

Automatic Delivery Rewards Frequently Asked Questions

General

1. Q) What is ADR and why should I join?

A) ADR or Automatic Delivery Rewards is a programme where a Distributor or customer can receive products on a monthly basis with special rewards. Incentives include a percentage discount on products, discounted shipping rates*, automatic monthly processing on your date of choice and free product points on every order, which can be used to purchase products in the future. Having an ADR is also a requirement to earn commissions.

*Some markets/specific regions or islands are excluded from this discount plan (Iceland, Canary Islands and French Overseas Departments).

2. Q) Why has the automatic delivery programme changed?

A) The reengineered ADR programme is based on extensive global research. In the past, automatic delivery programmes varied globally from market to market. Now, the best practices from around the region have been implemented into one programme that is universally seamless. Many aspects of the new programme feature a simplified process that makes it easier for Distributors to explain. The ADR programme offers greater online capability to save you time and money and it is easy to duplicate in the whole region.

3. Q) What markets are affected by the ADR programme change?

A) This change affects all markets within the Americas, Europe and South Pacific region. In 2009 – United States, Canada, Austria, Belgium, Czech Republic, Denmark, Finland, France, French Polynesia, Germany, Hungary, Iceland, Ireland, Italy, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Switzerland, United Kingdom, Australia, New Zealand, New Caledonia, South Pacific, South Africa, Turkey, Israel, Russia, Mexico, Venezuela, Guatemala, Costa Rica, Honduras, El Salvador and Columbia changed to the ADR programme. The remaining international markets are planned to launch in 2010.

4. Q) What are the main benefits of the ADR programme?

A) The ADR programme allows you more control over the management of your ADR. Although many of the benefits are greatly improved, we are most excited that you are now able to manage your ADR in your own time over the internet. Another benefit is knowing that the ADR programme is the same in whatever regional market you may sponsor in, which makes duplication easier between the markets of the region. In addition, you are able to earn product points on your monthly orders that can be redeemed for free products.

Rewards

5. Q) What are the rewards of ADR?

A) Rewards include a percentage discount on products, discounted shipping rates*, automatic monthly processing on your date of choice (between day 01 and 25 of the month) and free product points on orders to redeem products in the future. Only ADR orders with non-exempt products will earn product points.

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Enrol on ADR

6. Q) How does one enrol on ADR?

A) Enrolment can be completed by post/fax or simply by going online. For more information on enrolment, contact your local Customer Service or visit our website.

ADR Requirements

7. Q) Are there any requirements to create an ADR account?

A) Yes, the minimum value of an ADR order must be 50 PSV** after discount in order to receive the ADR benefits. If the minimum value is not met, then the ADR simply becomes a regular, reoccurring monthly order without the ADR benefits.

**PSV: Personal Sales Volume is the monthly point value of the products and services you purchase from the Company, primarily for personal consumption. PSV includes points from purchases made directly from the Company by your personal Retail Customers.

8. Q) Can I have an ADR order shipped more than once per month?

A) No, each ADR order may only be shipped once per month. You can, however, have more than one ADR in parallel on the same ID.

ADR

9. Q) Are there any restrictions to what product I can order on ADR?

A) Yes, discounted packages are restricted from ADR orders. You may place business kits, sales aids/marketing materials, product collections, seasonal promotional packages and Nourish the Children® VitaMeal bags on ADR but they will not receive any further discount.

However, in order to earn product points on your ADR order, you may place any individual product from the Nu Skin® and Pharmanex® brands that have full PSV on your ADR order to earn product points.

10. Q) How does fax/post ADR differ from online ADR?

A) The difference between a fax/post ADR and an online ADR is the handling fee. Online ADR management incurs no additional shipping & handling fee and the reduced standard rate will apply. ADR management via the Customer Service will entail an additional handling fee that together with the shipping fee will total in the same amount as a regular shipping fee for a regular fax/post order.

11. Q) How do I make changes to (manage) my ADR?

A) You can make changes to your ADR online or through the Customer Service. Discounted shipping rates only apply to changes made online.

12. Q) By when should I make any changes to my ADR?

A) We recommend making any change at least four business days before the process date (if Direct Debit payment option is available in the market and you choose this as a payment method, please contact your local Customer Service to receive the correct information on changing your ADR) to ensure that your change takes effect.

13. Q) If the chosen process date falls on a weekend, what happens and when is my ADR processed?

A) If the process date falls on a weekend or holiday, the order will be processed on your chosen date, but shipped on the closest business day. Please contact your local Customer Service for more information regarding the process applicable to your market.

14. Q) Will I be notified when my order ships?

A) Yes, an email is sent out every time your ADR is shipped. This email contains information that ensures you are able to track your order until you receive it.

15. Q) How do I pay for my ADR order?

A) You may pay for your ADR order with a credit card or any other payment type of your choice, which is available in your market.

16. Q) How do I manage my credit cards on file?

A) You may manage it online by clicking on My Account, or you may contact your local Customer Service or Concept Stores.

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<http://www.nuskin.com/intercom/editorial.do?contentId=eu.security.online>

If you have any questions or concerns regarding this statement, contact your local Customer Service.

17. Q) If I call into the Customer Service or visit the Concept Stores with questions regarding ADR, will there be a fee?

A) No, there will not be a fee for questions. But if you make a change to your ADR via the Customer Service, a handling fee will apply. You can always manage your ADR online without any handling fee applying.

18. Q) Will the Customer Service still be available for help with my ADR?

A) Yes, but regular handling fees will apply.

Cancellation

19. Q) How do I cancel my ADR?

A) You may cancel your ADR online as long as there are multiple ADRs on your account. To cancel your very last ADR, please contact your local Customer Service. Your last ADR cannot be cancelled online.

20. Q) Is there a cancellation fee when I cancel my ADR?

A) No, there is no cancellation fee.

21. Q) Can I reactivate my ADR once it has been cancelled?

A) Yes, you may reactivate your ADR once it has been cancelled. But you will not retain the product points that you had previously earned and will start over, earning product points at 20%.

22. Q) How can I reactivate a cancelled ADR?

A) You can reactivate your cancelled ADR by contacting your local Customer Service. If you call within 30 days after cancelling your ADR, your previous point balance will be awarded back to your reactivated ADR account.

23. Q) Is there any documentation needed to cancel my ADR?

A) Yes, we need a written notification about the cancellation since this would be a change to the terms and conditions of the ADR agreement.

ADR Online

24. Q) What can be managed online?

A) You can change the payment type (wire transfer or credit card), addresses, place an override and redeem product points (see section on overrides for more information).

25. Q) What is the difference between the price of a web order and an ADR?

A) Web orders are sold at the same price as ADR orders, which is 5% off the wholesale price. However, web orders exclude the benefits attributed to an ADR order.

26. Q) What payment types are accepted for online overrides? (See section on overrides for more information).

A) Please contact your local Customer Service or see the online checkout page for information on payment types that are available in your market.

27. Q) What are the advantages of doing an ADR online?

A) The advantages of doing an ADR online are: discounted shipping* and no handling fee, change is done immediately without any loss of time.

*Some markets/specific regions or islands are excluded from this discount plan (Iceland, Canary Islands and French Overseas Departments).

Product Points

28. Q) How are product points earned?

A) Product points are awarded monthly and are based on the PSV amount. A total of 75 product points can be earned each month. A maximum of 900 product points can be earned on one ID at a time with product points expiring on the 13th month after they were earned. The amount is determined by how long you have been on ADR:

- 20% - first year on programme (when you make your first 12 orders).
- 30% - after one year (when you make your 13+ order).

29. Q) Can I redeem my product points in other countries?

A) No, you can only redeem product points in the country where they were earned. Example: if you have a German ADR, you can only redeem your product points in Germany.

30. Q) How can I tell when my product points are going to expire?

A) An expiration date will be shown online, or will be communicated to you through the Customer Service or via emails sent from the Company.

31. Q) If I return a product, will the product points I earned be deducted?

A) Yes, the amount of product points that product earned will be deducted from the total that the Distributor currently has.

32. Q) If I cancel my ADR, do I lose my product points?

A) Yes, they will be deleted at the end of the month in which your ADR was cancelled.

33. Q) Are there products that do not earn product points?

A) Yes, some products do not earn product points, such as NSE Dreams services, sales aids/marketing materials, introductory packages, Nu Colour® accessories, business kits, discounted products and packages and most promotional packages (except ADR packages).

34. Q) Are there any restrictions to what I can purchase with product points?

A) Yes, you may only purchase Nu Skin® and Pharmanex® products (including product systems such as ageLOC™ Transformation, ageLOC™ Elements & Future Serum, Nu Skin 180°® Anti-Ageing System and Nu Skin Clear Action® System). This excludes product collections, discounted products and promotional packages, business kits, ADR promotional packages, Nourish the Children® VitaMeal bags, sales aids/marketing materials, Scanner operators packs and other products that are marked as restricted to points.

35. Q) Do I earn PSV on the products I redeem with product points?

A) No, there is no PSV granted for products redeemed with product points.

How to Redeem Product Points?

36. Q) How much is one product point worth?

A) As product points are earned based on the value of PSV they are also redeemed based on the value of PSV. One product point equals one PSV.

37. Q) When are my product points awarded?

A) Product points are awarded on the first business day of each month for the previous month's purchases.

38. Q) Can I redeem my product points immediately after I placed the ADR order?

A) No, product points are awarded on the first business day of each month for the previous month's purchases. They can only be redeemed after they become visible on your account.

39. Q) How can product points be redeemed?

A) They can be redeemed via fax, mail, Concept Stores or online through the redemption centre. Product points may only be redeemed when the entire price of a product can be redeemed with product points.

40. Q) How can I see how many product points I have available?

A) You can check online, via the Concept Stores or through the Customer Service. You will also be able to see product points available, being earned, redeemed and product points that are going to expire.

41. Q) Do I pay taxes and shipping costs when I use product points?

A) No, in Europe and Russia you do not need to pay taxes on the free products. In addition, you do not need to pay shipping costs if your free products are attached to your ADR or another order.

42. Q) Can I return a product that I purchased with product points?

A) No, products purchased with product points are non-refundable.

43. Q) Can I redeem product points at Concept Stores?

A) Yes.

44. Q) Can I redeem product points online?

A) Yes, you can redeem them as a one-time order or on your ADR. There is no minimum PSV required to use your product points on either order.

45. Q) Can someone else use my product points?

A) Only you and someone that you give permission to may use your product points. To give someone permission, you will need to send a letter with your signature stating that a specific individual has permission to use your product points. This can be faxed or mailed to your market's designated Customer Service for documentation (if redeemed via Customer Service, handling fee will apply). Please contact your local Customer Service for address or fax number or visit our website.

What Happens to my Existing ADP? - Grandfathered Prices

46. Q) Will my existing ADP benefits and prices change?

A) All prices and benefits will remain the same for products that are on your ADP when the new ADR programme launches. As long as you do not make changes to your current ADP at the time of the launch or after, you will be able to maintain your current benefits and pricing.

47. Q) If I cancel my ADP, can I still get the grandfathered pricing?

A) No, when you are re-enrolled in ADR, you are automatically enrolled in the new ADR programme with the new pricing.

48. Q) Will I earn product points on grandfathered products?

A) No, for markets where product points are not earned on ADP, but have a graduated discount (10-15-20%), the discount will remain without earning product points until the product is removed or upgraded to the new discount with product point benefits.

Hold

49. Q) What is a hold?

A) A hold is when your ADR order does not ship for a specified month.

50. Q) How do I put a hold on my ADR?

A) To put a hold on your ADR, you will need to contact the Customer Service, Concept Store or change your shipping date online.

51. Q) How many holds do I have per year?

A) You may put your ADR on hold for up to three months/shipments per year.

52. Q) What will happen if I need to hold my ADR more than three times per year?

A) You will forfeit your ADR membership and will lose the benefits associated with that ADR.

53. Q) How long is a hold?

A) A hold is a one month period. After this, the ADR automatically resumes.

54. Q) If I hold my ADR, does it hold the other shipments under my account?

A) No, you have the option to hold all or specify which order to hold.

55. Q) What should I do if I start to acquire too many products?

A) If you notice that you are experiencing a product stockpile, adjust your order to fit your needs. You can change your products or your ship date.

Overrides

56. Q) What is an override?

A) An override order is a new ADR order that will take the place of your existing ADR order for the current month. For example, if you normally have a monthly ADR order ship on day 20 of each month, you can contact your local Customer Service or go online and place an override order on day 12 with different product(s) with a minimum of 50 PSV after discount, different payment type and a different shipping address and have it replace your order scheduled to ship on day 20. You will receive the same product discount and product points that you would normally and your monthly shipment will simply be held until the next month.

57. Q) Does the override order have to be a minimum of 50 PSV after discount?

A) Yes, in order to maintain your ADR benefits, the override needs to be a minimum of 50 PSV after discount.

58. Q) How many times can I have an override in one year?

A) You can override your ADR once in each month.

59. Q) Does an override change my order permanently?

A) No, an override does not permanently change your order.

60. Q) Do overrides affect my product points?

A) No, override orders will not affect your product points. You will still earn product points on your override order as you would from your normal ADR order.

61. Q) If I override my order, does that change my ship date permanently?

A) No, if you override your ADR order, your original ADR order will automatically resume the next month on your specified ship date.

Concepts Stores

62. Q) What are Concept Stores?

A) Concept Stores are local offices where you may go to place or pick up single orders.

63. Q) Can I place my ADR at my Concept Stores?

A) Yes, you may place your ADR order at the Concept Stores but handling fees may apply. Please note that the ADR orders cannot be picked up in the Concept Stores, they will be delivered to you.

Sponsoring

64. Q) If I want to sponsor/purchase in other countries, what do I need to do?

A) To sponsor outside of EMEA (Europe, Russia, Middle East and Africa) you will need to fill out an ISA (International Sponsoring Agreement) and a PPA (Product Purchasing Agreement). These documents can be found in the Library section of My Office. There is a processing fee for these documents. This fee will be determined by your market, to be paid in local currency.

International ADR Enrolment

65. Q) If I enrol on an international ADR, do I get the same benefits?

A) If you enrol on an international ADR, you get the same flat rate shipping fee, discount (5% on PSV and price of the ADR order), but you will not earn product points on such order. For example: a French Distributor enrolling on ADR in the U.S. would not be able to earn product points for that ADR.