business plan Recognition 	 80% Relaxation 20% Learning Have fun Sharing from local leaders Recognition

Official Website of NU SKIN China

http://china.nuskin.com

Notice:

- 1. Sales Express is issued on every Friday
- 2. Easy to access and Easy to use!

360°Service

NU SKIN China Official Website



















公司动态

- 如新集团6度荣磨美国企业大奖,获评"2010年度最具创新力公司"并入围最佳管理团队[10/07/09] NEW
- 如新集团首席财务执行长伍瑞德获"年度最佳首席财务执行长" "荣誉[10/07/09] №₩
- 如新祝贺慈善合作伙伴荣获国家人道大奖,拿破仑*容贝获颁马拉 威终身服务殊荣[10/07/09] NEW
- 跑出美丽与健康——如新积极参与2010国际奥林匹克路跑活动
- [10/06/18]
- "心手相连"庆六一,2010如新中国善的力量日活动花絮。 [10/06/18]
- 如新5.12小额信贷基金6月报告[10/06/11]
- 如新中国获邀出席皮肤营养与健康护理产业国际峰会[10/06/10]



18 19 20 21 22 23 24

25 26 27 28 29 30 31

活动日历

Sale Tools download



Volume checking



Online Ordering



网络订货

Online Recognition



E-Payroll



Training Material



Online Training



Invited as a Trainer In China for NU SKIN

- Qualified Executive and above
- Understanding and agreeing with the China Supplementary
 Policies and Procedures, and NU SKIN China Training Agreement.
- Understanding the situation of China market and passed the test.
- May received a CN# to purchase products at PC discount(10% off the retail price) and sign up the ARO Agreement to enjoying 20% off the retail price

- Abide by all the Chinese laws and regulations about engaging in any activities in China
- Promoting NU SKIN culture and mission
- Introducing consumers and reference them to be PCs
- To be a trainer of the product and sales training
- To be a positive model for all sales leaders

NU SKIN Sales Charter

Promote Regulations, Be the Model

- Hold on to your dream, share experience, be honest and keep promise
- Focus on your goal, study hard, mutually benefit and compete fairly
- Persist/Persevere in your belief, spread the love, establish images and comply with the ideas
- Keen on your positive action, plan in a long-term, operate harmoniously, operate continuously
- Lead by your example, establish the model, progress honestly, lead excellently

We advocate:

- ✓ Integrity and Honesty, Law Abiding
- Positive and Introduce Right People to Company
- Unified to Maintain Stability
- **☑** Fair play and rule abider
- ☑ Proactively Reporting to the Company for Approval of Conducting Training
- ☑ Lead by Example, Be the Role Model

Don'ts

- ★ No introducing business opportunity to civil servants, students, people in militant service or younger than 22 years
- No organization or participation of meetings without company's and government's approval in advance
- **X** No fees on meeting or training
- ★ No using of unauthorized sales aids
- **X** No online/store selling of oversea or low price products
- **★** No direct selling in unauthorized area

Rules of Training & Meeting:

If attendees are more than five including the trainer, the training content and site of training must be reported to company and get the approval of local authority in advance.

Rules of Training Reporting: (two weeks in advance)

- **☑** Training time, place and the number of attendees
- **☑** Content of training
- ☑ Teacher of training

Note: Reporting one month in advance in Shanghai

Rules of Training:

Training materials must be approved by NS China in advance, the content of the training materials must be only limited to:

- Company culture and background
- **☑** Product knowledge and selling points
- ☑ Selling skills and mentality
- Company policy and service

Rules of Training:

Must Not Have Contents:

- **x** The contents related to politics, religion, superstition and pyramid scheme
- **X** Negative comments on state-owned enterprises
- Promoting money game without hard work, big and fast money
- **✗** Discuss compensation plan of overseas market
- **Inappropriate interpretation of local market's compensation plan**
- **★** Introducing products which has not launched in China or exaggerate product effects
- **x** Inappropriate interpretation of sales network



Direct Selling Regulations

- ◆To conduct direct selling, a direct selling company should establish branches and service centers in a province, autonomous region or municipality (Branch) where it conduct direct selling. The company and direct sellers should conduct direct selling in approved areas.
- ◆The approved direct selling company are allowed to sell products only including five categories that are Cosmetics, health food, cleaning products and health care equipment and small kitchen appliances
- ◆The compensation that direct selling companies pay to their distributors may only be calculated based on the personal sales directly made by the distributors to the consumers. The total amount of the compensation should not exceed 30% of the personal sales directly made by the direct selling distributors, compensation should not be paid on group volume.
- ◆ Direct selling companies and their Branches should not recruit the following personnel:
- Younger than 18 years
- Have no or limited civil capacity
- Full time students
- Teachers, doctors, government officials and military personnel in active service
- Full time employees of direct selling companies
- People from aboard; or
- Those who are forbidden by law and administrative regulations to do part-time jobs

Documents for reference on outside website:





Direct Selling Information System of Ministry of Commerce http://zxgl.mofcom.gov.cn/zxnet/index.jsp

√ Direct Selling Regulation

http://zxgl.mofcom.gov.cn/zxnet/site/info/Article.jsp?a_n o=50&col_no=1&dir=200511

√ Prohibiting Chuanxiao Regulation

http://zxgl.mofcom.gov.cn/zxnet/site/info/Article.jsp?a_no =51&col_no=1&dir=200511 For any queries on NU SKIN China

Please contact our Sales Development Dept.

48hrs_reply_china@corp.nuskin.net

Toll Free Hotline (Inquires and Phone-Order):

4008-988-999 (Within Mainland China)

(86) 4008-988-999 (Outside of Mainland China)

Opening Hours: Monday to Friday, 10am – 7pm

Thank You!