



NEW ZEALAND TEAM ELITE

2019 PRESIDENTIAL DIRECTOR PROGRAM

EFFECTIVE AS OF JANUARY 1, 2019

The Presidential Director Program is intended to promote long-term, sustainable sales volume growth; organizational growth; and development of new Brand Representatives with sales volumes from consumers. This program applies to Presidential Director recognition and the 2020 Team Elite Trip and is governed by the following rules (“Qualification Rules”). These 2019 Presidential Director Qualification Rules are unrelated to our Mainland China business, which does not participate in Nu Skin’s Global Sales Performance Plan and operates under a different business model.

Nu Skin’s innovative Velocity program adds flexible, fast, and fulfilling options to make Presidential Director qualification even more rewarding. We’re rolling out the program across markets worldwide, so please review your Sales Performance Plan and contact your Executive Partnership regarding Velocity transition rules, transition periods, and opt-in requirements.

PRESIDENTIAL DIRECTOR BENEFITS

Qualified Presidential Director leaders receive the following:

- 2020 Team Elite Trip
- Presidential Director Apparel and Swag
- Presidential Director Pin
- Recognition at Global, Regional, and Market Events
- All Current Presidential Director—Corporate and Regional Wall of Fame Recognition for 2 years
- New 15-Year Presidential Director—Nu Skin Walk of Fame Engraving

PRESIDENTIAL DIRECTOR RECOGNITION AND TRIP QUALIFICATION

QUALIFICATION REQUIREMENTS: *6 QUALIFYING MONTHS

(QUALIFYING MONTHS DO NOT NEED TO BE CONSECUTIVE)

New Presidential Director Qualification Period: Rolling 12 months: January 1, 2019 - January 31, 2020
Requalifying Presidential Director Qualification Period: January 1, 2019 - December 31, 2019

Pre-Velocity

Velocity

**15 G1 Qualified Breakaway Executives/
Brand Representatives

6 G1 Brand Representatives

4 Leadership Teams:

1 with 10,000+ Leadership Team Sales
Volume

1 with 20,000+ Leadership Team Sales
Volume

1 with 30,000+ Leadership Team Sales
Volume

1 with 40,000+ Leadership Team Sales
Volume

TEAM ELITE MAINTENANCE PERIOD: JANUARY–FEBRUARY 2020

Pre-Velocity

Velocity

12 G1 Qualified Breakaway Executives/
Brand Representatives

6 G1 Brand Representatives

3 Leadership Teams:

1 with 10,000+ Leadership Team Sales
Volume

1 with 20,000+ Leadership Team Sales
Volume

1 with 30,000+ Leadership Team Sales
Volume

*Each Qualifying Month must be achieved pursuant to whichever Title Determination requirements you are subject to that month. Qualifying Months can only be used for one Presidential Director Qualification Period. The 6 Qualifying Months may include any combination of Qualifying Months achieved under Pre-Velocity and Velocity requirements.

**A Qualified Breakaway Executive is a G1 Executive that is paid as Executive through Blue Diamond or a Provisional Executive (PEXEC), Demoting Executive (DEXEC), that has an Executive that is paid as an Executive through Blue Diamond or Brand Representative using Flex Blocks.

TERMS AND CONDITIONS

2020 TEAM ELITE TRIP TERMS AND CONDITIONS

1. Qualified Team Elite Trip participants will receive two economy class airline tickets per account from their nearest major airport (as determined by the Company) to the selected destination. The Company will determine the maximum allotment price per ticket. Any additional costs are the responsibility of trip participants.
2. The Company will pay for all Company-sponsored meals, activities, and events for a maximum of two people per account. Meals, activities, and events outside those sponsored by the Company are the responsibility of trip participants. The total cost of the Team Elite Trip will vary each year. If more than two people from a Brand Affiliate Account elect to participate in a trip, all additional costs will be the responsibility of the trip participant. Eligibility of children and immediate family members to attend the trip may be determined by the Company at a later date.
3. Airline upgrade requests will be the responsibility of the trip participants.
4. Trip participants will receive one room per account for the length of the trip, as determined by the Company.
5. Trip participants must attend the trip for which they have qualified. The company will not honor a request to attend a future trip, regardless of circumstances.
6. The 2020 Team Elite Trip is not transferable.
7. Trip participants acknowledge and agree to provide the Company with a designated credit card to cover personal expenses beyond what the Company has agreed to pay for. Trip participants authorize the Company to charge designated credit cards for all personal expenses incurred by the participants and their traveling companions, including all related fees, charges, and applicable taxes.
8. Where there is only one person on an account, the following may participate as the account's second attendee, at the company's discretion:
 - An immediate family member (child, sibling, parent, or grandparent) or a significant other; and
 - A non-Brand Representative Brand Affiliate who has never achieved the rank of Brand Representative or higher.
9. The value of the Team Elite Trip may be considered a benefit in kind by the tax authorities in your market and deemed taxable income to trip participants. Nu Skin is legally required to report the total benefit in kind per person to the tax authorities. All taxes are the sole responsibility of the trip participants who receive them. Nu Skin advises each trip participant to seek advice from his/her tax consultant to determine whether all or any part of the value of the Team Elite Trip needs to be declared to the tax authorities. Nu Skin will provide the exact value of the Team Elite Trip upon request. Trip participants agree that Nu Skin will not be responsible for the payment of any taxes, fines or penalties incurred by the trip participants by attending the Team Elite Trip and/or failing to properly report the trip on their tax returns.

OTHER TERMS AND CONDITIONS

1. Participation in the Presidential Director Program constitutes a Brand Affiliate's full and unconditional agreement to and acceptance of the Qualification Rules.
2. Any Brand Affiliate in good standing may participate in the Presidential Director Program. A Brand Affiliate who violates the terms and conditions of their Brand Affiliate Agreement, or these Qualification Rules may be deemed ineligible. Eligibility for all Presidential Director benefits is based on meeting all requirements of the applicable Sales Performance Plan, including all monthly customer sales requirements.
3. The Company reserves the right to audit and assess the validity of Brand Representative accounts and their related sales volume. Any Brand Representative account that was established in violation of the requirements set forth in the Brand Affiliate Agreement and applicable Sales Performance Plan will be considered invalid and may result in disciplinary action. It is strictly prohibited for Brand Affiliates to use false identification numbers, false names, or false accounts; to buy additional product to maintain or achieve a title; to use any other form of manipulation that violates the terms and conditions of the applicable Sales Performance Plan, or its spirit and intent; or to encourage others to perform any prohibited action.
4. The Company reserves the right to (i) modify or terminate the Presidential Director program or (ii) modify the Qualification Rules at any time based on performance, participation, or other factors, at the Company's sole discretion.
5. In the event the Company determines that any manipulation of the applicable Sales Performance Plan or Qualification Rules has occurred, the Company may, at its discretion, withhold Presidential Director benefits, take any actions provided under the Brand Affiliate Agreement, and seek to recover any expenditures or other costs associated with Team Elite Trip or any other costs incurred by the Company as a result of the manipulation, including by withholding future sales compensation.
6. Leadership Team: A G1 Brand Representative that meets certain Leadership Team Sales Volume benchmarks in a month.
7. Leadership Team Sales Volume: Leadership Team Sales Volume is the sum of Consumer Group Sales Volume in your G1-G6 for a given G1 Brand Representative.

For definitions and further information regarding capitalized terms please refer to your Brand Affiliate Agreement, which includes the applicable Sales Performance Plan, Policies and Procedures, and all related agreements.

For the purposes of these Qualification Rules, "Company" refers to Nu Skin International, Inc., and its affiliates. "Executive" refers to Executive-Blue Diamond Titles, and will be used interchangeably and with equivalent meaning to "Brand Representatives".

If there is any discrepancies between the English version and the Chinese translation, the English version shall prevail.

Updated 28 FEBRUARY 2019

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