Scanner Leasing

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.

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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.

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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.

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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.

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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.

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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 1.2 of Schedule D 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 D of the Agreement **OR a**chieve 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*

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Scanner maintenance program

EXAMPLE*

MAINTENANCE PROGRAM IS	MAINTENANCE PROGRAM IS	MAINTENANCE PROGRAM IS
Met in May Not met in June **Met** in July	Not met in May Not met in June **Met** in July	Not met in May Not met in June Not met in July
You can keep the scanner in Aug	**You can keep the scanner in Aug**	You shall return the scanner in Aug

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*

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Sublease

You may permit other Distributors to use and operate your Scanner <u>provided that</u>:

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.

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Scanner payments

WHAT	HOW MUCH	FREQUENCY	WHEN	HOW
Deposit	250.00 EUR	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	50.00 EUR+ VAT	One time	When you send back the Agreement signed or just before the delivery of your Scanner	
Loss and Damage waiver	15.00 EUR + VAT	Monthly		

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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
PAYMENTS	250.00 EUR deposit 50.00 EUR+ VAT shipping fee	15.00 EUR + VAT loss and damage waiver Paid on 07 July	15.00 EUR + VAT loss and damage waiver Paid on 07 August

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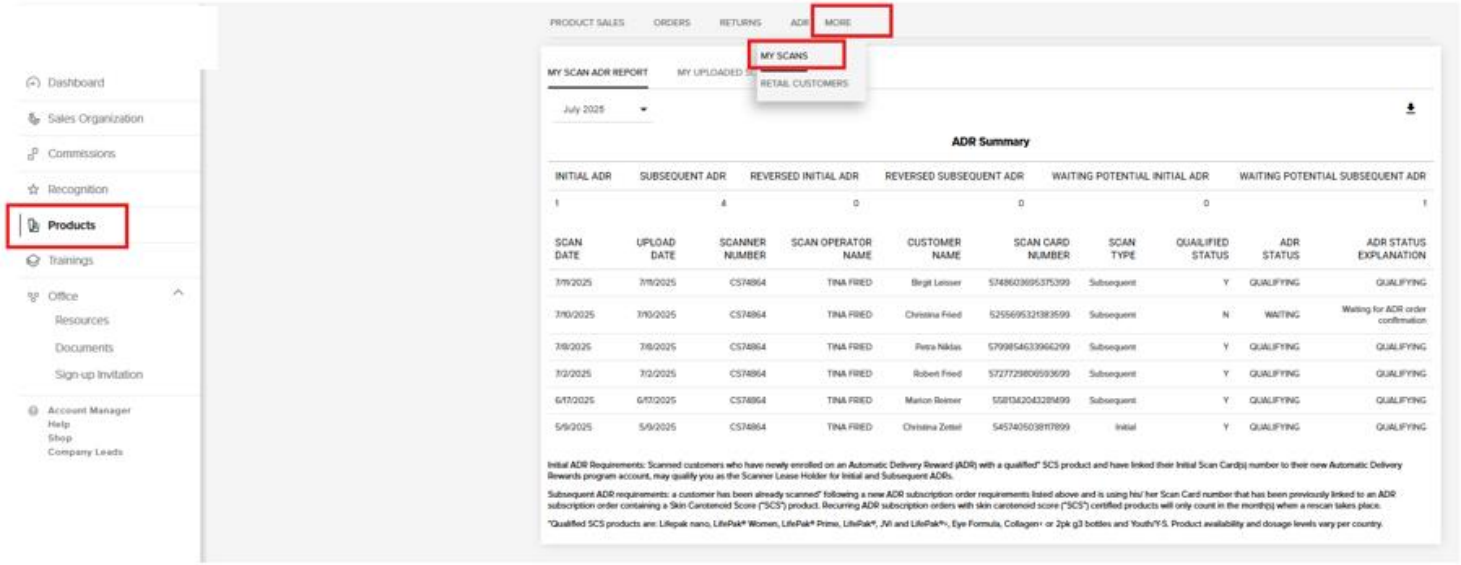
How to follow up your monthly scanner activity

To check your performance, go to PRODUCTS/MORE/MYSCANS



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

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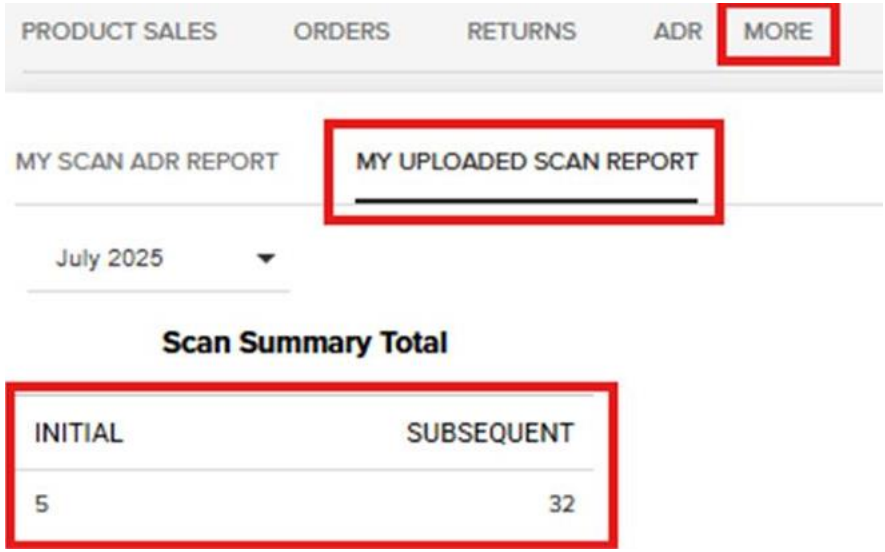
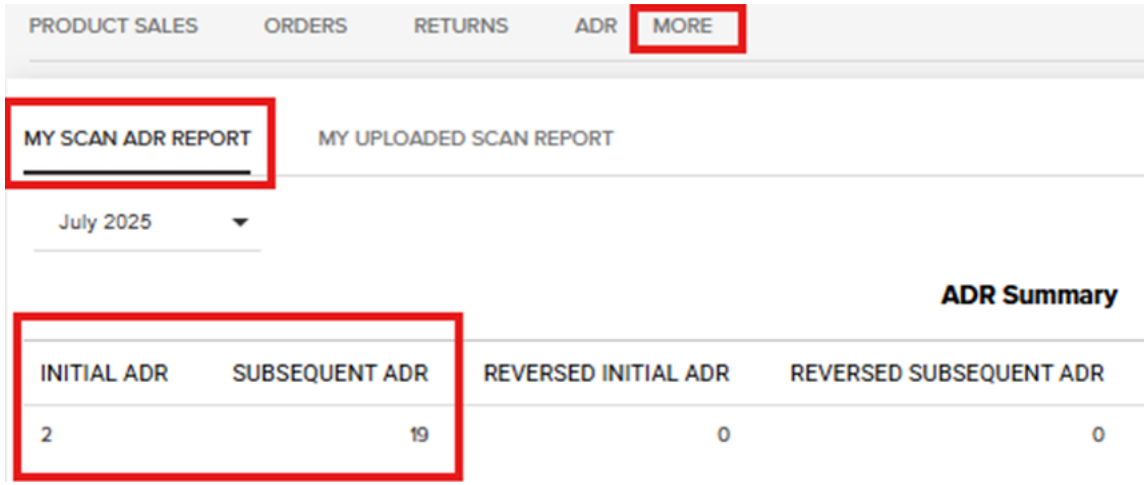
My Uploaded Scan Report: contains all the uploaded scans have been performed in the particular month. It is important to know if the **20** initial and/or subsequent **scans** have been reached.



My Scan ADR Report:
It will allow to verify if you have reached the **6** new or recurring monthly scanner related **ADRs.**



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ADR Statuses: Glossary

QUALIFYING:
The scan card was linked to the SCS product ADR subscription in the right timeline. Also payment and delivery have been made. 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 order is awaiting confirmation.

QUALIFIED:

The scan was part of the performance of the selected period.

NOT LINKED TO ADR:
The scan card is still not linked to an ADR subscription

EXPIRED:
Once the status is EXPIRED, the scan card cannot be part of the scanner activity anymore as the ADR subscription was not paid and the scan card wasn't scanned within 89 days.

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.

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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.

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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.

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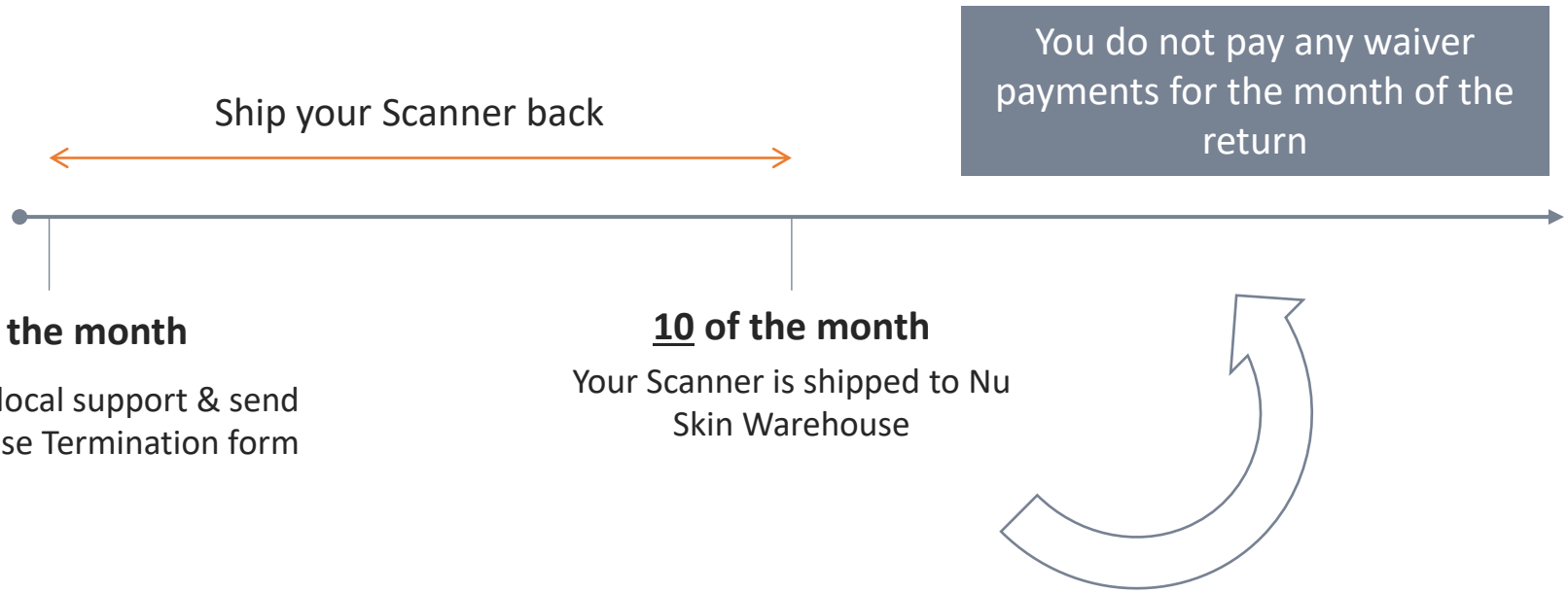
Lease termination

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



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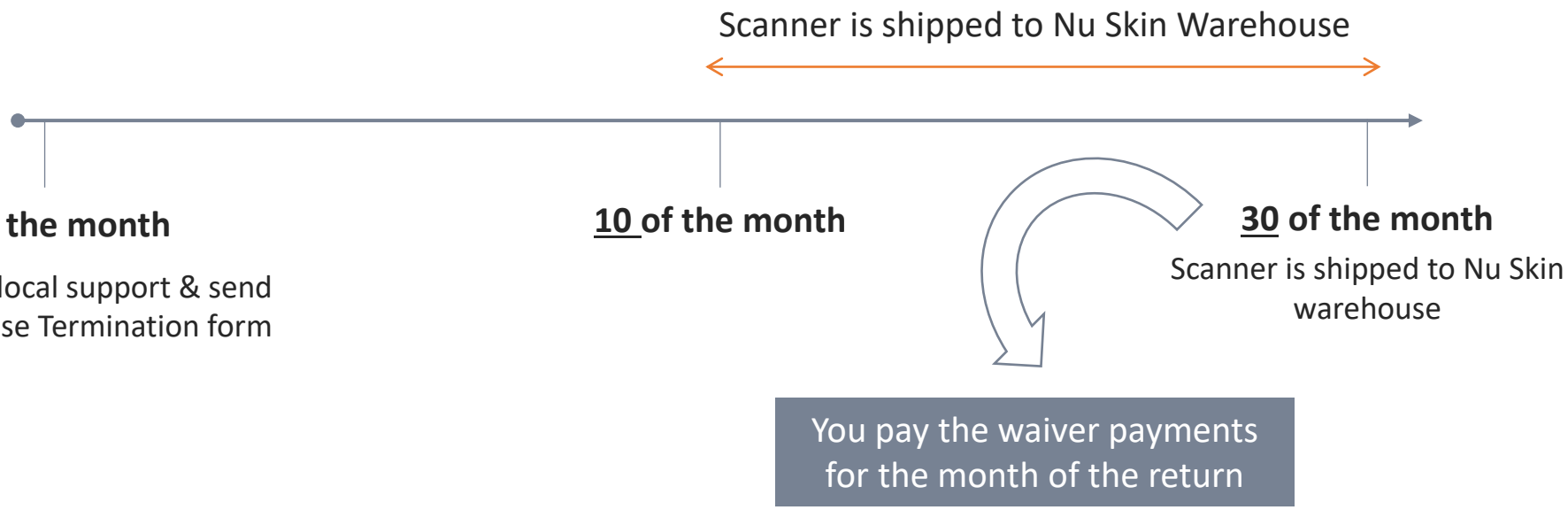

Lease termination

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.

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