



The Partnership between the Hunger and Thirst Foundation and Nourish the Children

This document gives information about the partnership between the Hunger and Thirst Foundation and Nourish the Children and also the purchase of VitaMeal feeding packs through Nu Skin and the subsequent donation thereof to you/ the purchaser/ your beneficiary of choice.

Nourish the Children has chosen the Hunger and Thirst Foundation as their social responsibility partner in South Africa. Nu Skin South Africa, the entity, will purchase VitaMeal feeding packs through their Nourish the Children program and donate these to Hunger and Thirst Foundation, which distribute these to the children through their Feed and Equip program in the Northern Cape.

As a Nu Skin distributor, you can form part of this worthy cause, in addition to the VitaMeal feeding packs that Nu Skin (the entity) donates to the Hunger and Thirst Foundation on a monthly basis.

You (and the individuals and businesses you are seeing to also purchase VitaMeal feeding packs) can do so, and enjoy the following benefits:

You (Nu Skin distributor) place your order(s) and make payment to Nu Skin, which accumulates all the orders and buys the VitaMeal feeding packs through Nourish the Children.

The VitaMeal packs are manufactured/assembled and distributed in one of two ways:

1. If you/ the purchaser have chosen to donate the VitaMeal feeding packs to Hunger and Thirst Foundation: The VitaMeal packs will be delivered directly to Hunger&Thirst Foundation, which will issue the purchaser (the person who actually paid for the VitaMeal packs, who might be the person/ business who ordered through you as a Nu Skin distributor) a thank you letter and a Section 18A receipt. This receipt will be send via e-mail or post, which will allow the purchaser an income tax deduction for the amount of their purchase (as Hunger and Thirst Foundation is registered with SARS as a Public Benefit Organisation). The purchase will also, if relevant to the purchaser's business, contribute to their BEE points (Scorecard for Broad Based Black Economic Empowerment) as Hunger and Thirst Foundation is registered with the Department of Social Development as a Non Profit Organisation and more than 80% of their beneficiaries are previously disadvantaged individuals.
2. If you/ the purchaser have chosen to donate the VitaMeal feeding packs to your own beneficiary (i.e. charity, church, orphanage etc): The VitaMeal packs will be distributed by Nu Skin to the designated address provided by the Nu Skin distributor when the order for the VitaMeal packs was placed (in much the same way as when placing any other order with Nu Skin).

The Nu Skin distributor or the purchaser will however have to ask the beneficiary to whom the feeding packs are donated, whether they have Section 18A tax status (as donations otherwise are not tax deductible) and whether the value of the Vita Meals donated will contribute to their BEE scorecard (as this is not automatically the case). This is obviously only relevant if tax deductibility and BEE points were important to the purchaser.

Donating to your own choice of beneficiary is defined by NTC South Africa as "Consumption Meals", and we would like to remind you that this option is not yet available, but will be shortly. We will update you once the Consumption SKU's are available to purchase.

Thank you.

Our apologies to those of you that enquired to us about the above and only have your questions answered now.

Below please find Nourish the Children Frequently Asked Questions

Q1. How severe is the malnutrition problem in the world?

A1. According to UNICEF, "Every day, on average more than 26,000 children under the age of five die around the world, mostly from preventable causes...In up to half of under-five deaths an underlying cause is under-nutrition, which deprives a young child's body and mind of the nutrients needed for growth and development." (State of the World's Children 2008) If only a small percentage of the population was willing to contribute two meals per day, millions of lives could be saved.

Q2. What is the relationship between Nourish the Children and the Nu Skin Force for Good Foundation, which also contributes product and resources to charities?

A2. The Nourish the Children initiative provides another way for Nu Skin Enterprises to magnify its mission to be a force for good in the world. Nourish the Children is not a charity or charitable foundation but a charitable sales promotion in which Nu Skin Enterprises acts as a commercial co-venture in relation with certain public charities. Neither Nourish the Children products nor its' revenues will be managed through the Nu Skin Force for Good Foundation, which operates as a traditional non-profit organization.

Q3. What is the business relationship between Nourish the Children and Nu Skin Enterprises?

A3. Nourish the Children is an initiative of Nu Skin Enterprises. It represents an extension of the opportunity already offered to Nu Skin Enterprises' distributors to be a force for good in the world. The food products used in the charitable sales promotion to feed malnourished children under the name VitaMeal® are manufactured by Nu Skin Enterprises in company owned or in contract facilities. Most of the VitaMeal donations are produced in plants located in Africa or China which provide local economic development, greater distribution efficiency and reduced costs.

The company is pleased that its vast distributor network will have the opportunity to create awareness of the world hunger/malnutrition issue, and generate product donations through the initiative. Distributors and their customers may choose to participate by donating a portion of their purchases through this innovative program to help solve a terrible problem. Distributors and customers will be able to participate in the Nourish the Children initiative by accessing local order phone lines, www.nourishthechildren.com or other company web sites. When you donate VitaMeal through Nourish the Children, Nu Skin Enterprises also donates. For every donation of the five-bag option, the company adds one bag, feeding an additional child for 30 days. For every eight bags donated via the one and two-bag options, the company adds one bag.

Q4. Is NTC registered with the government and do distributors need to be registered?

A4. Nu Skin Enterprises is not a charity and therefore does not register with the government as a charity. In the U.S., Nu Skin Enterprises has a relationship with reputable public charities referred to as a "commercial co-venture." While most states have Charitable Solicitations Acts, only a handful of them require registration of commercial co-ventures. We have registered wherever necessary as a commercial co-venture and Nu Skin Enterprises will continue to work with regulators to ensure compliance in each of the states. Distributors are not authorized to solicit cash donations but are authorized to sell food and invite purchasers to donate part of their purchase to an authorized charity.

Q5. How does Nourish the Children select the charities that receive its products and confirm that VitaMeal donations reach children in need?

A5. The Company only partners with organizations that have a demonstrated ability to work effectively with local governments and to get food to those with real needs. Through Nourish the Children's "report back" agreements with its humanitarian relief partners, the company helps to ensure that the food donated will be delivered to those in need. Most reports include a written report from the relief organizations with an accounting of the number of children helped, as well as photos of children receiving food. An online version of these reports can be found at www.nourishthechildren.com.

Q6. How does your automatic delivery program work? A6. The auto delivery program is intended to provide consistent food donations to help agencies feed children on a sustainable basis. Participants authorize Nu Skin to charge a credit card monthly for purchases of VitaMeal that are donated through NTC to charity partners.

Q7. What if someone wants to keep the food for personal use?

A7. (Applicable to markets offering VitaMeal for consumption as well as donation.) Purchasing the food is done in the normal course of business. There are a variety of great uses for the products-everything from recreational uses like camping or backpacking to emergency supply and home food storage use. Purchasers of the foods may wish to donate a portion of their purchase to their own local cause. The option to donate your purchase through the Nourish

the Children initiative to help feed starving and malnourished children is voluntary and discretionary.

Q8. Can purchasers of VitaMeal® food product choose the charity to which it is donated?

A8. If a purchaser takes delivery of the products, they can arrange a donation. This is only available in markets that sell VitaMeals for Personal Consumption. VitaMeal distribution is handled by our charity partners, primarily Feed the Children. "Hunger & Thirst" handle all Donation distribution for NTC in ZA, and in return send the Donation Certificate to the Distributors. If you arrange a Donor that wants to purchase and donate to a different organization – then you can purchase it as "consumption".

Q9. How do you assure the quality of the VitaMeal products? A9. Consumers can be assured that Nu Skin Enterprises has maintained a high standard of quality in its products throughout its 18-year history. In fact, the company's nutritional division, Pharmanex, incorporates a pharmaceutically-based quality control process that helps ensure safety and efficacy in all of its consumable products. The Company will take the same extraordinary measures in producing and manufacturing Nourish the Children products as it has taken in producing products for the supplement/nutrition industry.

Q10. What is the shelf life of the food? A10. The designated shelf life of the food is one year due to the possibility of it being stored in hot, humid conditions. The maize and soya bean product used in South Africa has naturally occurring soy oil, which can also go rancid if stored under poor conditions for more than a year.

Q11. Is VitaMeal Kosher and Halal-certified? A11. Nu Skin Enterprises has consulted with appropriate clergy to ensure the products are Kosher- and Halal-certified for US produced product only.

Q12. How do Nourish the Children products fit into the Nu Skin Enterprises compensation plan and company profits?

A12. Distributors earn commission for purchasing and selling products. The Nourish the Children initiative is a full PV program and distributors actually earn a 10% bonus commission per unit. We believe that the power of our compensation plan and our help in focusing our distributor efforts will drive the effectiveness of this effort to feed starving and malnourished children. The average percentage of commission on all products is 42 percent of the wholesale price. The Company typically earns ten percent of the proceeds of the sale of a product. Nu Skin Enterprises will contribute one package of food (enough to feed a child for a month) for every 8 packages of food purchased. (The match number may be adjusted over time or for promotions.)

Q13. What is the cycle of malnutrition how does the initiative help correct the problem?

A13. Essentially, a child who becomes malnourished suffers from vitamin and mineral deficiencies. These deficiencies lead to bouts of infection and diarrhea which, in turn, lead to even more severe malnutrition. By offering a highly dense, nutritious product, that is more easily digestible we can break the vicious cycle of malnourishment. There are numerous sources of clinical evidence that already demonstrate that adequate nutrition, including adequate provision of vitamins and minerals, are the solution to this problem.

Q14. What legal guidelines should distributors follow as they participate in the Nourish the Children Initiative?

A14. Things to be included and emphasized in every Nourish the Children presentation:

Nourish the Children (NTC) is NOT a Charity

- NTC is a for profit venture
- NTC is an initiative of Nu Skin Enterprises
- NTC provides a mechanism for Distributors to contribute products, including VitaMeal to charity

NTC works in tandem with partner charities

- Partners are registered charities
- Never portray NTC in the context of a charity, either directly or indirectly
- NTC's affiliation with the partner charity should be emphasized in every presentation

Primary Focus on Nu Skin Enterprises

- NTC should never be presented as a stand-alone business opportunity

- NTC is merely a subcomponent of what Nu Skin Enterprises does and should be presented as part of a presentation which includes Pharmanex, Nu Skin, or Big Planet
- Customers and distributors should be provided the opportunity to buy other products in addition to VitaMeal

No Solicitations

- NTC, Nu Skin Enterprises, or its Distributors may not solicit cash donations or contributions for NTC, rather distributors should encourage others to purchase VitaMeal
- Distributors may also disclose that NTC will make a matching contribution to partner charities as well as facilitate any donation of VitaMeal made directly to partner charities.

Q15. Are purchasers who choose to donate VitaMeal through the Nourish the Children initiative able to take their donations as a tax deduction?

A15. Distributors are making an in-kind charitable contribution when making donations of VitaMeal products through the Nourish the Children initiative.

Hunger and Thirst is an association incorporated under Section 21. Individuals and businesses can receive Tax benefits and BEE points by donating. For further information, please go to the Hunger & Thirst website <http://www.hungerandthirst.com>.

Q16. Where is the product manufactured and by whom?

A16. The product is packed and manufactured by Pro Africa Foods for Nourish the Children. Unit 16 Tannery Industrial Park, 309 Derdeport Avenue, Silvertone, Pretoria.

Q17. What information has been developed to help the international markets promote donations to the Nourish the Children initiative?

A17. A global website is available, making it simple to provide donations of food from anywhere in the world to children throughout the world. Those interested can simply visit www.nourishthechildren.com and click on the appropriate country flag. Please note that the South African section in the NTC Global Website will be available in a few months. In the meantime, the NTC SA pages are linked to the Nu Skin SA homepage, and you can place donations through that link.

For any other questions, please contact our Customer Service at 0800-993-998, or email us to southafricasupport@nuskin.com.

Yours,
Nu Skin South Africa