

# GUIDELINES FOR SOUTHEAST ASIA REGION\* BRAND AFFILIATES PROMOTING THE NOURISH THE CHILDREN INITIATIVE

A Brand Affiliate must adhere to these guidelines when promoting the Nourish the Children initiative. It is important to remember that Nourish the Children is not a charity, but a for-profit initiative of Nu Skin with a charitable purpose that allows Brand Affiliates and their customers to donate products purchased from Nu Skin to help feed hungry children. Through this initiative, Nu Skin's Brand Affiliates and customers have donated over 700 million meals. This initiative must never be promoted as a charity, and these guidelines are intended to ensure the initiative is not presented in a misleading manner. Strict adherence to these guidelines will reduce the risk of negative legal action or media attention for Nourish the Children and will allow the initiative to continue feeding hungry children.

#### THE SELLING OF NU SKIN AND PHARMANEX PRODUCTS MUST BE THE PRIMARY FOCUS OF NU SKIN BRAND AFFILIATES

- Brand Affiliates should place their primary business focus on the opportunities available with Pharmanex and Nu Skin and not the Nourish the Children initiative and VitaMeal.
- Marketing efforts should be focused on Nu Skin and Pharmanex products, with Nourish the Children and VitaMeal only being offered
  as a secondary option for existing consumers of Nu Skin and Pharmanex products. The Nourish the Children initiative must remain
  incidental to the primary business of selling Nu Skin and Pharmanex beauty and wellness products.
- Nourish the Children should never be presented as a business opportunity. Presenting Nourish the Children as a stand-alone program or as a business opportunity may create the misconception that Nourish the Children is a charity soliciting donations, that the cash paid to Nu Skin are charitable donations, or that a Brand Affiliate can build a business selling VitaMeal. It is inappropriate to teach or imply that a Brand Affiliate can build a business selling VitaMeal.
- While the sales of Nourish the Children products such as VitaMeal may vary slightly by market, it should always remain a small and
  incidental part of a Brand Affiliate's business. Sales of VitaMeal should never be more than a very small percentage of total monthly
  sales volume.

## MAKE IT CLEAR THAT NOURISH THE CHILDREN IS NOT A CHARITY BUT A FOR-PROFIT INITIATIVE WITH A CHARITABLE PURPOSE

- Nourish the Children is not a division or entity, but simply a for-profit program that facilitates the donation of purchased products to charities for the benefit of children in need.
- Never portray Nourish the Children as a charity, either directly or indirectly. Nourish the Children is a for-profit initiative. Brand Affiliates and Nu Skin earn compensation and profit from the sale of VitaMeal. It is the power of the profit structure that gives long-term viability to the initiative and provides a steady monthly supply of meals to our charity partners, which our charity partners highly value.
- Brand Affiliates must not state or imply that VitaMeal is being sold at cost or at a discount. The price for VitaMeal, similar to other Nu Skin products, also covers commissions to Brand Affiliates, and the overhead and operating profit for Nu Skin.
- Nourish the Children is registered as a "commercial co-venture" in the appropriate states of the United States of America, which is a joint effort between a for-profit and nonprofit organization. The program may be compared to a grocery store that cooperates with a food bank so that customers can easily purchase products from the grocery store and donate them to charity.

# EXPLAIN THAT NOURISH THE CHILDREN WORKS JOINTLY WITH FEED THE CHILDREN AND OTHER AUTHORIZED CHARITIES

- Feed the Children is a registered 501(c)(3) charity in the United States and handles the VitaMeal donations from Nourish the Children, Nu Skin, Brand Affiliates and Nu Skin customers. Feed the Children and other carefully selected charities receive and distribute VitaMeal donations to those in need.
- Nourish the Children's affiliation with Feed the Children and other charities should be emphasized in every presentation and in a manner that clearly demonstrates that Nourish the Children is not a charitable entity.

### DO NOT SOLICIT OR ACCEPT CASH OR OTHER DONATIONS

- Brand Affiliates may not solicit cash donations or contributions for Nourish the Children or Feed the Children. Brand Affiliates may only encourage others to purchase VitaMeal, which are then donated through Nourish the Children, or in some markets such as Singapore, Indonesia and Philippines, may be purchased to consume. Brand Affiliates may not accept cash from customers and use cash to purchase VitaMeal. Customers must purchase VitaMeal directly from Nu Skin.
- Brand Affiliates may explain that Nu Skin will make certain matching contributions to Feed the Children and other charities as we
  facilitate the donation by those who choose to purchase and donate through Nourish the Children.
- Do not make statements to the effect that the Nourish the Children initiative allows direct donations to charities which ensures donations go directly to those in need. This could give the mistaken impression that the person is making a cash donation or mislead consumers if they believe that 100% of their cash is going directly to needy children, when in fact the purchase of VitaMeal generates commissions for Brand Affiliates and operating profit for Nu Skin. Focus on the actual benefits of the program, including the specialty formulated VitaMeal, the steady and regular supply of meals for hungry children, and the over 700 million meals this has provided to children all across the world.

#### ALL EVENTS MUST COMPLY WITH THESE GUIDELINES

- No event can be organized by Brand Affiliates if it only or primarily focuses on Nourish the Children. All events should be about Nu Skin and/or Pharmanex, and Nourish the Children can only be introduced as part of such an event.
- Any event must adhere to the guidelines above by positioning Nourish the Children as an ancillary part of the Nu Skin business, promoting Nu Skin and/or Pharmanex products alongside Nourish the Children products, identifying Nourish the Children as a for-profit initiative, and offering product to sell rather than soliciting cash donations.
- Holding a Nourish the Children fundraiser is prohibited. Brand Affiliates do not "raise money" for Nourish the Children. They sell bags of VitaMeal, which are then donated.
- You may not hold a "silent auction" or any similar type of activity generally associated with a charity event.
- You may not conduct a raffle or other kind of contest and use the proceeds to purchase VitaMeal.

<sup>\*</sup> Singapore, Malaysia, Brunei, Philippines, Indonesia, Thailand, Vietnam