





# *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.

# *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 if you are **registered as a Nu Skin Brand Affiliates in one of the European 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 the Brand Representative or above status

**AND**

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

**OR**

Have in total twenty (20) initial or subsequent scans in any combination on a monthly basis, using purchased digital or physical scan cards

**OR**

Achieve minimum 4,000 Group Sales Volume\* in your Group\*\* on a monthly basis

In case of any loss of Brand Representative status for three (3) consecutive months and **failing to meet at least 1 of the requirements for maintenance listed below for three (3) consecutive months**, the Lease Holder shall return the Equipment to the Lessor. The Agreement automatically terminates in line with point 12.6 after three (3) months of inactivity or loss of Brand Representative status due to the fact that this Agreement shall lose its original purpose. 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** having twenty (20) initial or subsequent scans per month, in any combination, using purchased digital or physical scan cards, according to the conditions specified in point 1.3 of Schedule E of the Agreement **OR** achieve minimum 4,000 Group Sales Volume in your Group.

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

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



S3

PHARMANEX BIOPHOTONIC SCANNER

# Scanner maintenance program

## EXAMPLE\*

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

**Met:** You are BR and have 6 ADRs **or** 20 scans **or** 4000 SV

**Not met:** You are BR and don't have 6 ADRs **or** 20 scans **or** 4000 SV

**Not met:** You are not BR and have 6 ADRs **or** 20 scans **or** 4000 SV

**Not met:** You are not BR and don't have 6 ADRs **or** 20 scans **or** 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                | 208,86 GBP      | 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           | 33,13 GBP + VAT | One time                                       | When you send back the Agreement signed or just before the delivery of your Scanner |                                                                    |
| Loss and Damage waiver | 12,53 GBP + VAT | Monthly                                        |                                                                                     |                                                                    |

# Example 1

|                  | JUNE                                                                                                                | JULY                                                                         | AUGUST                                                                         |
|------------------|---------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| <b>SITUATION</b> | 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                                         |
| <b>PAYMENTS</b>  | 208,86 GBP deposit<br>33,13 GBP + VAT shipping fee                                                                  | <div>12,53 GBP + VAT loss and damage waiver<br/><u>Paid on 07 July</u></div> | <div>12,53 GBP + VAT loss and damage waiver<br/><u>Paid on 07 August</u></div> |

# 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 interface. On the left is a sidebar with navigation links: Sales Organization, Commissions (highlighted with a red box), Recognition, Products, and Learning Center. The main content area has a top navigation bar with links: EARNINGS, LUMISPA IO INCENTIVE, GRAPH BY, STATEMENTS, and MORE > MY SCANS (highlighted with a red box). Below this, there are two tabs: MY SCAN BONUS REPORT (highlighted with a red box) and MY UPLOADED SCAN REPORT. The MY SCAN BONUS REPORT tab is active, showing a dropdown menu set to 'December 2022'. Below the dropdown is a table with the following data:

| Bonus Summary |                  |                        |                           |
|---------------|------------------|------------------------|---------------------------|
| 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.

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**.

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** 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*

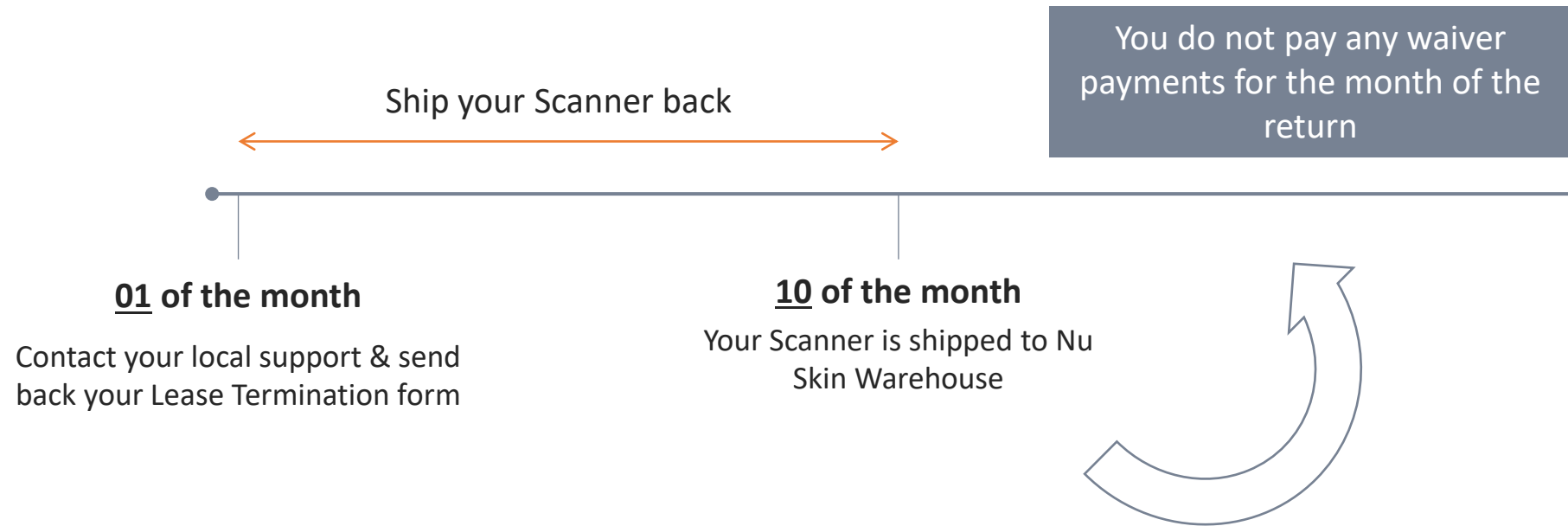
The principle of the waiver is in case of repair (in case of damage) or replacement (in case of loss or theft) of the Scanner, **you are asked to compensate Nu Skin only for a maximum amount.**

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.**

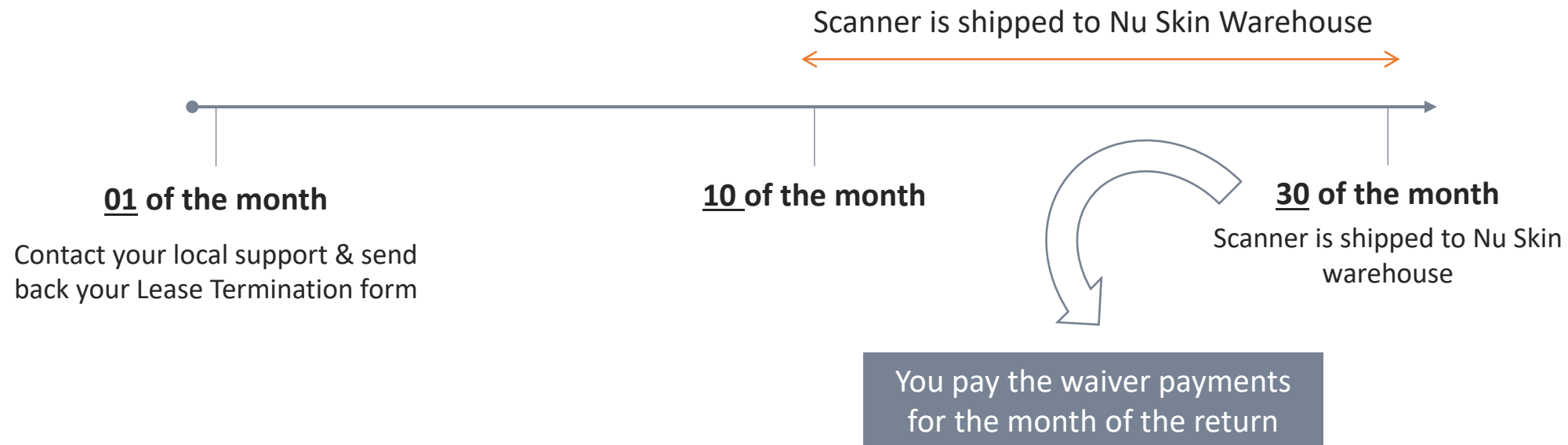
# *Lease termination*

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



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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.**



