



VELOCITY

BY NUSKIN™

Additional Details

*Effective June, 1 2018
US & CA Markets V1.6*

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We get it—Velocity is a BIG deal, so you're bound to have questions even our materials don't answer. If you can't find what you're looking for, don't hesitate to reach out to your local support staff for more details.

FLEX BLOCKS

HIGHLIGHTS

- Used as substitute **Building Blocks** for monthly **Brand Representative** maintenance.
- Automatically applied should you fall short of Brand Representative maintenance requirements, provided you have completed at least 1 Building Block that month.
- Only available and usable as whole blocks.
- Do not allow a Brand Representative to earn a **Leading Bonus** in the month that any Flex Blocks are used.
- Allotted when you become a Brand Representative and annually afterwards.
- Do not generate **Sales Volume** or **CSV** and have no monetary value.

Life happens. As such, there may be occasions when your **Group** sales fall below the 4 Building Block monthly requirement you need to maintain your Brand Representative status. For situations like these, it's Flex Blocks to the rescue!

FLEX BLOCK



Building Blocks—A measurement of Sales Volume. A Building Block is only considered complete when it has 500 points of Sales Volume. A Building Block with less than 500 points of Sales Volume is referred to as incomplete.

Brand Representative—You become a Brand Representative after completing Qualification. To maintain Brand Representative status, you must complete at least 4 Building Blocks each calendar month (or use Flex Blocks to substitute for missing Building Blocks). If you fail to maintain your Brand Representative status, any Brand Representatives on your Team will be moved to the Team of your direct Brand Representative mentor. You have the option to Restart for a limited time, and, if successful, you may regain the Brand Representatives that were on your Team, along with any Flex Blocks previously accrued. Please see the Additional Details resource regarding Restart, or contact your account manager for further information.

Flex Block—A Flex Block is a Building Block substitute that is automatically used to maintain your status as a Brand Representative if you do not complete 4 or more Building Blocks in a calendar month. In any month that you use a Flex Block, you will still be eligible for Building Bonuses on completed Building Blocks, however, you will not be eligible for any Leading Bonus. Flex Blocks do not provide Sales Volume, CSV, have no monetary value and can't ever be redeemed for cash—they are only used to help maintain Brand Representative status. A maximum of 3 Flex Blocks can be used each calendar month. There is no limit to the number of Flex Blocks that can be accumulated. Flex Blocks do not expire and are non-transferable. Any accumulated Flex Blocks will be forfeited if you fail to maintain your Brand Representative status.

Leading Bonus—See Brochure – Lead for details.

Sales Volume—Sales Volume refers to a point system Nu Skin uses to compare the relative value of Products across various currencies and markets. Each Product is assigned a specific amount of points of Sales Volume. Sharing Blocks, Building Blocks, and Leadership Team Sales Volume are all comprised of Sales Volume. Sales Volume is different from Commissionable Sales Value.

CSV—Commissionable Sales Value (CSV) is a currency value, associated with each Product, used to determine Building and Leading Bonuses. CSV for each Product may change from time to time and is available on your market's pricing sheet.

Group—Your Group consists of you and all your Retail Customers, Members, Brand Affiliates, and Qualifying Brand Representatives. Your Brand Representatives and their Groups are not included in your Group. All sales made by those in your Group contribute to your Building Blocks and your Group's Commissionable Sales Value (GCSV).

HOW IT WORKS

Flex Blocks are used to help you meet your monthly Brand Representative maintenance requirements. In any month when you haven't completed 4 Building Blocks, up to 3 Flex Blocks will be automatically substituted from your stash to make-up for your missing Building Blocks. That said, the month you use any Flex Blocks, you can't earn any Leading Bonus.

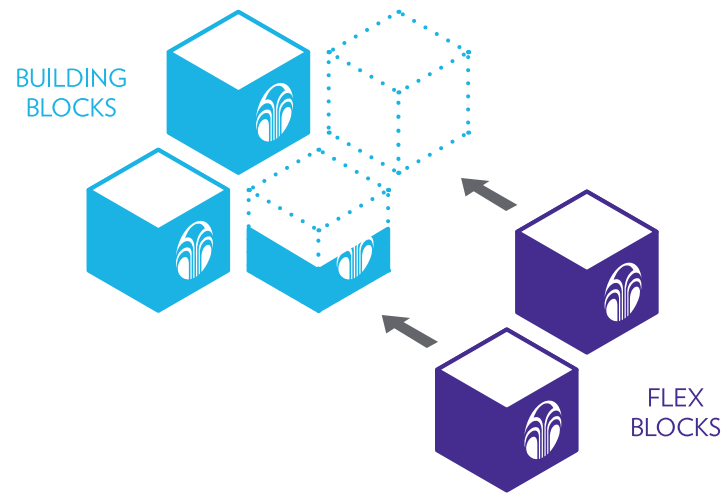
You *will* earn a Building Bonus on completed blocks, however, you won't be eligible to earn a Building Bonus on incomplete blocks the month that you use any Flex Blocks.

Speaking of incomplete blocks, it's important to note that there's no such thing as partial or incomplete Flex Blocks. A complete Flex Block is used to replace any size of incomplete Building Block. In other words, if you only complete 2 Building Blocks and part of your 3rd Building Block in a month, 2 full Flex Blocks will be automatically used to replace the missing Building Blocks.

MET MONTHLY BRAND REPRESENTATIVE REQUIREMENT



DID NOT MEET MONTHLY BRAND REPRESENTATIVE REQUIREMENT

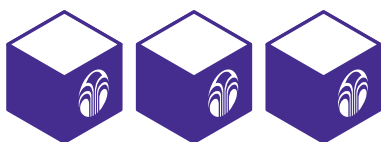


HOW YOU GET THEM

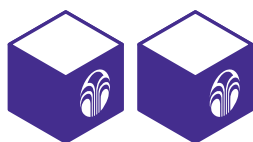
You are allotted Flex Blocks as soon as you become a Brand Representative, and you keep collecting them annually thereafter. In your 1st full month as a new Brand Representative, you get 3 Flex Blocks added to your Volumes and Genealogy account.

In your 2nd month, you get 2 more Flex Blocks, for a total of 5. And in your 3rd month as a Brand Representative, you are gifted a single additional Flex Block. After that, you get an additional 3 Flex Blocks each year on your Brand Representative anniversary date! And the best part? Flex Blocks never expire and there's no limit on the number that you can accumulate. They will, however, be forfeited if you fail to maintain your Brand Representative status. But even then, you can regain unused blocks by completing a **Restart**.

MONTH 1



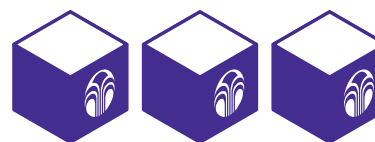
MONTH 2



MONTH 3



EVERY ANNIVERSARY



Brand Affiliate—Any person authorized to sell Nu Skin's Products, pursuant to a Brand Affiliate Agreement (BAA). All Product purchases are optional.

Restart— See Additional Details - Restart for more information.

MORE INFORMATION

If you do not have sufficient Building Blocks *and* Flex Blocks to maintain Brand Representative status, you will revert to Brand Affiliate status on the 1st day of the following calendar month. Once you revert to Brand Affiliate status, you lose any Brand Representatives that are currently on your **Team**. You have the option to **Restart** for a limited time, and, when successful, you may regain the Brand Representatives that were on your Team and any Flex Blocks you may have accumulated but not previously used. Please refer Additional Details - Restart.

Team—A Team consists of your Group and all Groups on which you are eligible to be paid a Leading Bonus.

FLEX BLOCKS FAQ

Q1: If I'm promoted before the end of the month, why don't I see my Flex Blocks as soon as I become a Brand Representative?

A1: You don't need them yet! Flex Blocks appear in your account the month *after* you finish Qualification, which is also the 1st month you'll need to complete your 4 Building Blocks for monthly maintenance.

Q2: Flex Blocks really don't expire?

A2: Nope—not as long as you're a Brand Representative. And there's no cap on how many Flex Blocks you can keep in your stash.

Q3: What are Flex Blocks worth?

A3: Flex Blocks do not provide Sales Volume or CSV, have no monetary value, and can't ever be redeemed for cash—they are only used to help maintain Brand Representative status.

Q4: Can I share or transfer my Flex Blocks to a friend?

A4: No. Flex Blocks are gifted to celebrate your continued success and can only be used by *you*.

Q5: If my G1 Brand Representative uses Flex Blocks, does that impact my Brand Representative **Title**?

A5: Not at all! Your Title is determined by the number of G1 Brand Representatives and Leadership Teams, regardless if your G1 Brand Representatives use Flex Blocks.

Q6: What happens if I don't have enough Flex Blocks to maintain my status as a Brand Representative?

A6: If you don't have enough Flex Blocks, you'll revert to Brand Affiliate status, but you'll get to keep any remaining Flex Blocks in your stash. Please see Additional Details Restart.

Title—Title refers to Members, Brand Affiliates, Qualifying Brand Representatives, and Brand Representative Titles. Brand Representative Titles are determined by the number of G1 Brand Representatives and Leadership Teams and are used to determine the number of Generations on which you can be paid a Leading Bonus. Please see the Brand Representative Titles chart for each Title's specific requirements.



QUALIFICATION

HIGHLIGHTS

- Required to become a Brand Representative.
- Has flexible requirements to match different circumstances.
- Requires the completion of 12 Building Blocks, 4 of which must also be **Sharing Blocks**.
- Participants are promoted from Qualifying Brand Representatives to Brand Representatives at the start of the next weekly period after they finish.
- Participants do NOT earn a **Building Bonus** so long as they are Qualifying Brand Representatives.

BUILDING
BLOCK



= 500 POINTS OF SALES VOLUME FROM ANYWHERE
IN YOUR GROUP

SHARING
BLOCK

= 500 POINTS OF SALES VOLUME FROM ONLY YOUR
REGISTERED CUSTOMERS

SHARING BLOCKS ARE BUILDING BLOCKS, BUT ONLY COUNT PURCHASES MADE BY YOUR REGISTERED CUSTOMERS

Qualifying Brand Representative—A Qualifying Brand Representative is a Brand Affiliate who has submitted their Letter of Intent and begun, but not finished, Qualification. Please see Build – Qualification for more details.

Building Bonus—All Brand Representatives are eligible to receive a Building Bonus on completed Building Blocks. Brand Representatives who complete 4 or more Building Blocks in a month (excluding Flex Blocks) are also eligible to receive a Building Bonus on any incomplete Building Block at the end of the month. The percentage paid on an incomplete Building Block is equivalent to the percentage paid on the last completed Building Block of the month. Incomplete Building Blocks are paid on the 8th of the following month. Brand Affiliates and Qualifying Brand Representatives are not eligible for Building Bonuses. No Building Bonus is paid on Flex Blocks. Building Bonus is calculated on the CSV of each individual Building Block.

Sharing Blocks—Sharing Blocks are a subset of Building Blocks and consist of 500 points of Sales Volume that only come from purchases made by Retail Customers, Members, Brand Affiliates, and Qualifying Brand Representatives who you've personally Registered and Registered Retail Customers in the United States and Canada of your Registered Brand Affiliates and Qualifying Brand Representatives. Your personal purchases do not count towards Sharing Blocks. Sharing Blocks are only applicable to Qualification and are a subcategory of Building Blocks. Therefore, all Sharing Blocks are Building Blocks, but not all Building Blocks are Sharing Blocks.

HOW IT WORKS

Qualification requires Qualifying Brand Representatives to:

1. Start by submitting a **Letter of Intent (LOI)**.
2. Complete both cumulative and monthly requirements.
3. Complete a cumulative total of at least 12 Building Blocks, 4 of which must also be **Sharing Blocks**.
4. Complete a monthly minimum of 2 Building Blocks each calendar month to continue Qualification
5. Even if you complete Qualification in your 1st month, you must still complete all 12 Building Blocks, 4 of which must also be Sharing Blocks.
6. There is no monthly minimum in your final month of Qualification.
7. Finish Qualification anytime within 1 week to 6 consecutive calendar months.

As long as you adhere to these elements, you're set! Now, let's look at some examples of how to complete Qualification.

Qualification—Qualification is the process Brand Affiliates undergo to become Brand Representatives. You begin Qualification by submitting a Letter of Intent and are reclassified as a Qualifying Brand Representative. After accumulating the requisite number of Building Blocks and Sharing Blocks within 6 calendar months, you finish Qualification and are reclassified as a Brand Representative. Please see Build – Qualification for more details.

Letter of Intent—The Letter of Intent is a document or online notice that a Brand Affiliate signs to notify Nu Skin of their intention to enter Qualification and become a Qualifying Brand Representative. Once submitted and accepted by Nu Skin, a Brand Affiliate is referred to as a “QBR1” for their 1st month of Qualification, “QBR2” for their 2nd month, etc. If a Brand Affiliate has been a Qualifying Brand Representative in the past and wishes to enter Qualification again, said Brand Affiliate must submit a new Letter of Intent.

DIFFERENT WAYS TO QUALIFY

EXAMPLE QUALIFICATION #1

With the flexibility of Velocity, you don't have to (but you totally *can!*) complete Sharing Blocks in your 1st month of Qualification. In the following example, there are 3 Building Blocks, 2 of which are also Sharing Blocks, in month 1. In month 2, there are 4 Building Blocks, 1 of which is also a Sharing Block. And in month 3, there are 5 Building Blocks, 1 of which is also a Sharing Block. Therefore, the total for months 1, 2, and 3 meet the required 12 Building Blocks, 4 of which are also Sharing Blocks.

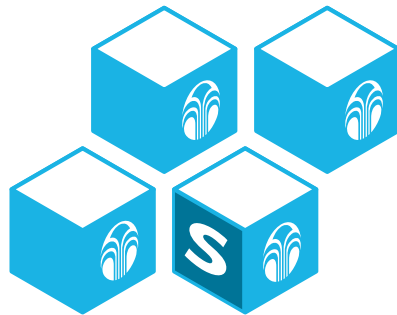
EXAMPLE QUALIFICATION

MONTH 1



3 BUILDING BLOCKS
(2 ARE SHARING BLOCKS)

MONTH 2



4 BUILDING BLOCKS
(1 IS A SHARING BLOCK)

MONTH 3



5 BUILDING BLOCKS
(1 IS A SHARING BLOCK)

EXAMPLE QUALIFICATION #2

The following example shows Qualification over 6 months. To complete Qualification you would complete only 2 Building Blocks each month. However, you must have completed at least 4 Sharing Blocks to complete Qualification. If you decide to go this route, **make sure you have sufficient Group sales (4 Building Blocks per month) for your 1st month as a new Brand Representative.**

In the following example, there are 2 Building Blocks, 1 also being a Sharing Block, in all 6 months of Qualification.

EXAMPLE QUALIFICATION

MONTH 1

MONTH 2

MONTH 3

MONTH 4

MONTH 5

MONTH 6



2 BUILDING
BLOCKS
(1 IS A
SHARING BLOCK)



2 BUILDING
BLOCKS
(1 IS A
SHARING BLOCK)



2 BUILDING
BLOCKS
(1 IS A
SHARING BLOCK)



2 BUILDING
BLOCKS
(1 IS A
SHARING BLOCK)



2 BUILDING
BLOCKS
(1 IS A
SHARING BLOCK)



2 BUILDING
BLOCKS
(1 IS A
SHARING BLOCK)

EXAMPLE QUALIFICATION #3

If you really want to show off your sales skills, you can even pass Qualification in a *single month*. No matter when you want to finish Qualification, you'll still need to build your Group and sell our world-class **Products** to complete the required 12 Building Blocks, 4 of which must also be Sharing Blocks. But hey, the faster you finish, the faster you can start earning those sweet Building Bonuses! The example below illustrates the 12 Building Blocks (4 of which must also be Sharing Blocks) that a 1-month Qualification requires.

Products—Product(s) includes all products and services sold by Nu Skin and its Brand Affiliates.

EXAMPLE QUALIFICATION

MONTH 1



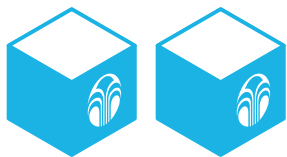
12 BUILDING
BLOCKS
(4 ARE SHARING BLOCKS)

EXAMPLE QUALIFICATION #4

If you finish Qualification in the middle of the month, you DON'T have to complete the monthly minimum block requirements for that month. Here's how that might look. In month 1, there are 2 Building Blocks. In month 2, there are 3 Building Blocks, 1 of which is also a Sharing Block. In month 3, there are 6 Building Blocks, 2 of which are also Sharing Blocks, giving you a cumulative total of 11 Building Blocks, 3 of which are also Sharing Blocks. That's why in month 4 there is only 1 more Building Block, which must also be a Sharing Block, required to complete Qualification.

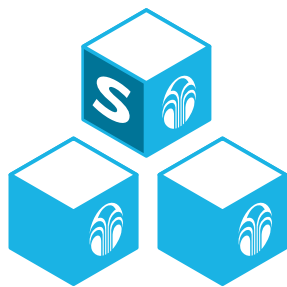
EXAMPLE QUALIFICATION

MONTH 1



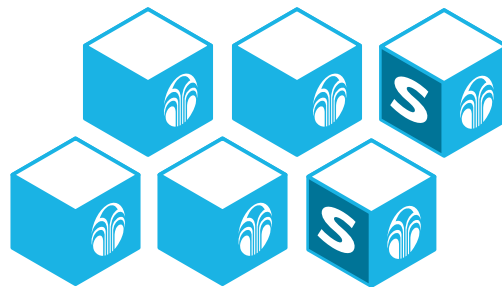
2 BUILDING
BLOCKS

MONTH 2



3 BUILDING
BLOCKS
(1 IS A SHARING BLOCK)

MONTH 3



6 BUILDING
BLOCKS
(2 ARE SHARING BLOCKS)

MONTH 4



1 BUILDING
BLOCK
(1 IS A SHARING BLOCK)

QUALIFICATION Q&A

Q1: Do I need to complete a Sharing Block every month of Qualification?

A1: No. To remain in Qualification, you will need to complete 2 Building Blocks each month. However, to meet Qualification requirements, you'll still need to complete 4 Sharing Blocks during the Qualification period.

Q2: Do I need to complete 2 Building Blocks in the month that I finish Qualification?

A2: No. Once you meet the cumulative Qualification requirements of 12 Building Blocks, with 4 of these also being Sharing Blocks, you are done with Qualification and will be promoted!

Q3: If I complete 12 Building Blocks in my 1st month, do I still need to complete 4 Sharing Blocks to finish Qualification?

A3: Yes! Finishing Qualification in your 1st month is a stunning sales feat. But 4 of your 12 Building Blocks *must* also be Sharing Blocks to finish Qualification. See Example Qualification #3 above.

Q4: If I don't finish a block in a calendar month, does the Sales Volume from this incomplete block carry over to the next calendar month?

A4: Any Sales Volume from an incomplete block will carry over and count towards your cumulative Qualification sales volume. However, Sales Volume from incomplete blocks does not count toward the next month's minimum monthly requirements.

Q5: My friend, who I **Registered**, and I are both in Qualification at the same time. Do her completed Sharing Blocks count as my Sharing Blocks too?

A5: Some of the Sales Volume may count toward your Sharing Blocks. The purchases of her Registered Retail Customers will count toward your Sharing Blocks. However, all purchases from her Registered Customers will contribute to your Building Blocks!

REGISTER—Register(ed) refers to personally enrolling Retail Customers, Members, or Brand Affiliates with Nu Skin.

Q6: Once I complete Qualification, how long will it take before I become a Brand Representative?

A6: We like to keep it simple at Nu Skin, so as soon as we process the next Building Bonus, you will become a Brand Representative and can begin earning a Building Bonus!

Q7: I finished Qualification on the 12th of the month. Do I need to complete my Brand Representative maintenance requirements for this month?

A7: If you are promoted mid-month (on the 8th, 15th, or 22nd of the month) you don't need to worry about your Brand Representative maintenance requirements for that month. But if you are promoted on the 1st of the month, you must complete your Brand Representative maintenance requirements for that month.

Q8: If I am promoted mid-month, do I earn a Building Bonus on all my completed Building Blocks?

A8: You'll earn a Building Bonus on all Building Blocks you complete *after* your promotion. But in order to be paid on incomplete Building Blocks, you must complete 4 Building Blocks that month.

Q9: Do I earn a Building Bonus on any Building Blocks prior to becoming a Brand Representative?

A9: No. You can only begin earning a Building Bonus on Building Blocks following your Brand Representative promotion date. For example, if you complete Qualification on the 3rd of the month, your promotion date to a Brand Representative will be the 8th of that month. Any Building Blocks built between the 4th and the 7th of that month would not count towards your Building Bonus, but you will still be eligible for a Sharing Bonus during this period.

RESTART

HIGHLIGHTS:

- Used to reclaim your Team.
- Initiated by submitting a new LOI.
- Requires Brand Representatives to complete Qualification within 6 months of reverting to Brand Affiliate status.
- Gives Brand Representatives 3 new Flex Blocks and restores any unused Flex Blocks.
- Can only be used once.

HOW IT WORKS

If you do not maintain your Brand Representative status and revert to Brand Affiliate status, you may wonder if you can get back to where you were with your Team. The good news is yes, you can! If you want to get back on board with your business, you can Restart. Restart lets former Brand Representatives undergo Qualification once more and reclaim their former Team. Plus, you get back any unused Flex Blocks and 3 additional Flex Blocks to get you going.

Here's how the whole process might look:

RESTART OPPORTUNITY

COMPLETION WITHIN 6 MONTHS OF LOSING TITLE

EX: FEBRUARY – JULY

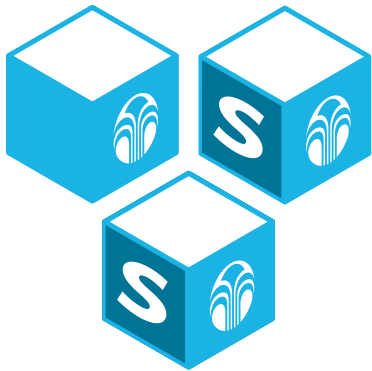
RESTART COMPLETION REQUIREMENTS



EXAMPLE RESTART

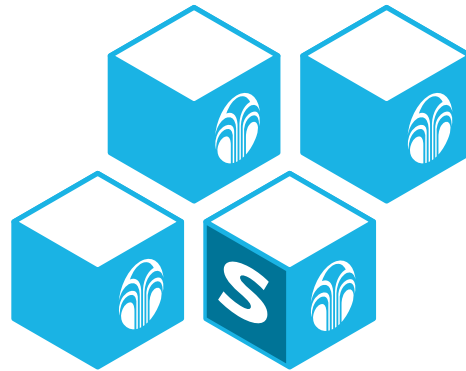
Just like Qualification, you can finish Restart however you want so long as you complete the required 12 Building Blocks, with 4 of these also being Sharing Blocks, within 6 months of reverting to Brand Affiliate status. In the following example, the Brand Representative would reclaim their Team and previously available Flex Blocks (plus 3 additional Flex Blocks) in the next weekly period after they finish Restart in month 3.

MONTH 1



3 BUILDING BLOCKS
(2 ARE SHARING BLOCKS)

MONTH 2



4 BUILDING BLOCKS
(1 IS A SHARING BLOCK)

MONTH 3



5 BUILDING BLOCKS
(1 IS A SHARING BLOCK)

MORE INFORMATION

You can only Restart once, and you have to complete the process within 6 consecutive calendar months of reverting to Brand Affiliate status. If this deadline passes or you don't finish Restart, you will permanently lose the chance to regain any unused Flex Blocks and any Brand Representatives and their Groups you previously developed within your Team. You will also lose your previous **Brand Representative Date**.

If you submit an LOI and complete the process within 6 months you will automatically Restart (if Restart is available).

If you have used Restart and you fail to maintain your status as a Brand Representative again, we encourage you to start your journey over, but you'll have no ties to Brand Representatives in your former Team.

Please contact your account manager for more details on how Restart works.

Brand Representative Date—Brand Representative Date refers to the date you are classified as a Brand Representative. When using Restart, your original Brand Representative Date is restored.





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VELOCITY

BY NU SKIN™

To qualify for payment under Velocity by Nu Skin, you must make sales to at least 5 different Retail Customers or Members each month and comply with our Policies & Procedures and guidelines. Velocity by Nu Skin is part of Nu Skin's Global Sales Compensation Plan. Generating meaningful compensation as a Brand Affiliate requires considerable time, effort, and commitment. There are no guarantees of financial success, and results vary widely among participants.

Velocity is unrelated to our Mainland China business, which does not participate in Nu Skin's Global Sales Compensation Plan and operates under a different business model.