



**BioPhotonic Scanner S3**

**Master Lease and License Agreement**

**("Agreement")**

For British Brand Affiliates

BETWEEN

Nu Skin Scandinavia A/S, a corporation registered and existing under the laws of Denmark under the corporate registration number 21 48 09 08, whose registered office is at Havneholmen 25, DK-1561 Copenhagen V, Denmark

Hereinafter, the "**Lessor**";

**AND**

Name: \_\_\_\_\_

Seat/Address: \_\_\_\_\_

Address of delivery of the Equipment (if different from above – must be the same country):  
\_\_\_\_\_

Email and phone number: \_\_\_\_\_

Brand Affiliate ID: \_\_\_\_\_

VAT Number (if applicable): \_\_\_\_\_

Scanner Registration Number: [*to be completed by Nu Skin*] \_\_\_\_\_

***\*Lease Holder shall inform the Lessor in writing on any change of the above data without delay and no later than within five (5) business days from the change.***

Hereinafter, the "**Lease Holder**";

Individually referred to as a "**Party**" or together as the "**Parties**".

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## PREAMBLE

**WHEREAS** Nu Skin is active in the business of marketing personal care, nutritional and high-tech products through a network of independent Brand Affiliates and is the owner of the Equipment, as defined below;

**WHEREAS** the S3 Scanner, as defined below, is a tool used to obtain a reading reflecting a person's carotenoid level in the skin;

**WHEREAS** Lease Holder is an authorised Brand Affiliate of Nu Skin pursuant to a Brand Affiliate Agreement, as defined below;

**WHEREAS** Lease Holder wishes to lease the Equipment from Lessor.

## THE PARTIES HAVE AGREED AS FOLLOWS

### 1. Definitions

In this Agreement, the following terms shall be interpreted as follows:

**"All Holds"** means that Lessor blocks sales orders and commission pay-out on the Brand Affiliate Account of the Lease Holder.

**"Consent"** means a written approval, in the form of Schedule A, signed by the customer, which authorises Nu Skin to process the personal data of the customer being scanned.

**"Brand Affiliate Agreement"** means the most current Brand Affiliate agreement and International Sponsor Agreement, including the Policies and Procedures, the Europe and Africa Sales Performance Plan, and materials pertaining to optional programmes, as each may be amended, entered into by Lease Holder with Nu Skin International, Inc. and/or its affiliates.

**"Customer Support – Market Scanner Coordinator"** means the Nu Skin department/person to be contacted by Lease Holder with enquiries, complaints, requests for repairs, replacement, and any communication related to the Equipment and this Agreement.

**"Equipment"** means one S3 Scanner.

**"Effective Date"** means the date of entry into force of this Agreement, which shall be the 1<sup>st</sup> of the month in which month that the Scanner Lease Agreement is duly executed and exchanged by both Parties.

**"Scan and a Re-Scan"** means that, in accordance with the use of the scanner, scanning shall always mean, without exception, that the customer is physically scanned. Please refer to the S3 Manual User for the usage of the Biophotonic Scanner.

**"Guarantee"** means a deposit of 208.86 GBP to be paid upon signature of this Agreement and before delivery of Equipment.

**“Loss and Damage Waiver Programme”** means the mandatory waiver programme which the Lease Holder is undertaking in this Agreement as defined in point 9. The Loss and Damage Waiver is a contractual programme made available for the Lease Holder’s benefit for the scenario of loss or damages to the Equipment and is a contractually payable fee charged.

**“Nu Skin”** means Nu Skin International, Inc., Lessor and their affiliated companies.

**“Policies and Procedures”** means the policies governing how a Brand Affiliate is to conduct his business and defining the rights and relationships of the Parties in addition to the Brand Affiliate Agreement and the Agreement.

**“Scan Card”** means a bar coded (or QR coded) physical or digital card linked to a specific customer which is necessary when performing scans with the S3 Scanner and enables Lease Holder and the customer to monitor the skin carotenoid score through a colour scale.

**“Scanner Certification Training”** means the training, educational materials and related online quiz provided by Lessor and its affiliates to Lease Holder which needs to be completed as a precondition of this Agreement.

**“Scanner Inventory Specialist”** means the Nu Skin person reviewing and approving any Loss/Damage Form submitted by Lease Holder (Schedule B).

**“Scanner Operator Bonus”** is an incentive provided and paid to Lease Holder on Automatic Delivery Rewards (ADR subscriptions) orders of skin carotenoid score certified products (please check [www.nuskin.com](http://www.nuskin.com) for local product availability) upon the conditions set out in Schedule D of this Agreement.

**“S3 Scanner”** means a Pharmanex BioPhotonic Scanner System v. 3, used to measure the carotenoids levels in the skin, and manufactured by Pharmanex, consisting of hardware and software, including one BioPhotonic scanner which emits a blue light source and one encasement which houses the light source and spectrometer. The total value of the S3 Scanner is 1,640 GBP excl. VAT.

**“Pharmanex Scanner Application”** means the mobile device application developed by Nu Skin Enterprises, Inc. necessary to operate the S3 Scanner and must be downloaded by Lease Holder to its own device from the internet. The Pharmanex Scanner Application controls the operation of the S3 Scanner via a Bluetooth connection referred to in point 5.2.

**“Territory”** means all countries where Nu Skin has an open Authorised Market in Europe, excluding the countries in which the S3 Scanner is not available (the list of countries in which the S3 Scanner is made available by Nu Skin can be consulted through V&G).

**“Waiver Payment”** means the monthly amount paid by the Lease Holder in accordance with point 9.2 for the Loss and Damage Waiver Programme described in point 9 of this Agreement.

**“Sales Volume (SV):”** A non-currency value set for each Product used to quantify Product sales, which is aggregated to measure eligibility for various performance benchmarks as well as Bonus percentage determination. Sales Volume is adjusted from time to time as the Company deems necessary. Sales Volume is different from Commissionable Sales Value and Net Sales Price. You can obtain information regarding the Sales Volume and other sales compensation-related information for each Product by signing into your nuskin.com account.

**“Group Sales Volume (GSV)”** The sum of Sales Volume from all Product purchases within your Group.

**“Group”** Your Group consists of (1) you, (2) any of your Members, Retail Customers, and Brand Affiliates, and (3) any of your Brand Affiliates’ Members, Retail Customers, and Brand Affiliates and so on. Your Group will include the Groups of your Brand Affiliates who are in Brand Representative Qualification. A Brand Affiliate who completes Brand Representative Qualification will leave your Group and they and their Group will become part of your Team.

## 2. Lease and license

- 2.1 Subject to Lease Holder successfully submitting the separate online Scanner Qualification Request Form and completing the mandatory Scanner Certification Training with the related online quiz, Lessor hereby agrees to lease to Lease Holder, and Lease Holder agrees to lease from Lessor, the Equipment in accordance with the terms and conditions of this Agreement. For the operation of the Equipment Lease Holder is entitled to a limited, revocable, personal, non-exclusive, and non-transferable right to download, install and activate the Pharmanex Scanner Application on its own device.
- 2.2 Lease Holder’s decision to lease the Equipment and grant license for the Pharmanex Scanner Application is entirely discretionary and it may or may not benefit Lease Holder’s business as a Brand Affiliate for Nu Skin. Lease Holder shall not receive any Bonuses or commissions as a result of Lease Holder’s decision to lease the Equipment and license the Pharmanex Scanner Application. Lessor shall, at all times, retain all authorship and ownership rights, title and interest in the Equipment and the Pharmanex Scanner Application together with all additions, replacements, enhancements and modifications, and all proceeds and products thereof, subject only to the rights and licensing rights granted to Lease Holder under this Agreement. Nothing contained herein shall give or convey to Lease Holder any right, title or interest in and to the Equipment or the Pharmanex Scanner Application except as a lessee or licensee, as applicable, thereof. Sharing the Pharmanex Scanner Application or its content and stored data or in a network or with other persons not entitled to use the Equipment is in violation of this Agreement.
- 2.3 Lease Holder shall use the Equipment in markets covered by the Territory, solely for business purposes and not for personal, family or other purposes, in accordance with Section 5 of this Agreement with the following limitation: in case of cross-border use, Lease Holders registered in an Europe market shall be allowed to perform scans in other open Authorised Markets of the Europe and Africa and earn Scanner Operator Bonus.
- 2.4 The lease of the Equipment and the license of the Pharmanex Scanner Application (“Scanner Maintenance Program”) are subject to Lease Holder maintaining its Brand Representative or above status **AND complete at least one of the requirements below:**
- Have in total 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 E of the Agreement, in any combination per month, registered monthly;
  - **OR** has 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 E of the Agreement
  - **OR** achieve minimum 4,000 Group Sales Volume\* in your Group\*\*) on a monthly basis.

2.5 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 2.2 of Schedule E 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 E of the Agreement **OR**
- Achieve minimum 4,000 Group Sales Volume in your Group.

\*Please refer to clause 1 – Definitions

\*\* Please refer to clause 1 – Definitions

### **3. Guarantee and delivery of the Equipment**

- 3.1 Upon execution of this Agreement and before delivery of the Equipment and the download of the Pharmanex Scanner Application, Lease Holder shall pay the Guarantee to Lessor.
- 3.2 Upon receipt of the Guarantee and a fully executed copy of this Agreement, Lessor will ship the Equipment to Lease Holder, at the requested delivery address. Lease Holder will be charged a **33,13 GBP excl. VAT** for shipment of the Equipment.
- 3.3 Unless Lease Holder otherwise informs Lessor within thirty (30) days of the date of receipt of the Equipment, it shall be presumed that the Equipment was correctly delivered and in good condition. Subject to Section 12, the Guarantee shall be refunded to Lease Holder upon termination or expiration of the Agreement and upon return of the Equipment in good order and in due time stipulated in section 12.3, except for reasonable wear and tear and depreciation resulting from authorised use, and subject to the conditions of Section 14.
- 3.4 After the expiration of this Agreement and due return of the Equipment and removal of the Pharmanex Scanner Application from own device, the Guarantee will be returned to the Lease Holder subject to all of the following conditions:
  - 3.4.1 this Agreement is not terminated by the Lessor with immediate effect due to a material breach by the Lease Holder of any of his obligations under this Agreement (including the obligation provided for in Section 2.4. of this Agreement); and

- 3.4.2 the Lease Holder has paid to the Lessor all the Waiver Amount, established by the Lessor for the period from the date of receipt of the Equipment and until the return of the serviceable Equipment to the Lessor;
- 3.4.3 the Lease Holder has paid to the Lessor the cost of repairing the Equipment in case of damage, as well as the cost of the Equipment and Pharmanex Scanner Application in case of their loss in accordance with Section 8.4. of the Agreement.

#### **4. Payments**

- 4.1 The Lease Holder shall pay Lessor the monthly Waiver Payments on (1) the seventh (7<sup>th</sup>) day of the next month, or (2) the earliest business day thereafter if such day falls on a weekend or on a national bank holiday in Hungary. The Waiver Payments shall be paid via continuous payment authority (CPA) charged monthly from the Lease Holder's credit card, which information shall be submitted by Lease Holder via phone to Customer Support – Market Scanner Coordinator.
- 4.2 In addition, if any amount payable under this Agreement is not paid by the twenty fifth (25<sup>th</sup>) day following the end of the respective calendar month, Lessor may de-activate the S3 Scanner without further notice.
- 4.3 Waiver Payments are exclusive of all taxes, levies, duties or filing fees imposed by governmental or any other authorities. Lease Holder shall be responsible for the payment of all such taxes, levies, duties or fees and shall reimburse Lessor for their prepayment, as the case may be.

#### **5. Use and operation of Equipment**

- 5.1 Lease Holder understands and agrees that the Equipment (operated with the Pharmanex Scanner Application) is a tool to score a person's carotenoid absorption in the skin.
- 5.2 Lease Holder must download the Pharmanex Scanner Application from the internet that controls the operation of the S3 Scanner via a Bluetooth connection. The Pharmanex Scanner Application is developed for iOS. Lease Holder shall bear responsibility for downloading the Pharmanex Scanner Application and maintaining on its own functioning mobile device in order to operate the Scanner and deleting it from the own device upon the termination of this Agreement.
- 5.3 The Equipment generates an electronic report of all scan information contained on each Scan Card number by synchronising with the Lessor's servers and the Pharmanex Scanner Application. Lease Holder shall ensure that its own device has access to the internet at all times. It is required to connect the Equipment to the internet while the Equipment and the Pharmanex Scanner Application is in use. In addition to any other remedies available to Lessor under this Agreement or applicable law, the Equipment will automatically prohibit any new scans if Lease Holder fails to ensure the synchronisation at least once every fourteen (14) days.
- 5.4 In order to use the Equipment and perform scans of customers, Lease Holder must purchase the barcoded physical or digital Scan Cards which serve to monitor the carotenoid score of each customer. Physical Scan Cards can be purchased via the Nu Skin website [www.nuskin.com](http://www.nuskin.com) and the digital Scan Cards can be bought only via the Pharmanex Scanner Application. The physical scan cards can be purchased in packs of 20 (S3 scan cards 20-pack) while the digital scan cards can be purchased as single scan cards.
- 5.5 Lease Holder undertakes to use the Equipment and the Pharmanex Scanner Application strictly in accordance with this Agreement, Lessor's instructions, the Scanner Certification Training, the Europe Scanner Marketing Guidelines and the S3 Scanner user manual. Lease Holder shall at a minimum not:
  - a) permit any other person, firm, or corporation to use the Equipment or Pharmanex Scanner Application, except as specifically provided in this Agreement;

- b) use the Equipment or Pharmanex Scanner Application to promote or sell nutritional products other than those of Lessor;
- c) make or allow to be made, any changes or alterations to the Equipment or Pharmanex Scanner Application without Lessor's prior written consent;
- d) represent that the Equipment or Pharmanex Scanner Application will provide a complete health profile or complete nutritional profile, or can diagnose the symptoms of any disease or illness, or can prevent, mitigate, treat or cure any disease or illness;
- e) represent that the Equipment or Pharmanex Scanner Application is a medical device, medical equipment, or diagnostic device or tool of any kind for diagnosing illness, disease, or symptoms of disease, or that the Equipment or Pharmanex Scanner Application is intended to affect or modify the anatomy or any physiological process of the human body;
- f) use the Equipment or Pharmanex Scanner Application for medical diagnostic purposes even if Lease Holder is a medical doctor or medical professional;
- g) score the skin carotenoid level of people under 18 years of age. Nu Skin's main focus is targeting healthy adult consumers;
- h) reverse compile, reverse assemble or reverse engineer the Equipment or Pharmanex Scanner Application or any of the components embedded in, or that constitute part of, the Equipment, Pharmanex Scanner Application or any of the peripherals related thereto, nor shall it copy or mimic the expressions of the same;
- i) install or attempt to install, any software or other components onto the Equipment, any part thereof, or onto the Pharmanex Scanner Application, including any of the peripherals related to the Equipment or Pharmanex Scanner Application; or
- j) bring the Equipment or the Pharmanex Scanner Application and/or perform scans outside the Territory or to unopened markets, without the prior written consent from Lessor.

5.6 In addition, Lease Holder shall only use the Equipment, for purposes directly related to building and maintaining Lease Holder's Nu Skin business.

5.7 Lease Holder will be liable for any damages caused by any computer virus or other software that affects the Scanner's or the Pharmanex Scanner Application's ability to operate properly, and the warranty provided in Section 11 of the Agreement shall be null and void, except if otherwise agreed with Lessor.

5.8 Lease Holder further undertakes to use the Equipment and the Pharmanex Scanner Application in accordance with all applicable laws and regulations, any insurance policies, the warranties of Lessor herein, any warranties of the manufacturer, and any maintenance agreements with respect to the Equipment.

5.9 Lease Holder acknowledges that the Equipment is not a medical device and cannot diagnose, treat, cure or prevent any disease, has not been cleared as an approved medical device and Parties undertake the risk that this Agreement may need to be terminated with immediate effect by Lessor, if the Equipment is deemed to be an unapproved medical device by a regulatory authority in any part of the Territory and Nu Skin makes no representation or warranty that the Equipment is a medical device. For this instance, Lease Holder waives to enforce any claims, damages against Lessor under this Agreement.

## **6. Sublease**

- 6.1 Lease Holder may permit other Brand Affiliates to use and operate the Equipment and the Pharmanex Scanner Application for the customers of such Brand Affiliates, provided however that:
- Lease Holder shall continue to remain liable for all of its obligations under this Agreement, notwithstanding any loss of or damage to the Equipment or the Pharmanex Scanner Application while in the possession of, or under the control of, another Brand Affiliate.
  - Lease Holder shall not relinquish possession of the Equipment or the Pharmanex Scanner Application to another Brand Affiliate until such Brand Affiliate has completed the Scanner Certification Training, and such Brand Affiliate agrees in writing to abide by the provisions of this Agreement.
  - Lease Holder shall also be responsible for ensuring that Brand Affiliates do not permit any other person, company or corporation to use the Equipment or the Pharmanex Scanner Application.
- 6.2 Lease Holder shall not request such Brand Affiliates to pay license fees. Any form of paid subleasing of the Equipment to a third party is not allowed.

## **7. Customer's Consent and reports**

- 7.1 Lease Holder shall ensure that no scan is performed without having obtained first a signed Consent form (Schedule A) by the customer, whereby the customer authorises Nu Skin and the Lease Holder to process the customer's scan results. Scan results will be available instantly to Lease Holder after the scanning in the Pharmanex Scanner Application. The scan results will be sent to customer's e-mail address directly by the Pharmanex Scanner Application.
- 7.2 Lease Holder shall retain copies of all Consent forms (Schedule A) for the entire term of this Agreement and for a period of five (5) years thereafter and make them available to Lessor upon written request. Any failure by Lease Holder to do any of the foregoing shall constitute a material breach of this Agreement.

## **8. Maintenance, repairs and risk of Loss**

- 8.1 Lease Holder shall keep the Equipment, accessories and the Pharmanex Scanner Application in good working order and condition. Lease Holder assumes all risk of loss (including theft) or damage of the Equipment, Pharmanex Scanner Application and any accessories, except for reasonable wear and tear and depreciation resulting from authorised use thereof. The Lease Holder shall comply with the Pharmanex Scanner Application software updates and/or Content Updates from time to time that is published and notified by Lessor during the term of this Agreement to ensure working effectively.
- 8.2 Subject to Section 9 below, Lease Holder shall pay for the maintenance and repairs to keep the Equipment, as such; provided, however, that all maintenance and repairs shall be made only by or through Lessor. The Lessor only repairs and replaces the S3 Scanner, damaged accessories must be repurchased by Lease Holder again except if the condition in 11.1 is not met by Lessor and Lease Holder receives faulty components. The repair cost of the Equipment, if replacement is needed, are payable by the Lease Holder and shall be confirmed by e-mail of the Lessor as well as the cost of new accessories. After assessment of the damage of the returned Equipment, Lessor will send the estimated repair cost to Lease Holder for approval before completing the repair or replacement or a confirmation that the Loss and Damage Waiver Program applies as defined in point 9.2 for the Equipment only. The costs will be charged through the credit card provided by the Lease Holder on a case-by-case basis followed by an invoice, except if the provisions set out in 9.2 apply. If the Lease

Holder refuses to consent in writing to the repair costs of the Equipment within five (5) days from the email notification, the Lessor shall stop the functioning of any replacement Equipment sent to the Lease Holder and/or also withhold the dispatch of any new accessories until payment.

- 8.3 In the event of loss or damage to the Equipment, Lease Holder shall, as applicable, (i) take all reasonable, necessary steps to protect and prevent further damage to the Equipment; (ii) report the loss to Lessor and, if stolen, to all appropriate local authorities as soon as possible; and (iii) provide Lessor with documentation, such as a police report in case of loss or theft, and accurate information regarding the date of loss or damage, a description of damages, how the loss or damage occurred, and any other pertinent information.
- 8.4 Subject to Section 9 below, if the Equipment is lost or stolen, in full or in part, or if Lessor determines that it cannot be repaired, Lease Holder shall, within thirty (30) days after such loss, theft, damage or destruction, pay Lessor the cost of replacing such Equipment as applicable, plus any other amounts owed under this Agreement (including, but not limited to, any accrued and unpaid late charges). In case of any software defect, virus, malware or hacker attack resulting in data privacy incident or loss of data and affecting the operation of the Pharmanex Scanner App or the Equipment and was caused by the Lease Holder, Lease Holder shall be liable to settle all damages caused.

## **9. Mandatory Loss and Damage Waiver**

- 9.1 By entering into this Agreement, Lease Holder subscribes to a mandatory Loss and Damage Waiver Programme as described in this Section 9.
- 9.2 If the Lease Holder pays a monthly fee of 12.53 GBP excl. VAT - charged automatically to their credit card—they will not be responsible for repair or replacement costs beyond 416.67 GBP excl. VAT in case of damage, loss, or theft of the equipment. However, this protection can only be used once per contract year.
- 9.3 For instance, should the Equipment be stolen, Lease Holder shall only be bound to pay 416,67 GBP excl. VAT to Lessor as compensation, provided that if the Equipment is stolen a second time during the same contractual year, Lease Holder shall be then bound to compensate Lessor for the total value of the S3 Scanner.
- 9.4 In the scope of the Loss and Damage Waiver Programme, Lessor waives the right to claim the full compensation of the total costs of repair (in case of damage) or replacement (in case of loss or theft) of the Equipment in consideration of the monthly Waiver Payments as stated in point 9.2 above. The Loss and Damage Waiver is not effective unless all Waiver Payments are current and paid prior to a loss or damage occurrence.
- 9.5 This Loss and Damage Waiver shall not apply to any loss or damage due to: (a) any obligation Lease Holder has assumed under the Agreement but is not specifically waived hereunder; (b) a violation by Lease Holder of any term or condition of the Agreement; (c) Lease Holder's delay or failure to report the loss to Lessor and proper local authorities in a timely manner; or (d) loss or damage caused by any wilful or reckless act of Lease Holder or person acting on Lease Holder's behalf.
- 9.6 In the event of a loss or damage to the Equipment, Lease Holder shall call Lessor's Customer Support – Market Scanner Coordinator and report all details of the damage or loss to Customer Support – Market Scanner Coordinator within thirty (30) days from when the loss or damage event happened. The damaged Equipment needs to be returned to the Lessor within the thirty (30) days following the report. The Lease Holder will thereupon submit to Lessor a Loss/Damage Form (Schedule B) via e-mail which will be reviewed by the Scanner Inventory Specialist. If the Scanner Inventory Specialist approves the Loss/Damage Form (Schedule B), then Lease Holder shall not be responsible for any amounts of damages or loss in excess of the amounts provided under Subsection 9.2. For the avoidance of doubts, if the Scanner Inventory Specialist determines that the repair

costs, including ancillary costs such as shipping, are lower than such amounts, Lease Holder shall only be required to pay those lower amounts.

- 9.7 After the e-mail approval of the Loss/ Damage Form (Schedule B), Customer Support – Market Scanner Coordinator will make arrangements for the return and/or replacement of the Equipment, or to terminate the Lease Agreement as provided under Section 12.5.3; provided, however, that in all events, upon e-mail confirmation of Lessor and Lease Holder, Lease Holder shall be responsible for the first 416,67 GBP excl. VAT of loss or damage or the amount of the repair, which amount Lease Holder hereby authorises Lessor to charge to Lease Holder's credit card on a case by case basis. Upon the arrangement of the return /or replacement of the S3 Scanner and/or accessories, Customer Support – Market Scanner Coordinator shall send to Lease Holder the Return/ Replacement Form (Schedule C) via e-mail, which must be signed also by the Lease Holder and returned scanned via e-mail.
- 9.8 If damage or a loss is not reported to Customer Support– Market Scanner Coordinator within thirty (30) days after it occurs, the Loss and Damage Waiver shall be null and void and Lease Holder shall retain full liability for loss or damage in accordance with the terms of the Lease Agreement.

## **10. Liability and indemnification**

- 10.1 Lessor shall have no liability to Lease Holder or any third party, to the extent the applicable law allows, for any special, direct, indirect, incidental or consequential damages of any sort including, without limitation, loss of profits or savings, loss of use, or any other damages arising in relation to the Parties' obligations and rights stipulated in this Agreement.
- 10.2 Lease Holder assumes liability for and hereby agrees to indemnify, protect and keep harmless Lessor and its affiliates and their officers, directors and employees from and against any and all liabilities, obligations, losses, damages, injuries, claims, demands, penalties, actions, costs and expenses, including reasonable attorney's fees and expenses, of whatsoever kind and nature, arising out of the use, condition or maintenance of the Equipment and the Pharmanex Scanner Application, whether authorised by Lessor or not, or whether arising from use of the Equipment or the Pharmanex Scanner Application by another Lease Holder, including but not limited to any use not authorised under this Agreement. The indemnities hereunder shall survive the expiration or other termination of this Agreement.

## **11. Limitation on warranties**

- 11.1 The Equipment with all components will be free of defects in workmanship, the Pharmanex Scanner Application will be free from software defects, viruses. Should any failure to conform to the warranty during the term of this Agreement Lessor shall, upon receipt of written notification to Lessor and receipt of the Equipment (which shall be properly packaged, insured and shipped to Lessor by Lease Holder at Lease Holder's expense, except if in case of replacement due to hardware or software issue of the S3 Scanner in which case Lessor will cover the shipping fee) or receipt of notification regarding the Pharmanex Scanner Application, take steps to correct such nonconformity either by replacing the Equipment and/or the Pharmanex Scanner Application, or component thereof, or by repairing any defective part or parts, at Lessor's option. With respect to the Pharmanex Scanner Application, the Lessor provides technical support including technical assistance for download, installation, troubleshooting, upgrades and security measures at a standard skill and care reasonably expected upon request free of charge.

11.2 Notwithstanding the foregoing warranty shall be null and void if Lease Holder has modified, abused or damaged the Equipment or reverse engineered, altered, prepared derivative works or subjected to hacker/virus attacks of the Pharmanex Scanner Application, or if the Equipment and/or accessories are lost or damaged in shipping and Lease Holder - when obliged to organise the return of the Equipment under this Agreement - has not obtained sufficient shipping insurance coverage to replace the Equipment, in which event Lease Holder shall indemnify Lessor for all losses and damages resulting therefrom.

## **12. Term and Termination**

12.1 This Agreement shall become effective on the Execution Date and will remain in effect for an indefinite duration.

12.2 Lease Holder may terminate this Agreement at any time, subject to (i) thirty (30) days prior written notice to Lessor; and (ii) the return of the Equipment pursuant to Section 14 and Return/Replacement Form (Schedule C) and the uninstallation of the Pharmanex Scanner Application on own device; Waiver Payment and other amounts accrued or owed until the termination date and thereafter for obligations which survive such termination. The Agreement will end on the last day of the thirty (30) days' notice, however, all the unsettled claims, payments, compensations due lawfully to Lease Holder and obligations that subsist irrespective of the termination notice based on the contractual relationship, shall remain enforceable.

12.3 If the Lease Holder returns the Scanner along with the Return/ Replacement Form (Schedule C) before the 10<sup>th</sup> day of the month affected by the termination period and provides documentary evidence of the return, the Agreement shall terminate immediately and no Waiver Payment will be deducted from the Lease Holder in case there are no outstanding, unsettled claims, payments. However, if the Scanner is only returned after the 10<sup>th</sup> day of the month affected by the termination notice, the Waiver Payment will be deducted by the Lessor for the subject month on the 7<sup>th</sup> of the following month in accordance with the terms defined in Section 4.1.

Lessor may terminate this Agreement at any time, subject to thirty (30) days prior written notice to Lease Holder.

12.4 In addition, Lessor may terminate the Agreement with immediate effect:

12.4.1 in case of a material breach of any provisions of this Agreement by Lease Holder;

12.4.2 in the event the use of the Equipment is restricted in any way for regulatory reasons (such as the Equipment being defined as a medical device);

12.4.3 in case of loss or irreparable damage to the Equipment or part thereof; or

12.4.4 in case of Lease Holder's insolvency, bankruptcy, or assignment for the benefit of creditors, or

12.4.5 in case Lessor uses its discretionary right to terminate with immediate effect where stipulated in this Agreement (section 5.9).

12.5 The Agreement shall automatically terminate in case of termination or expiration of Lease Holder's Brand Affiliate status or Brand Affiliate Agreement for whatever reason and the Lease Holder is liable to settle all accounts with the Lessor.

12.6 Upon termination of the Agreement by Lessor pursuant to Section 12.4 or 0, or in case of termination of Lease Holder's Brand Affiliate status or Brand Affiliate Agreement for cause, Lease Holder shall pay Lessor (i); all Waiver Payments and other amounts accrued or owed through such termination date (and thereafter, for any other obligations that survive such termination, and (ii), Waiver Payments and other amounts which otherwise

would have accrued thereafter through the expiration, computed by discounting such amounts at the rate of five percent (5%) per annum; provided, however, that if Lessor is able to re-lease the Equipment within thirty (30) days of receipt of such notice of early termination, Lease Holder shall be released from its payment obligation under Section (ii). In such cases, the Guarantee shall not be refundable to Lease Holder or applied to any other obligations of Lease Holder.

- 12.7 If upon the cessation of this Agreement, due to whatever reason, the Lease Holder has outstanding payment obligations, Lessor may deduct the Guarantee with the corresponding amount before repayment, as the case may be.

### **13. Additional remedies in case of breach**

13.1 If Lease Holder is in breach of this Agreement, including but not limited to Sections 4.1 and 9.2 , Lessor may, in addition to the remedies provided under Section 12.4, in its sole discretion and without prior notice, either (1) render the Equipment unusable and request Lease Holder to return the Equipment and its accessories and/or (2) place All Holds on Lease Holder's Brand Affiliate Account under the Brand Affiliate Agreement until Lease Holder meets all requirements undertaken in present Agreement.

13.2 Lease Holder understands and agrees that the Equipment will be reactivated and/or All Holds will be released, only if all unpaid amounts owed under this Agreement and/or unperformed obligations in connection with this Agreement are fully settled with Lessor, as determined in the sole discretion of Lessor.

### **14. Return of Equipment**

14.1 Upon expiration or termination of this Agreement for whatever reason, or if repairs are necessary to place the Equipment and/or any accessories in the condition required in Section 11.1, Lease Holder shall return the Equipment in due time as stipulated in section 9.6 in case of return/replacement and 12.3 in case of termination along with the Return/Replacement Form to:

- Nu Skin Eastern Europe Kft, Alkotás Point Irodaház - c/o Kiss Barbara, Alkotás utca 50. B. ép. -1., 1123 Budapest, Hungary

The Equipment shall be properly packaged and fully insured upon return and replacement (except if Lessor offers in its discretion to cover shipping fee as allowed in this Agreement in section 11.1 upon replacement of the S3 Scanner) at Lease Holder's expense, and freight prepaid by Lease Holder, in the same operating order, condition, and appearance as on the date received by Lease Holder, except for reasonable wear and tear and depreciation resulting from authorised use thereof.

14.2 If the Equipment is not returned in a timely fashion, or if repairs are necessary to maintain condition required in Section 11.1 Lease Holder shall continue to pay Waiver Payments for the period of delay in returning of the Equipment, accessories, or for the period of time reasonably necessary to perform such repairs together with the cost of such repairs, as applicable. Lessor's acceptance of , Waiver Payments on account of such delay or repair does not constitute a renewal of the term of the Agreement or a waiver of Lessor's right to prompt return of the Equipment, accessories in proper condition.

14.3 Any part of component, the accessories of the Equipment which is not duly returned shall be charged to Lease Holder or the corresponding amount deducted from the Guarantee.

## **15. Amendments**

15.1 Lessor reserves the right to amend this Agreement by giving written notice of any change at least thirty (30) days before that change is made effective.

15.2 In case Lease Holder does not wish to be bound by such amendment, Lease Holder may terminate this Agreement within fifteen (15) days of the above-mentioned notice in accordance with Section 12.2 (i), (ii) and (iii).

15.3 Lease Holder hereby expressly understands and agrees that any amendment notified in accordance with this Section 15 shall be deemed accepted by Lease Holder unless Lease Holder terminates the Agreement as provided above.

## **16. Governing Law, Dispute Resolution**

16.1 In line with the provisions of the Brand Affiliate Agreement of the Lease Holder, this Agreement shall be governed by, construed in accordance with, and interpreted pursuant to the laws of Utah, without giving effect to its rules regarding choice of laws. The exclusive venue for any and all disputes and jurisdiction will be in Salt Lake County, Utah, USA. The Lease Holder consents to the personal jurisdiction of any court within the State of Utah and waives any objection to improper venue.

16.2 In the event of a dispute between the Parties arising out of or related to this Agreement, the Parties shall set up an initial negotiation meeting to negotiate, in good faith, a settlement of the dispute. If, within thirty (30) days after such meeting the Parties have not succeeded in settling the dispute, or if such meeting could not reasonably be organised, they shall follow the Dispute Resolution procedures as outlined in their Brand Affiliate Agreement or applicable Policies and Procedures.

## **17. Capitalised Terms**

Any capitalised terms used but not defined in this Agreement will have the same meaning and shall be interpreted in accordance with the definitions in the Brand Affiliate Agreement, the Policies and Procedures, and the Sales Performance Plan.

This Agreement has been signed and executed in duplicate and Lessor and Lease Holder have received one copy each.

**IN WITNESS WHEREOF**, the parties have executed this Master Lease and License Agreement as of the date first noted above. Lease Holder's signatory warrants his/her authority to sign as Lease Holder or on Lease Holder's behalf.

Annexes:

SCHEDULE A – CONSENT FORM

SCHEDULE B – LOSS/DAMAGE FORM

SCHEDULE C – RETURN/REPLACEMENT FORM

SCHEDULE D – SCANNER OPERATOR BONUS TERMS

SCHEDULE E -- SCANNER TERMSCOMPANY

**Nu Skin Scandinavia A/S**

Signature: *Elna*

Name: Elna de Moraes

Title: Authorised representative

**BRAND AFFILIATE (IF AN INDIVIDUAL)**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Brand Affiliate ID: \_\_\_\_\_

Date and Place of Signature: \_\_\_\_\_

**BRAND AFFILIATE (IF A CORPORATION)**

Name of corporation: \_\_\_\_\_

Brand Affiliate ID: \_\_\_\_\_

Name of representative: \_\_\_\_\_

Signature: \_\_\_\_\_

Date and Place of Signature: \_\_\_\_\_

**Schedule A - TO BE SIGNED BY DATA SUBJECT COSTUMER**

**(Scanned person before scanning session)**

**CONSENT FORM**

The Scanner is a measuring tool to score your (“Data Subject”) carotenoid absorption in the skin. The information derived from the measurement obtained from the Scanner is not intended to provide an overall nutritional profile. By signing this form, **you consent to the processing of the results of your scan, *i.e.*, your carotenoid level**, as well as the additional information submitted by you, which may include information such as your name, email, gender, height and consumption habit (the “Personal Data”). Nu Skin International Inc. will process your Personal Data at its corporate headquarters in the United States (75 West Center Street, Provo, Utah 84601, USA.) in the name and on behalf of the Scanner Operator through the Pharmanex Scanner Application. Your Personal Data is being processed for the purpose of providing you with the requested products and services or for statistical research purposes.

Name:	_____
Date:	_____
Signature:	_____

You understand that Nu Skin International Inc. is located outside the European Union and hereby consent to the transfer of your Personal Data to the United States of America. This transfer is based on an adequacy decision and/or on standard data protection clauses of the European Commission.

Nu Skin International Inc. operates secure data networks protected by industry standard firewall and password protection systems. Nu Skin also uses transport layer security (TLS) to protect the transmission of your data. Access to this information will be provided only to authorised individuals for legitimate business purpose.

We will not retain the personal data any longer than necessary to pursue the purposes for the processing of your personal data.

As a Data Subject in the European Economic Area, you have the right to request, access, rectify, erase, and restrict how your Personal Data is being processed. These rights include the ability to review the Personal Data we have in our information and communications systems concerning you, the ability to make any corrections to that Personal Data, the ability to be informed of who that Personal Data may have been shared with, the ability to request that we erase all of your Personal Data, and the ability to restrict how we Process your Personal Data.

We will respond to any of your requests to exercise these above Data Subject rights within one month. We reserve the right to extend that period by two further months where necessary, taking into account the complexity and number of the requests we receive from you.

You may also withdraw your consent for the processing of Personal Data, to the extent that the processing of your Personal Data was solely based upon such consent.

If you want to exercise your rights, you may contact Nu Skin International Inc. or our privacy point of contact at:

Organization	Data Protection Officer
Nu Skin International Inc. 75 West Center Street, Provo, 84601 Utah USA +1 (801) 345-1505 <a href="mailto:privacy@nuskin.com">privacy@nuskin.com</a>	75 West Center Street, Provo, 84601 Utah USA +1 (801) 345-1505 <a href="mailto:privacy@nuskin.com">privacy@nuskin.com</a>

If you would like to lodge a complaint against us, you may contact your local supervisory authority. If you have trouble locating a supervisory authority, please contact your Data Protection Officer above to help you contact a supervisory authority.

**Schedule B – TO BE RETURNED SIGNED BY LEASE HOLDER**

**LOSS/ DAMAGE FORM**

Date: \_\_\_\_\_

Reporting Brand Affiliate  
Name \_\_\_\_\_  
BA ID No. \_\_\_\_\_

Equipment  
Serial No. \_\_\_\_\_  
Location \_\_\_\_\_

Incident  
Date \_\_\_\_\_  
Time \_\_\_\_\_  
Location \_\_\_\_\_

Description of Equipment, S3 Scanner and/or accessories:

\_\_\_\_\_  
\_\_\_\_\_

Witnesses (name address)/Authorities Loss or Theft was reported (name, date, case number, address, contact person, description)<sup>1</sup>

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By signing this document, you acknowledge that you have read and understood the information contained herein

\_\_\_\_\_

Name and Signature of Lease Holder/Brand Affiliate

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Place and date of signature: \_\_\_\_\_

<sup>1</sup> Please also provide written evidence, tracking numbers, documentation that incident was reported to authorities (e.g., police)

**SCHEDULE C- TO BE RETURNED SINGED BY LEASE HOLDER**

**RETURN/REPLACEMENT FORM**

**Please tick return or replacement option:**

**Return**

Upon ticking the above return option, I confirm that I do not wish to continue leasing the Equipment at this time. I understand any Waiver Payments and other obligations that may be in default are still my obligation to satisfy. I also understand that according to the Scanner Master Lease and License Agreement, my initial Guarantee will only be reimbursed, if the S3 Scanner, accessories are deemed to be in good condition upon arrival and if I return it in accordance with the terms of the Scanner Master Lease and License agreement.

**Replacement**  (Nu Skin only replaces the S3 Scanner)

Reason for replacement: \_\_\_\_\_

To be filled in upon return/replacement option: \_\_\_\_\_

Place, date of dispatch by Lease Holder: \_\_\_\_\_

Place of return: **Nu Skin Eastern Europe Kft, Alkotás Point Irodaház - c/o Kiss Barbara, Alkotás utca 50. B. ep. -1., 1123 Budapest, Hungary**

Place of requested delivery to Lease Holder (for replacement only):  
\_\_\_\_\_  
\_\_\_\_\_

Brand Affiliate Name (Filled in by BA): \_\_\_\_\_

Brand Affiliate ID Nr. (Filled in by BA): \_\_\_\_\_

Returned Equipment Serial No. (Filled in by BA): \_\_\_\_\_

Replacement Equipment Serial No. (Filled in by Lessor): \_\_\_\_\_

Shipping company, expected pickup/delivery arranged by Lessor from/to Lease Holder:

Expected Pick up:

Date: \_\_\_\_\_

Location: \_\_\_\_\_

Tracking Number: \_\_\_\_\_

Expected Delivery of replacement to Lease Holder:

Date: \_\_\_\_\_

Location: \_\_\_\_\_

Tracking Number: \_\_\_\_\_

*Further notes/instructions :* \_\_\_\_\_

*Disclaimer: In case of replacements, please confirm in email ([neuscanner@nuskin.com](mailto:neuscanner@nuskin.com)) when you have received the new S3 Scanner and that the serial numbers are correct. Nu Skin in its own discretion may offer payment for the shipping fee if the Scanner has hardware or software issue. If there are none of these problems the scanner Lease Holder must pay for the shipping fees themselves according to the terms of the Scanner Master Lease and License Agreement.*

Name and Signature of Lease Holder/Brand Affiliate

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Place and Date of signature: \_\_\_\_\_

Name and Signature of Scanner Coordinator

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Place and Date of signature: \_\_\_\_\_

## SCHEDULE D

### SCANNER OPERATOR BONUS TERMS

#### 1. Qualification

1.1 The scanner operator bonus programme is an incentive where a scanner operator bonus (“**Scanner Operator Bonus**”) is paid to the Lease Holder. The Lease Holder must be a Brand Affiliate without ongoing compliance case.

1.2. Scans must have been synced to the Nu Skin servers and the skin carotenoid score (“**SCS**”) certified products in the ADR subscription orders must have been fully paid by and shipped in 3 (three) months from the date of scanning to the relevant customer for the Lease Holder to be entitled to payment of the Scanner Bonus.

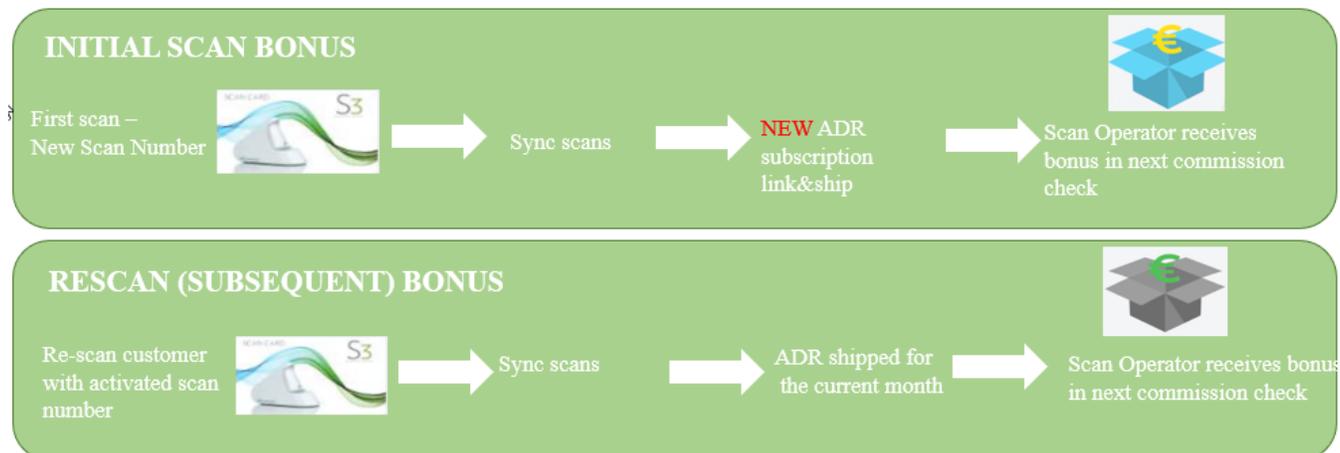
1.3. The Scanner Operator Bonus will be paid to the Lease Holder for scans in the Authorised Markets in the Territory defined in the Scanner Maser Lease and License Agreement for all qualified ADR subscriptions. No Scanner Bonuses will be paid for ADR subscriptions created and paid in other geographical regions falling outside the referred Territory.

#### 2. Payment of Scanner Operator Bonuses

2.1 The Scanner Operator Bonus is payable to the Lease Holder when a customer has been scanned with a valid Scan Card that is linked to a new or a recurring Automatic Delivery Rewards (“**ADR subscriptions**”) order placed by the customer including SCS certified products. The below illustrated Scanner Operator Bonus amounts are payable to Lease Holder:

- **EUR 7,5 (“Initial Scan\* Bonus”)**/scan of customer Initial scan Bonus is paid to the Lease Holder when a customer is scanned for the first time and signs up for a SCS certified product referred above ordered in a qualified new ADR subscription,
- **EUR 7,5 (“Rescan\* Bonus”)**/scan of customer is paid to the Scanner Lease Holder when the customer on a qualified scanner ADR subscriptions is rescanned and his subsequent order containing SCS certified product is paid and shipped.

\* Please refer to clause 1 – Definitions.



2.2 The Scanner Operator Bonus is paid to the Lease Holder along with the Bonuses at the start of every month.

2.3 Lessor will attempt paying Scanner Operator Bonuses during three (3) consecutive months from the date when a scan has been performed with a physical or digital Scan Card. If the Scan Card number is not linked to an ADR subscriptions order with SCS certified product fully paid and shipped within these three (3) months, the relevant Scanner Operator Bonuses will be forfeited and will not be paid out.

2.4 If the ADR subscription order is cancelled, returned and/or refunded, the Scanner Operator Bonus paid for such cancelled, returned, or refunded order will be clawed back from the Lease Holder's Bonuses. This clawback can occur anytime within twelve (12) months from the ADR subscriptions creation date.

### **3. Scanner Usage Principles**

3.1 The scans can only be performed on customers who are eighteen (18) years or older. The scans cannot be performed exclusively on the Leaseholder him/herself and/or on direct relatives more than once per month to gain a Scanner Operator Bonus. The Lessor has the right to check the variety of customers, the Consent Forms to verify the appropriate use of the S3 Scanner.

## SCHEDULE E

### SCANNER TERMS

#### (Schedule to the Scanner Master Lease and License Agreement)

#### 1. New or Recurring Automatic Delivery Rewards Terms

1.2 The new and the recurring ADR subscription orders must comply with the below conditions:

##### **New ADR subscription orders:**

Following a scan, the new monthly ADR subscription order includes a Skin Carotenoid Score (“SCS”) product which is linked to a new valid Scan Card number (16 digit) and:

- the actual scanning of the customer occurred less than ninety (90) days prior to creating the new ADR subscription order, or
- within maximum fifteen (15) days after the creation of the new ADR subscription order.

For calculation purposes, the first day is the day of the initial scanning or the day when the new ADR subscription order was created.

Multiple ADR subscription orders can occur on a single ADR subscription depending on the number of SCS products included. For example, if in a single ADR subscription order, you may order/pay six (6) SCS products, the single ADR subscription order will count to be equal to six (6) ADR subscription orders.

##### **Recurring ADR subscription orders:**

A customer has been already scanned\* following a new ADR subscription order requirements listed above and is using his/ her Scan Card number that has been previously linked to an ADR subscription order containing a Skin Carotenoid Score (“SCS”) product. Recurring ADR subscription orders with skin carotenoid score (“SCS”) certified products will only count for the Scanner Maintenance Program in the month(s) when a rescan takes place.

Multiple ADR subscription orders can occur on a single ADR subscription depending on the number of SCS products included. For example, if in a single ADR subscription order, you may order/pay six (6) SCS products, the single ADR subscription order will count to be equal to six (6) ADR subscription orders.

\*Please refer to clause 1- Definitions

#### 1.3. **The initial and the recurring scan shall mean:**

“**Initial Scan**” shall mean the first physical scan of the customer's skin with a new 16-digit digital or physical scan card.

“**Subsequent Scan**” shall mean the second and all subsequent physical scan of the customer's skin with the same 16-digit card associated with a monthly ADR subscription order of an SCS product, paid in the month preceding the month of the re-scan.

As a Scanner Lease Holder, you will be able to follow up your performance in your account profile by going to “commissions” section in Volumes&Genealogy, then “my scan bonus report”, then “my uploaded scan report”. This information can also be found in our S3 scanner app.

## **2.Expiration date for Scan Card**

The Scan Cards have no expiry date, although a Scan Card will be deactivated if the ADR subscription is cancelled or if the SCS product is removed from the ADR subscription. As a consequence, that Scan Card shall not be reused. In addition, the ADR subscription shall be cancelled by the customer or by Nu Skin after six (6) unpaid months, in which case the Scan Card will be deactivated automatically and cannot be reused.