



UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

June 28, 2010

Date of Report (Date of earliest event reported)

**NU SKIN ENTERPRISES, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**001-12421**

(Commission File Number)

**87-0565309**

(IRS Employer  
Identification Number)

**75 West Center Street**

**Provo, UT 84601**

(Address of principal executive offices and zip code)

**(801) 345-1000**

(Registrant's telephone number, including area code)

**N/A**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))
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**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

(e) On June 26, 2010, the Compensation Committee of the Board of Directors of Nu Skin Enterprises, Inc. (the “Company”) approved a grant of awards to its named executive officers and other key employees under the Nu Skin Enterprises, Inc. 2010 Omnibus Incentive Plan (the “Plan”). The named executive officers were granted the following awards:

<u>Name</u>	<u>Stock Options</u>	<u>Performance Restricted Stock Units</u>
Truman Hunt	25,000	75,000
Ritch Wood	13,750	10,000
Blake Roney	-	-
Joseph Chang	6,250	5,000
Daniel Chard	13,750	10,000

On the same date, the Compensation Committee adopted a form of Stock Option Agreement and Grant Notice (the “Stock Option Agreement”), a form of Performance Restricted Stock Unit Agreement and Grant Notice (the “Performance RSU Agreement”) and a form of Restricted Stock Unit Agreement and Grant Notice (the “RSU Agreement”) for awards granted to the Company’s named executive officers and other key employees pursuant to the Plan.

Stock options granted under the Stock Option Agreement are subject to certain vesting and payment provisions, as determined by the Compensation Committee at the time of grant. Subject to the provisions of the Plan and the Stock Option Agreement, upon the earlier of a grantee’s departure for cause, twelve months after a grantee’s death or disability, or three months after a grantee’s departure for any other reason, any outstanding stock options automatically expire. The stock options granted to the named executive officers on June 26, 2010 have an exercise price of \$25.89, become exercisable and vest in four equal installments (subject to any rounding issues) on February 26th of 2011, 2012, 2013 and 2014, and have a term of 7 years.

Performance restricted stock units (“Performance RSUs”) granted under the Performance RSU Agreement are also subject to certain vesting and other provisions, as determined by the Compensation Committee at the time of grant. Subject to the provisions of the Plan and the Performance RSU Agreement, upon a grantee’s departure for any reason, all outstanding unvested Performance RSUs expire. The Performance RSUs granted to the named executive officers on June 26, 2010 vest based on the achievement of performance objectives determined by the Compensation Committee for the four quarterly periods ending March 31, 2011 and for the fiscal year ended December 31, 2011. The portion of the Performance RSUs that become eligible for vesting based on performance objectives for the four quarterly periods ending March 31, 2011 vest 50% on May 10, 2011 and 50% on February 28, 2012 and the portion of the Performance RSUs that become eligible for vesting based on 2011 performance objectives shall vest 50% on February 28, 2012 and 50% on February 28, 2013. Any portion of the Performance RSUs that do not become eligible for vesting immediately terminate on May 10, 2011, with respect to the Performance RSUs that become eligible for vesting based on performance objectives for the four quarterly periods ending March 31, 2011, and on February 28, 2012, with respect to the other portion of the Performance RSUs;

Restricted stock units (“RSUs”) granted under the RSU Agreement are also subject to certain vesting and other provisions, as determined by the Compensation Committee at the time of grant. Subject to the provisions of the Plan and the RSU Agreement, upon a grantee’s departure for any reason, all outstanding unvested RSUs expire. The named executive officers did not receive RSUs in connection with the June 26, 2010 grant, but may receive RSUs in future grants as determined by the Compensation Committee.

The above summary is qualified by reference to the text of the Stock Option Agreement, Performance RSU Agreement and RSU Agreement that are filed herewith as Exhibits 10.1, 10.2 and 10.3, respectively, and incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

Exhibit 10.1	Form of Stock Option Agreement and Grant Notice
Exhibit 10.2	Form of Performance Restricted Stock Unit Agreement and Grant Notice
Exhibit 10.3	Form of Restricted Stock Unit Agreement and Grant Notice

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**NU SKIN ENTERPRISES, INC.**  
(Registrant)

/s/ D. Matthew Dorny  
D. Matthew Dorny  
Vice President

Date: July 2, 2010

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**NU SKIN ENTERPRISES, INC.  
2010 OMNIBUS INCENTIVE PLAN  
MASTER STOCK OPTION AGREEMENT**

This Master Stock Option Agreement (the "Master Agreement") is made and entered into effective as of \_\_\_\_\_ (the "Effective Date") by and between Nu Skin Enterprises, Inc., a Delaware corporation (the "Company"), and \_\_\_\_\_ subject to the terms and conditions of the Nu Skin Enterprises, Inc. 2010 Omnibus Incentive Plan (the "Plan"). In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Master Agreement, the terms and conditions of the Plan shall prevail. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Master Agreement.

1. Definitions.

(a) "*Beneficial Owner*" shall have the meaning ascribed to such term in Rule 13d-3 promulgated under the Exchange Act.

(b) "*Common Stock*" means the Class A common shares of the Company, par value \$0.01 per share.

(c) "*Cause*" shall mean the termination of a Participant's employment with or service to the Company (for purposes of this definition, Company shall refer to the Company and any Subsidiaries of the Company) because of:

(i) a material breach by the Participant of any of the Participant's obligations under the Company's Key Employee Covenants or any employment agreement, which breach is (i) not cured within any applicable cure period set forth in the Key Employee Covenants or employment agreement, and (ii) materially injurious to the Company;

(ii) any willful violation by the Participant of any material law or regulation applicable to the business of the Company, which is materially injurious to the Company, or the Participant's conviction of, or a plea of nolo contendere to, a felony or any willful perpetration of common law fraud; or

(iii) any other willful misconduct by the Participant that is materially injurious to the financial condition or business reputation of, or is otherwise materially injurious to, the Company.

(d) "*Continuous Service*" means that the Participant's service with the Company or a Subsidiary, whether as an Employee, Director, or Consultant, is not interrupted or terminated. The Participant's Continuous Service shall not be deemed to have terminated merely because of a change in the capacity in which the Participant renders service to the Company or a Subsidiary as an Employee, Consultant, or Director, or a change in the entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's Continuous Service. For example, a change in status from an Employee of the Company to a Consultant of a Subsidiary or a Director will not constitute an interruption of Continuous Service. Subject to the requirements of applicable law, the Committee, in its sole discretion, may determine whether Continuous Service shall be considered interrupted in the case of any leave of absence approved by the Company or a Subsidiary, including sick leave, military leave or any other personal leave.

(e) "*Disability*" means the permanent and total disability of a person within the meaning of Section 22(e)(3) of the Code for all Incentive Stock Options. For all other Options, "Disability" means the Participant (a) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months or (b) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death, or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of the Participant's employer. Any question as to the existence of that person's physical or mental impairment as to which the person or person's representative and the Company cannot agree shall be determined in writing by a qualified independent physician mutually acceptable to the person and the Company (or its Subsidiary, as applicable). If the person and the Company (or its Subsidiary, as applicable) cannot agree as to a qualified independent physician, each shall appoint such a physician and those two (2) physicians shall select a third (3rd) who shall make such determination in writing. The determination of Disability made in writing to the Company or a Subsidiary and the person shall be final and conclusive for all purposes of the Options.

(f) "*Forfeiture Event*" means

(i) a material breach by the Participant of any of the Participant's obligations under the Company's Key Employee Covenants or any employment agreement, which breach is (i) not cured within any applicable cure period set forth in the Key Employee Covenants or employment agreement, and (ii) materially injurious to the Company;

(ii) any willful violation by the Participant of any material law or regulation applicable to the business of the Company, which is materially injurious to the Company, or the Participant's conviction of, or a plea of nolo contendere to, a felony or any willful perpetration of common law fraud; or

(iii) any other willful misconduct by the Participant that is materially injurious to the financial condition or business reputation of, or is otherwise materially injurious to, the Company; or

(iv) any material breach of the non-competition or non-solicitation provisions of the Key Employee Covenant.

(g) "*Good Reason*" means the occurrence of any of the following, without the express written consent of the Participant, after the occurrence of a Change of control:



(i) the assignment to you of any duties inconsistent in any material adverse respect with your position, authority or responsibilities as in effect immediately prior to a Change of Control, or any other material adverse change in such position, including authority or responsibilities;

(ii) any failure by the Company (or any successor company) to continue to provide you with base pay, incentive compensation opportunities, and other material benefits (including, but not limited to, savings plans, defined benefit plans, welfare benefit plans and perquisites) at a level which is, in the aggregate, at least equal to that in effect immediately prior to a Change of Control, but shall not include any reduction in incentive compensation opportunities or other material benefits that are part of an across-the-board reduction of the incentive compensation or other material benefits of employees who are similarly situated with respect to you;

(iii) the Company's (or any successor company's) requiring you to be based at any office or location more than 49 miles from that location at which you performed your services immediately prior to the Change of Control, except for travel reasonably required in the performance of your responsibilities; or

(iv) any failure by the Company to obtain the commitment of any successor in interest or failure on the part of such successor in interest to perform the obligations to you under this Agreement or any employee-related obligations assumed by the successor in interest in connection with its acquisition of the Company.

The occurrence of the events or conditions in clauses (i)-(iv) shall not constitute Good Reason unless you provide written notice of the action(s) or omission(s) deemed to constitute Good Reason and the Company (or any successor company) or, if applicable, a Subsidiary fails to remedy such action(s) or omission(s) within 30 days after the receipt of such written notice. In no event shall the mere occurrence of a Change of Control, absent any further impact on you, be deemed to constitute Good Reason.

(h) “*Nonstatutory Stock Option*” means an Option not intended to qualify as an Incentive Stock Option.

2. **Master Agreement.** By executing this Master Agreement, you agree that this Master Agreement shall govern all Options granted to you under the Plan on or after the Effective Date pursuant to a Stock Option Grant Notice (“Grant Notice”) that incorporates by reference the terms of this Master Agreement. Each Option grant that is intended to be governed by this Master Agreement shall incorporate all of the terms and conditions of this Master Agreement and shall contain such other terms and conditions as the Committee shall establish for the grant of options covered by such Grant Notice. In the event of a conflict between the language of this Master Agreement and any Grant Notice, the language of the Grant Notice shall prevail with respect to Options granted pursuant to that Grant Notice. In order to be effective, the Grant Notice must be executed by a duly authorized executive officer of the Company. You will not be required to sign each Grant Notice, but you shall be deemed to have accepted the Grant Notice (and all of the terms and conditions set forth therein) unless you provide written notice to the Plan administrator of your rejection of the Grant Notice and all of the Options granted pursuant to such Grant Notice within 20 days after receipt of the Grant Notice.

3. **Grant of Option.** The Company grants to you, as of the Date of Grant specified in the Grant Notice, an Option to purchase up to the number of shares of the Company's Common Stock (“Shares”) specified in the Grant Notice.

4. **Vesting.**

(a) Each Option will vest and become exercisable as set forth in the applicable Grant Notice, provided that vesting will cease upon the termination of your Continuous Service.

(b) Notwithstanding any provision in the Agreement to the contrary, if, during the two-year period following a Change of Control, Employee's Continuous Service is terminated other than for Cause, or if Employee terminates his or her Continuous Service for “Good Reason,” the vesting of each Option governed by this Agreement shall be accelerated such that it shall be deemed to be vested in full immediately prior to the termination of Employee's Continuous Service.

5. **Exercise Price.** An Option may be exercised, to the extent vested, prior to the Expiration Date (unless earlier terminated) at the Exercise Price (per Share) specified in the applicable Grant Notice. The Exercise Price indicated in a Grant Notice may be adjusted from time to time for various adjustments in the Company's equity capital structure, as provided in the Plan.

6. **Method of Payment.**

(a) Payment of the Exercise Price is due in full upon exercise of all or any part of your Options. You may elect to make payment of the Exercise Price in cash, by check or pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate Exercise Price to the Company from the sales proceeds. Notwithstanding the terms of the previous sentence, you may not be permitted to exercise your Options pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board if such exercise would violate the provisions of Section 402 of the Sarbanes-Oxley Act of 2002.

(b) The Company may permit you to make payment of the Exercise Price, in whole or in part, in Shares having a Fair Market Value equal to the amount of the aggregate Exercise Price or such portion thereof, as applicable; provided, however, that you must satisfy all such requirements as may be imposed by the Board including without limitation that you have held such shares for not less than six months (or such other period as established from time to time by the Board in order to avoid a supplemental charge to earnings for financial accounting purposes).

(c) Where you are permitted to pay the Exercise Price of an Option by delivering Shares, you may, subject to procedures satisfactory to the Board, satisfy such delivery requirement by presenting proof that you are the Beneficial Owner of such Shares, in which case the Company shall treat the Options as exercised without further payment and shall withhold such number of shares from the Option Shares acquired by the exercise of the Option.

(d) The Company may permit you to make payment of the Exercise Price in any other form permitted by the Plan as may be acceptable to the Committee, in its sole discretion, including, without limitation, the withholding of Shares otherwise issuable in connection with the exercise of the Option

7. Whole Shares. You may exercise your Options only for whole Shares.

8. Compliance.

(a) Securities Law Compliance. Notwithstanding anything to the contrary contained herein, you may not exercise your Options unless the Shares issuable upon such exercise are then registered under the Securities Act or, if such shares are not then so registered, the Company has determined that such exercise and issuance would be exempt from the registration requirements of the Securities Act. The exercise of your Options must also comply with other applicable laws and regulations governing your Options, and you may not exercise your Options if the Company determines that such exercise would not be in material compliance with such laws and regulations.

(b) Plan Compliance. Notwithstanding anything to the contrary contained herein, you may not exercise your Options if the terms of the Plan do not permit the exercise of Options, or if the Company exercises its rights under the Plan to suspend, delay or restrict the exercise of Options.

9. Term. Subject to the provisions of the Plan and this Master Agreement, you may exercise all or any part of the vested portion of an Option at any time prior to the earliest to occur of:

- (a) the date on which your Continuous Service is terminated for Cause;
- (b) three (3) months after the termination of your Continuous Service for any reason other than for Cause or as a result of your death or Disability;
- (c) twelve (12) months after the termination of your Continuous Service due to your Disability;
- (d) twelve (12) months after the termination of your Continuous Service due to your death; or
- (e) the Expiration Date indicated in the Grant Notice.

Notwithstanding the foregoing, if the exercise of an Option is prevented by the Company within the applicable time periods set forth in Sections 9(b) or (c) for any reason, your Option shall not expire before the date that is thirty (30) days after the date that you are notified by the Company that the Option is again exercisable, but in any event no later than the Expiration Date indicated in your Grant Notice; provided, however, that if the Grant Notice designates your Option as an Incentive Stock Option, and if any such extension causes the term of your Option to exceed the maximum term allowable for Incentive Stock Options, your Option shall cease to be treated as an Incentive Stock Option and instead shall be treated thereafter as a Nonstatutory Stock Option.

10. Exercise Procedures.

(a) Subject to Section 6 above and other relevant terms and conditions of the Plan and this Master Agreement, you may exercise the vested portion of an Option during its term by delivering a notice of exercise (in a form designated by the Company) specifying the number of Shares for which the Option is being exercised, together with the Exercise Price, to the Plan administrator, or to such other person as the Company may designate, during regular business hours, together with such additional documents as the Company may then reasonably require.

(b) By exercising an Option you agree that, as a condition to any exercise of an Option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company (including any Subsidiary) arising by reason of (1) the exercise of your Option, or (2) other applicable events (as described in Section 15 of this Master Agreement).

(c) Your participation in the Plan, including vesting in any Options, will cease upon termination of Continuous Service for any reason (unless otherwise provided in the Plan or this Master Agreement); for the purposes of this Master Agreement, in the event of involuntary termination of Continuous Service, the termination shall be effective as of the date stated in the relevant notice of termination and, unless otherwise required by law, will not be extended by any notice period or other period of leave under local law. Subject to applicable law, the Company shall determine the date of termination in its sole discretion.

(d) If on the last day of the term of an Option the Fair Market Value of one Share exceeds the per Share Exercise Price of the Option and you have not exercised the Option (or a tandem Stock Appreciation Right, if applicable) and the Option has not expired, the Option shall be deemed to have been exercised by you on such day with payment made by withholding Shares otherwise issuable in connection with the exercise of the Option.

11. Documents Governing Issued Common Stock. Shares that you acquire upon exercise of an Option are subject to the terms of the Plan, the Company's bylaws, the Company's certificate of incorporation, any applicable Master Agreement relating to such Shares, or any other similar document. You should ensure that you understand your rights and obligations as a stockholder of the Company prior to the time that you exercise an Option.

12. Limitations on Transfer of Options. Options are not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you. Any purported assignment, alienation, pledge, sale, transfer or encumbrance, other than as expressly permitted herein, shall be void and unenforceable against the Company and any Subsidiary. Notwithstanding the foregoing, by delivering written notice to the Company, in a form satisfactory to the Company, you may designate a third party who, in the event of your death, shall thereafter be

entitled to exercise your Options. In the absence of such designation, your Option shall remain exercisable by your executor or administrator, or the person or persons to whom your rights under this Master Agreement shall pass by will or by the laws of descent and distribution, as the case may be. Any heir or legatee shall take rights herein granted subject to the terms and conditions hereof and in accordance with such requirements as may be established by the Company from time to time.

13. Rights Upon Exercise. You will not have any rights to dividends or other rights of a stockholder with respect to the Shares subject to an Option until you have given written notice of the exercise of the Option, paid the Exercise Price and any applicable taxes for such shares in full, satisfied any other conditions imposed by the Board pursuant to the Plan, if applicable, and become a holder of record of the purchased Shares.

14. Forfeiture of Options and Related Gains. If at any time during your Continuous Service or following the termination of your Continuous Service until the later of (i) the twelve (12) month anniversary of the termination of your Continuous Service for any reason, and (ii) the six (6) month anniversary of the date you exercise any outstanding Options, a Forfeiture Event occurs, then the Company may, in the sole discretion of the Committee: (A) terminate this Agreement and all rights with respect to any unexercised options; (b) direct that you return for cancellation (without the payment of any consideration) any Shares plus pay the Company the amount of any proceeds from the sale of Shares to the extent such Shares were received upon the exercise of any of your Options (i) during the 12 month period immediately preceding the Forfeiture Event or (ii) upon or after the occurrence of any such Forfeiture Event. The Company shall determine the manner of the recovery of any such amounts which may be due and which may include, without limitation, set-off against any amounts which may be owed by the Company or any of its Subsidiaries to you.

15. Responsibility for Taxes and Notice Requirement.

(a) Regardless of any action the Company or, if different, your employer (the "Employer") takes with respect to any or all income tax (including federal, state and other taxes), social insurance, payroll tax or other tax-related withholding ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Options, including the grant of the Options, the vesting of the Options, the exercise of the Options, the subsequent sale of any Shares acquired upon exercise and the receipt of any dividends; and (ii) do not commit to structure the terms of the grant or any aspect of the Options to reduce or eliminate your liability for Tax-Related Items.

(b) You may not exercise an Option unless and until the tax withholding obligations of the Company and/or any Subsidiary are satisfied or appropriate arrangements (acceptable to the Company) are made therefor, and you authorize the Company and its Subsidiaries to take such action as may be necessary to satisfy any such tax withholding obligations.

(c) If permissible under local law and regulations, you authorize the Company and/or the Employer, at their discretion, to satisfy the obligations with respect to Tax-Related Items by one or a combination of the following: (i) selling or arranging for the sale of Shares otherwise deliverable to you upon exercise of the Options; (ii) withholding from your wages or other cash compensation payable to you by the Company or the Employer (whether in cash, securities or other property); (iii) withholding from proceeds of the sale of Shares purchased upon exercise of the Options (including by means of a "same day sale" program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company and applicable law, including, but not limited to, Section 402 of the Sarbanes-Oxley Act of 2002); or (iv) withholding in Shares, provided that the Company only withholds the amount of Shares necessary to satisfy the minimum withholding amount. Finally, you will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold as a result of your participation in the Plan that cannot be satisfied by the means previously described.

(d) The Company may permit you to make provision for the payment of any tax withholding obligation by delivering shares, or authorizing the Company to withhold shares, of Common Stock having a Fair Market Value equal to the amount of such taxes or a portion thereof, as applicable. Where you are permitted to pay the taxes relating to the exercise of an Option by delivering shares of Common Stock, you may, subject to procedures satisfactory to the Board, satisfy such delivery requirement by presenting proof that you are the Beneficial Owner of such shares of Common Stock, in which case the Company shall treat the taxes as paid without further payment and shall withhold such number of shares from the shares acquired by the exercise of the Option.

(e) The Company may refuse to deliver any of the Shares if you fail to comply with your obligations in connection with the Tax-Related Items described in this Section.

(f) You agree to promptly notify the Company of any disposition of shares issued pursuant to the exercise of an Incentive Stock Option that results in a "disqualifying disposition" for purposes of Section 421 of the Code.

16. Nature of Grant. In accepting the Options and signing this Master Agreement, you acknowledge that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan;

(b) the grant of Options is voluntary and occasional and does not create any contractual or other right to receive future awards of Options, or benefits in lieu of Options even if Options have been awarded repeatedly in the past;

(c) nothing in this Agreement or in the Plan shall confer upon you any right to continue in the employment or service of the Employer or the Company for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Employer or the Company, which rights are hereby expressly reserved, to terminate your employment or service at any time for any reason, with or without cause except as may otherwise be provided pursuant to a separate written employment agreement. In addition, nothing in this Agreement or the Plan shall obligate the Company or your Employer or any of its Subsidiaries, their respective stockholders, Boards of

Directors, officers or employees to continue any relationship that you might have as a Director or Consultant or otherwise for your Employer or the Company or any of its Subsidiaries;

(d) all decisions with respect to future grants of Options, if any, will be at the sole discretion of the Company;

(e) your participation in the Plan is voluntary;

(f) Options are not part of normal or expected compensation or salary for any purpose, including, but not limited to, calculation of any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments;

(g) in consideration of the grant of Options, no claim or entitlement to compensation or damages arises from termination of the Options or diminution in value of the Options or Shares received upon vesting of Options resulting from termination of your employment or other service-providing relationship with the Company or Employer (for any reason whatsoever and whether or not in breach of local labor laws) and you irrevocably releases the Company and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, you shall be deemed irrevocably to have waived your entitlement to pursue such claim; and

(h) in the event of the termination of your Continuous Service (whether or not in breach of local labor laws), your right to receive Options and vest under the Plan, if any, will terminate effective as of the date that you are no longer actively employed or providing service and will not be extended by any notice period mandated under local law (*e.g.*, active employment or service would not include a period of "garden leave" or similar period pursuant to local law); the Committee shall have the exclusive discretion to determine when you are no longer providing Continuous Service for purposes of the Plan

17. Severability. If any one or more terms, provisions, covenants or restrictions contained herein shall be determined by a court of competent jurisdiction to be invalid, void or unenforceable, then the remainder of the terms, provisions, covenants and restrictions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

18. Notices. Any notices provided for in this Master Agreement (including the notice of exercise required under Section 10 of this Master Agreement) or the Plan shall be given in writing and shall be deemed effectively given upon receipt, or in the case of notices delivered by mail, five (5) days after deposit in the United States mail (or with another delivery service), certified or registered mail, return receipt requested or postage prepaid. Notices from the Company will be provided to you at the last address you provided to the Company and will be deemed effectively given to you at that address.

19. Signature in Counterparts. This Master Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

20. Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan, Options granted under the Plan or future Options that may be granted under the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

21. Option Subject to Plan Document. By entering into this Master Agreement, you agree and acknowledge that you have received and read a copy of the Plan and this Master Agreement. The Option is subject to the terms and provisions of the Plan, this Master Agreement and the applicable Grant Notice.

22. Choice of Law. The interpretation, performance and enforcement of this Master Agreement shall be governed by the laws of the State of Utah, without regard to principles of conflicts of laws.

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*IN WITNESS WHEREOF*, the parties have executed this Master Agreement to be effective as of the date first indicated above.

**Nu Skin Enterprises, Inc.**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date:

**Employee**

\_\_\_\_\_

Name:

Date:

Address:

\_\_\_\_\_





NU SKIN ENTERPRISES, INC.

PERFORMANCE RESTRICTED STOCK UNIT GRANT NOTICE

2010 OMNIBUS INCENTIVE PLAN

Nu Skin Enterprises, Inc. ("Company"), pursuant to its 2010 Omnibus Incentive Plan ("Plan") and the 2010 Omnibus Incentive Plan Master Performance Restricted Stock Unit Agreement ("Master Restricted Stock Unit Agreement") previously entered into by the parties, hereby grants to the "Employee" identified below \_\_\_\_\_ Performance Restricted Stock Units. The Performance Restricted Stock Units are subject to all of the terms and conditions as set forth herein and in the Master Performance Restricted Stock Unit Agreement and the Plan, both of which are incorporated herein in their entirety. Any capitalized terms not defined herein shall have the meaning provided to such terms in the Plan.

**Employee:**

**Date of Grant:**

**Number of Restricted Stock Units:**

**Vesting Schedule and Performance Criteria:**

**Additional Terms/Acknowledgements:** The undersigned Employee acknowledges receipt of, and understands and agrees to, this Grant Notice, the Master Performance Restricted Stock Unit Agreement and the Plan. Employee further acknowledges that as of the Date of Grant, this Grant Notice, the Master Performance Restricted Stock Unit Agreement and the Plan set forth the entire understanding between Employee and the Company regarding the Performance Restricted Stock Units granted pursuant hereto and supersede all prior oral and written agreements on that subject with the exception of the agreements, if any, listed below. To the extent that this Grant Notice varies the terms of the Master Performance Restricted Stock Unit Agreement, this Grant Notice will prevail only with respect to Performance Restricted Stock Units granted pursuant to this Grant Notice.

**Other Agreements:**

NU SKIN ENTERPRISES, INC.

By:  
Signature

Title:  
Date:

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NU SKIN ENTERPRISES, INC.  
2010 OMNIBUS INCENTIVE PLAN

MASTER PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT

This Master Performance Restricted Stock Unit Agreement (the "Agreement") is made and entered into effective as of \_\_\_\_\_ by and between Nu Skin Enterprises, Inc., a Delaware corporation (the "Company"), and \_\_\_\_\_ ("Employee") subject to the terms and conditions of the Nu Skin Enterprises, Inc. 2010 Omnibus Incentive Plan (the "Plan"). In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Agreement, the terms and conditions of the Plan shall prevail. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Agreement.

**1. Grant of Restricted Stock Units.**

1.1 Master Agreement. By executing this Agreement, Employee agrees that this Agreement shall govern the term of all Restricted Stock Units granted to you under the Plan pursuant to a Restricted Stock Unit Grant Notice ("Grant Notice") that incorporates by reference the terms of this Agreement. Each Restricted Stock Unit grant that is intended to be governed by this Agreement shall incorporate all of the terms and conditions of this Agreement and shall contain such other terms and conditions as the Committee shall establish for the grant of Restricted Stock Units covered by such Grant Notice. In the event of a conflict between the language of this Agreement and any Grant Notice, the language of the Grant Notice shall prevail with respect to that Grant Notice. In order to be effective, the Grant Notice must be executed by a duly authorized executive officer of the Company. Employee will not be required to sign each Grant Notice, but you shall be deemed to have accepted the Grant Notice (and all of the terms and conditions set forth therein) unless Employee provides written notice to the Plan Administrator of Employee's rejection of the Grant Notice and all of the Restricted Stock Units granted thereunder within 20 days after receipt of the Grant Notice.

1.2 Grant of Restricted Stock Units. The Company grants to Employee an award of the number of Restricted Stock Units as set forth in each applicable Grant Notice. Each Restricted Stock Unit is a bookkeeping entry representing the Company's unfunded promise to deliver one (1) share of the Company's Common Stock (the "Share"), on the terms provided herein and in the Plan.

1.3 Vesting of Restricted Stock Units. The Restricted Stock Units shall vest as indicated in the applicable Grant Notice.

1.4 Settlement of Restricted Stock Units. Subject to the terms of the Plan and this Agreement, Restricted Stock Units shall be settled in Shares, provided that Employee has satisfied any tax withholding obligations pursuant to Section 9 below. Shares will be issued to Employee within a reasonable time following vesting.

1.5 Stockholder Rights. Unless and until the Shares are issued by the Company after the Vesting Date, Employee shall have none of the rights or privileges of a shareholder of the Company (including voting, dividend and liquidation rights) with respect to the Shares covered by the Restricted Stock Units.

1.6 Change in Control. Notwithstanding any provision in the Agreement to the contrary, if, during the two-year period following a Change in Control, Employee's employment is terminated by the Company and/or any Subsidiary other than for Cause, or if Employee terminates his/her employment for "Good Reason," the vesting of the Restricted Stock Units governed by this Agreement shall be accelerated such that all such Restricted Stock Units shall be deemed to be vested in full immediately prior to the termination of Employee's employment.

For purposes of this Agreement:

"Cause" shall mean: the termination of Employee's employment with or service to the Company (for purposes of this Section 1.6, "Company" shall refer to the Company and any Subsidiaries of the Company) because of:

(a) a material breach by the Employee of any of Employee's obligations under the Company's Key Employee Covenants or any Employment Agreement, which breach is (i) not cured within any applicable cure period set forth in the Key Employee Covenants or employment agreement, and (ii) materially injurious to the Company;

(b) any willful violation by Employee of any material law or regulation applicable to the business of the Company, which is materially injurious to the Company, or the Employee's conviction of, or a plea of nolo contendere to, a felony or any willful perpetration of common law fraud; or

(c) any other willful misconduct by the Employee that is materially injurious to the financial condition or business reputation of, or is otherwise materially injurious to, the Company.

"Change-in-Control" shall have the meaning set forth in the Plan.

"Good Reason" means the occurrence of any of the following, without the express written consent of Participant, after the occurrence of a Change of Control:

(a) the assignment to Employee of any duties inconsistent in any material adverse respect with Participant's position, authority or responsibilities as in effect immediately prior to a Change of Control, or any other material adverse change in such position, including authority or responsibilities;

(b) any failure by the Company to continue to provide Employee with base pay, incentive compensation opportunities, and other material benefits (including, but not limited to, savings plans, defined benefit plans, welfare benefit plans and perquisites) at a level which is, in the aggregate, at least equal to that in effect immediately prior to a Change of Control, but shall not include any reduction in incentive

compensation opportunities or other material benefits that are part of an across-the-board reduction of the incentive compensation or other material benefits of employees who are similarly situated with respect to Employee;

(c) the Company's requiring Employee to be based at any office or location more than 49 miles from that location at which he performed his services immediately prior to the Change of Control, except for travel reasonably required in the performance of Participant's responsibilities; or

(d) any failure by the Company to obtain the commitment of any successor in interest or failure on the part of such successor in interest to perform the obligations to Employee under this Agreement or any employee-related obligations assumed by the successor in interest in connection with its acquisition of the Company.

The occurrence of the events or conditions in clauses (a)-(d) shall not constitute Good Reason unless Employee provides written notice of the action(s) or omission(s) deemed to constitute Good Reason and the Company or, if applicable, a Subsidiary fails to remedy such action(s) or omission(s) within 30 days after the receipt of such written notice. In no event shall the mere occurrence of a Change of Control, absent any further impact on Employee, be deemed to constitute Good Reason.

2. **Securities Law Compliance.** Employee represents that Employee has received and carefully read a copy of the Prospectus for the Plan, together with the Company's most recent Annual Report to Stockholders. Employee hereby acknowledges that Employee is aware of the risks associated with the Shares and that there can be no assurance the price of the Common Stock will not decrease in the future. Employee hereby acknowledges no representations or statements have been made to Employee concerning the value or potential value of the Common Stock. Employee acknowledges that Employee has relied only on information contained in the Prospectus and has received no representations, written or oral, from the Company or its employees, attorneys or agents, other than those contained in the Prospectus or this Agreement. Employee acknowledges that the Company has made no representations concerning the tax and other effects of the Restricted Stock Units and Employee represents that Employee has consulted with Employee's own tax and other advisors concerning the tax and other effects of the Restricted Stock Units.

3. **Transfer Restrictions.** Employee shall not transfer, assign, sell, encumber, pledge, grant a security interest in or otherwise dispose of the Restricted Stock Units subject to this Agreement in any manner other than by the laws of descent or distribution. Any such transfer, assignment, sale, encumbrance, pledge, security interest or disposition shall be void and shall result in the automatic termination of the Restricted Stock Units and this Agreement.

4. **Termination of Employment.** In the event Employee's Continuous Service (as defined below) is terminated for any reason prior to the full vesting of the Restricted Stock Units, the Restricted Stock Units granted hereunder shall terminate to the extent they are not vested as of the termination of Employee's Continuous Service, and Employee shall not have any right to receive any Shares subject to such unvested Restricted Stock Units. "Continuous Service" means that Employee's service with the Company or a Subsidiary, whether as an Employee, Director, or Consultant, is not interrupted or terminated. Employee's Continuous Service shall not be deemed to have terminated merely because of a change in the capacity in which Employee renders service to the Company or a Subsidiary as an Employee, Consultant, or Director, or a change in the entity for which Employee renders such service, provided that there is no interruption or termination of Employee's Continuous Service. For example, a change in status from an Employee of the Company to a Consultant of a Subsidiary or a Director will not constitute an interruption of Continuous Service. Subject to the requirements of applicable law, the Committee, in its sole discretion, shall determine whether Continuous Service shall be considered interrupted in the case of any leave of absence approved by the Company or a Subsidiary, including sick leave, military leave or any other personal leave.

5. **Forfeiture.**

(a) If at any time during Employee's employment or at any time during the 12-month period following termination of Employee's Continuous Service, a Forfeiture Event (as defined below) occurs, then at the election of the Committee, (a) this Agreement and all unvested Restricted Stock Units granted hereunder shall terminate, and (b) Employee shall return to the Company for cancellation all Shares held by Employee plus pay the Company the amount of any proceeds received from the sale of any Shares to the extent such Shares were issued pursuant to Restricted Stock Units granted under this Agreement that vested (i) during the 12-month period immediately preceding the Forfeiture Event, or (ii) on the date of or at any time after such Forfeiture Event. "Forfeiture Event" means the following:

(i) a material breach by Employee of any of Employee's obligations under the Company's Key Employee Covenants or any Employment Agreement, which breach is (A) not cured within any applicable cure period set forth in the Key Employee Covenants or employment agreement, and (B) materially injurious to the Company;

(ii) any willful violation by Employee of any material law or regulation applicable to the business of the Company, which is materially injurious to the Company, or the Employee's conviction of, or a plea of nolo contendere to, a felony or any willful perpetration of common law fraud;

(iii) any other willful misconduct by the Employee that is materially injurious to the financial condition or business reputation of, or is otherwise materially injurious to, the Company; or

(iv) any material breach of the non-competition or non-solicitation provisions of the Key Employee Covenant.

(b) If the Company is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, the Compensation Committee may terminate any Awards granted hereunder or require you to reimburse the Company the amount of any payment or benefit received with respect to any Award granted hereunder to the extent the Award would not have been earned or accrued after giving effect to the accounting restatement.

6. **Governing Plan Document.** This Agreement incorporates by reference all of the terms and conditions of the Plan, as presently existing and as hereafter amended. Employee expressly acknowledges and agrees that the terms and provisions of this Agreement are subject in all respects to the provisions of the Plan. Employee also expressly acknowledges, agrees and represents as follows:

- a. Acknowledges receipt of the Plan and represents that Employee is familiar with the provisions of the Plan, and that Employee enters into this Agreement subject to all of the provisions of the Plan.
- b. Recognizes that the Committee has been granted complete authority to administer the Plan in its sole discretion, and agrees to accept all decisions related to the Plan and all interpretations of the Plan made by the Committee as final and conclusive upon Employee and upon all persons at any time claiming any interest through Employee in the Restricted Stock Units or the Shares subject to this Agreement.
- c. Acknowledges and understands that the establishment of the Plan and the existence of this Agreement are not sufficient, in and of themselves, to exempt Employee from the requirements of Section 16(b) of the Exchange Act and any rules or regulations promulgated thereunder, and that Employee (to the extent Section 16(b) applies to Employee) shall not be exempt from such requirements pursuant to Rule 16b-3 unless and until Employee shall comply with all applicable requirements of Rule 16b-3, including without limitation, the possible requirement that Employee must not sell or otherwise dispose of any Share acquired hereby unless and until a period of at least six months shall have elapsed between the date upon which such Restricted Stock Unit was granted to Employee and the date upon which Employee desires to sell or otherwise dispose of any Share acquired under this award.

7. **Representations And Warranties.** As a condition to the receipt of any Shares upon vesting, the Company may require Employee to make any representations and warranties to the Company that legal counsel to the Company may determine to be required or advisable under any applicable law or regulation, including without limitation, representations and warranties that the Shares are being acquired only for investment and without any present intention or view to sell or distribute any such shares.

8. **Compliance With Law And Regulations.** The obligations of the Company hereunder are subject to all applicable federal and state laws and to the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Common Stock is then listed and any other government or regulatory agency.

9. **Taxes.** Regardless of any action the Company or, if different, the Employee's employer (the "Employer") takes with respect to any or all income tax (including federal, state and other taxes), social insurance, payroll tax or other tax-related withholding ("Tax-Related Items"), Employee acknowledges that the ultimate liability for all Tax-Related Items legally due by Employee is and remains his or her responsibility and that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant of the Restricted Stock Units, the vesting of the Restricted Stock Units, the settlement of the Restricted Stock Units, the subsequent sale of any Shares acquired at settlement and the receipt of any dividends; and (ii) do not commit to structure the terms of the grant or any aspect of the Restricted Stock Units to reduce or eliminate the Employee's liability for Tax-Related Items.

Prior to vesting of the Restricted Stock Units, Employee agrees to make arrangements satisfactory to the Company and/or the Employer to satisfy any applicable Tax-Related Items in connection with the Restricted Stock Units. In this regard, if permissible under local law and regulations, Employee authorizes the Company and/or the Employer, at their discretion, to satisfy the obligations with respect to Tax-Related Items by one or a combination of the following: (i) selling or arranging for the sale of Shares otherwise deliverable to Employee in settlement of the Restricted Stock Units; (ii) withholding from Employee's wages or other cash compensation payable to Employee by the Company or the Employer; (iii) withholding from proceeds of the sale of Shares acquired upon vesting of the Restricted Stock Units; or (iv) withholding in Shares, provided that the Company only withholds the amount of Shares necessary to satisfy the minimum withholding amount. Finally, Employee will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold as a result of Employee's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to deliver any of the Shares if Employee fails to comply with his or her obligations in connection with the Tax-Related Items described in this Section.

10. **Nature of Grant.** In accepting the Restricted Stock Units and signing this Agreement, Employee acknowledges that:

10.1 the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan;

10.2 the grant of Restricted Stock Units is voluntary and occasional and does not create any contractual or other right to receive future awards of Restricted Stock Units, or benefits in lieu of Restricted Stock Units even if Restricted Stock Units have been awarded repeatedly in the past;

10.3 nothing in this Agreement or in the Plan shall confer upon Employee any right to continue in the employment or service of the Employer or the Company for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Employer or the Company, which rights are hereby expressly reserved, to terminate Employee's employment or service at any time for any reason, with or without cause except as may otherwise be provided pursuant to a separate written employment agreement;

10.4 all decisions with respect to future grants of Restricted Stock Units, if any, will be at the sole discretion of the Company;

10.5 Employee's participation in the Plan is voluntary;

10.6 Restricted Stock Units are not part of normal or expected compensation or salary for any purpose, including, but not limited to, calculation of any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments;

10.7 in consideration of the grant of Restricted Stock Units, no claim or entitlement to compensation or damages arises from termination of the Restricted Stock Units or diminution in value of the Restricted Stock Units or Shares received upon vesting of Restricted Stock Units resulting from termination of the Employee's employment or other service-providing relationship with the Company or Employer (for any reason whatsoever and whether or not in breach of local labor laws) and Employee irrevocably releases the Company and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, Employee shall be deemed irrevocably to have waived his or her entitlement to pursue such claim; and

10.8 in the event of the termination of Employee's Continuous Service (as defined above), whether or not in breach of local labor laws, Employee's right to receive Restricted Stock Units and vest under the Plan, if any, will terminate effective as of the date that Employee is no longer actively employed or providing service and will not be extended by any notice period mandated under local law (e.g., active employment

or service would not include a period of "garden leave" or similar period pursuant to local law); the Committee shall have the exclusive discretion to determine when Employee is no longer providing Continuous Service for purposes of the Plan.

**11. General Provisions.**

11.1 Notices. Any notice required to be given under this Agreement shall be in writing and shall be deemed effective upon personal delivery or upon deposit in the U.S. mail, registered or certified, postage prepaid and properly addressed to the party entitled to such notice at the address indicated below such party's signature line on this Agreement or at such other address as such party may designate by ten (10) days advance written notice under this Section to all other parties to this Agreement.

11.2 No Waiver. The failure of the Company in any instance to exercise any rights under this Agreement, including the forfeiture rights under Section 5, shall not constitute a waiver of any other rights that may subsequently arise under the provisions of this Agreement or any other agreement between the Company and Employee. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition, whether of like or different nature.

**12. Miscellaneous Provisions.**

12.1 Employee Undertaking. Employee hereby agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable in order to carry out or effect one or more of the obligations or restrictions imposed on either Employee or the Shares pursuant to the provisions of this Agreement.

12.2 Entire Contract. This Agreement and the Plan constitute the entire understanding and agreement of the parties with respect to the subject matter contained herein. This Agreement is made pursuant to, and incorporates by reference, the provisions of the Plan and shall in all respects be construed in conformity with the terms of the Plan (which is attached as Exhibit A).

12.3 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

12.4 Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan, Restricted Stock Units granted under the Plan or future Restricted Stock Units that may be granted under the Plan by electronic means or to request Employee's consent to participate in the Plan by electronic means. Employee hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

12.5 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon Employee, Employee's permitted assigns and the legal representatives, heirs and legatees of Employee's estate, whether or not any such person shall have become a party to this Agreement and have agreed in writing to join herein and be bound by the terms hereof. Employee may not assign this Agreement other than by the laws of decent and distribution.

12.6 Severability. In the event that any provision in this Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement.

12.7 Governing Law. Restricted Stock Units and the provisions of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Utah without resort to that State's conflict-of-laws rules, as provided in the Plan. In the event of any legal proceeding involving this Agreement, the prevailing party shall be entitled to recover its legal fees and expenses (including reasonable attorneys' fees).

By Employee's signature and the signature of the Company's representative below, Employee and the Company agree that this Restricted Stock Unit is granted under and governed by the terms and conditions of the Plan and this Agreement. Employee has read and understands the Plan and this Agreement. Employee hereby agrees to accept as binding and conclusive all decisions or interpretations of the Board and/or the Committee related to the Plan.

*IN WITNESS WHEREOF*, the parties have executed this Agreement to be effective as of the date and year first indicated above.

**Nu Skin Enterprises, Inc.**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date:

**Employee**

\_\_\_\_\_

Name:

Date:

Address:

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NU SKIN ENTERPRISES, INC.

RESTRICTED STOCK UNIT GRANT NOTICE

2010 OMNIBUS INCENTIVE PLAN

Nu Skin Enterprises, Inc. ("Company"), pursuant to its 2010 Omnibus Incentive Plan ("Plan") and the 2010 Omnibus Incentive Plan Master Restricted Stock Unit Agreement ("Master Restricted Stock Unit Agreement") previously entered into by the parties, hereby grants to the "Employee" identified below \_\_\_\_\_ Restricted Stock Units. The Restricted Stock Units are subject to all of the terms and conditions as set forth herein and in the Master Restricted Stock Unit Agreement and the Plan, both of which are incorporated herein in their entirety. Any capitalized terms not defined herein shall have the meaning provided to such terms in the Plan.

**Employee:**

**Date of Grant:**

**Number of Restricted Stock Units:**

**Vesting Schedule:**

**Additional Terms/Acknowledgements:** The undersigned Employee acknowledges receipt of, and understands and agrees to, this Grant Notice, the Master Restricted Stock Unit Agreement and the Plan. Employee further acknowledges that as of the Date of Grant, this Grant Notice, the Master Restricted Stock Unit Agreement and the Plan set forth the entire understanding between Employee and the Company regarding the Restricted Stock Units granted pursuant hereto and supersede all prior oral and written agreements on that subject with the exception of the agreements, if any, listed below. To the extent that this Grant Notice varies the terms of the Master Restricted Stock Unit Agreement, this Grant Notice will prevail only with respect to Restricted Stock Units granted pursuant to this Grant Notice.

**Other Agreements:**

NU SKIN ENTERPRISES, INC.

By:  
Signature

Title:  
Date:

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NU SKIN ENTERPRISES, INC.  
2010 OMNIBUS INCENTIVE PLAN

MASTER RESTRICTED STOCK UNIT AGREEMENT

This Master Restricted Stock Unit Agreement (the "Agreement") is made and entered into effective as of \_\_\_\_\_ by and between Nu Skin Enterprises, Inc., a Delaware corporation (the "Company"), and \_\_\_\_\_ ("Employee") subject to the terms and conditions of the Nu Skin Enterprises, Inc. 2010 Omnibus Incentive Plan (the "Plan"). In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Agreement, the terms and conditions of the Plan shall prevail. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Agreement.

**1. Grant of Restricted Stock Units.**

1.1 Master Agreement. By executing this Agreement, Employee agrees that this Agreement shall govern the term of all Restricted Stock Units granted to you under the Plan pursuant to a Restricted Stock Unit Grant Notice ("Grant Notice") that incorporates by reference the terms of this Agreement. Each Restricted Stock Unit grant that is intended to be governed by this Agreement shall incorporate all of the terms and conditions of this Agreement and shall contain such other terms and conditions as the Committee shall establish for the grant of Restricted Stock Units covered by such Grant Notice. In the event of a conflict between the language of this Agreement and any Grant Notice, the language of the Grant Notice shall prevail with respect to that Grant Notice. In order to be effective, the Grant Notice must be executed by a duly authorized executive officer of the Company. Employee will not be required to sign each Grant Notice, but you shall be deemed to have accepted the Grant Notice (and all of the terms and conditions set forth therein) unless Employee provides written notice to the Plan Administrator of Employee's rejection of the Grant Notice and all of the Restricted Stock Units granted thereunder within 20 days after receipt of the Grant Notice.

1.2 Grant of Restricted Stock Units. The Company grants to Employee an award of the number of Restricted Stock Units as set forth in each applicable Grant Notice. Each Restricted Stock Unit is a bookkeeping entry representing the Company's unfunded promise to deliver one (1) share of the Company's Common Stock (the "Share"), on the terms provided herein and in the Plan.

1.3 Vesting of Restricted Stock Units. The Restricted Stock Units shall vest on the dates (the "Vesting Dates") and in the amounts set forth in the applicable Grant Notice provided that Employee remains in the Continuous Service of the Company or one of its Subsidiaries during the period commencing on the date of grant and ending on each of the respective Vesting Dates (the "Vesting Period") except as otherwise provided in Section 4.

1.4 Settlement of Restricted Stock Units. Subject to the terms of the Plan and this Agreement, Restricted Stock Units shall be settled in Shares, provided that Employee has satisfied any tax withholding obligations pursuant to Section 9 below. Shares will be issued to Employee within a reasonable time following each Vesting Date.

1.5 Stockholder Rights. Unless and until the Shares are issued by the Company after the Vesting Date, Employee shall have none of the rights or privileges of a shareholder of the Company (including voting, dividend and liquidation rights) with respect to the Shares covered by the Restricted Stock Units.

1.6 Change in Control. Notwithstanding any provision in the Agreement to the contrary, if, during the two-year period following a Change in Control, Employee's employment is terminated by the Company and/or any Subsidiary other than for Cause, or if Employee terminates his/her employment for "Good Reason," the vesting of the Restricted Stock Units governed by this Agreement shall be accelerated such that all such Restricted Stock Units shall be deemed to be vested in full immediately prior to the termination of Employee's employment.

For purposes of this Agreement:

"Cause" shall mean: the termination of Employee's employment with or service to the Company (for purposes of this Section 1.6, "Company" shall refer to the Company and any Subsidiaries of the Company) because of:

- (a) a material breach by the Employee of any of Employee's obligations under the Company's Key Employee Covenants or any Employment Agreement, which breach is (i) not cured within any applicable cure period set forth in the Key Employee Covenants or employment agreement, and (ii) materially injurious to the Company;
- (b) any willful violation by Employee of any material law or regulation applicable to the business of the Company, which is materially injurious to the Company, or the Employee's conviction of, or a plea of nolo contendere to, a felony or any willful perpetration of common law fraud; or
- (c) any other willful misconduct by the Employee that is materially injurious to the financial condition or business reputation of, or is otherwise materially injurious to, the Company.

"Change-in-Control" shall have the meaning set forth in the Plan.

"Good Reason" means the occurrence of any of the following, without the express written consent of Participant, after the occurrence of a Change of Control:

- (a) the assignment to Employee of any duties inconsistent in any material adverse respect with Participant's position, authority or responsibilities as in effect immediately prior to a Change of Control, or any other material adverse change in such position, including authority or responsibilities;

(b) any failure by the Company to continue to provide Employee with base pay, incentive compensation opportunities, and other material benefits (including, but not limited to, savings plans, defined benefit plans, welfare benefit plans and perquisites) at a level which is, in the aggregate, at least equal to that in effect immediately prior to a Change of Control, but shall not include any reduction in incentive compensation opportunities or other material benefits that are part of an across-the-board reduction of the incentive compensation or other material benefits of employees who are similarly situated with respect to Employee;

(c) the Company's requiring Employee to be based at any office or location more than 49 miles from that location at which he performed his services immediately prior to the Change of Control, except for travel reasonably required in the performance of Participant's responsibilities; or

(d) any failure by the Company to obtain the commitment of any successor in interest or failure on the part of such successor in interest to perform the obligations to Employee under this Agreement or any employee-related obligations assumed by the successor in interest in connection with its acquisition of the Company.

The occurrence of the events or conditions in clauses (a)-(d) shall not constitute Good Reason unless Employee provides written notice of the action(s) or omission(s) deemed to constitute Good Reason and the Company or, if applicable, a Subsidiary fails to remedy such action(s) or omission(s) within 30 days after the receipt of such written notice. In no event shall the mere occurrence of a Change of Control, absent any further impact on Employee, be deemed to constitute Good Reason.

2. **Securities Law Compliance.** Employee represents that Employee has received and carefully read a copy of the Prospectus for the Plan, together with the Company's most recent Annual Report to Stockholders. Employee hereby acknowledges that Employee is aware of the risks associated with the Shares and that there can be no assurance the price of the Common Stock will not decrease in the future. Employee hereby acknowledges no representations or statements have been made to Employee concerning the value or potential value of the Common Stock. Employee acknowledges that Employee has relied only on information contained in the Prospectus and has received no representations, written or oral, from the Company or its employees, attorneys or agents, other than those contained in the Prospectus or this Agreement. Employee acknowledges that the Company has made no representations concerning the tax and other effects of the Restricted Stock Units and Employee represents that Employee has consulted with Employee's own tax and other advisors concerning the tax and other effects of the Restricted Stock Units.

3. **Transfer Restrictions.** Employee shall not transfer, assign, sell, encumber, pledge, grant a security interest in or otherwise dispose of the Restricted Stock Units subject to this Agreement in any manner other than by the laws of descent or distribution. Any such transfer, assignment, sale, encumbrance, pledge, security interest or disposition shall be void and shall result in the automatic termination of the Restricted Stock Units and this Agreement.

4. **Termination of Employment.** In the event Employee's Continuous Service (as defined below) is terminated for any reason prior to the full vesting of the Restricted Stock Units, the Restricted Stock Units granted hereunder shall terminate to the extent they are not vested as of the termination of Employee's Continuous Service, and Employee shall not have any right to receive any Shares subject to such unvested Restricted Stock Units. "Continuous Service" means that Employee's service with the Company or a Subsidiary, whether as an Employee, Director, or Consultant, is not interrupted or terminated. Employee's Continuous Service shall not be deemed to have terminated merely because of a change in the capacity in which Employee renders service to the Company or a Subsidiary as an Employee, Consultant, or Director, or a change in the entity for which Employee renders such service, provided that there is no interruption or termination of Employee's Continuous Service. For example, a change in status from an Employee of the Company to a Consultant of a Subsidiary or a Director will not constitute an interruption of Continuous Service. Subject to the requirements of applicable law, the Committee, in its sole discretion, shall determine whether Continuous Service shall be considered interrupted in the case of any leave of absence approved by the Company or a Subsidiary, including sick leave, military leave or any other personal leave.

5. **Forfeiture.** If at any time during Employee's employment or at any time during the 12-month period following termination of Employee's Continuous Service, a Forfeiture Event (as defined below) occurs, then at the election of the Committee, (a) this Agreement and all unvested Restricted Stock Units granted hereunder shall terminate, and (b) Employee shall return to the Company for cancellation all Shares held by Employee plus pay the Company the amount of any proceeds received from the sale of any Shares to the extent such Shares were issued pursuant to Restricted Stock Units granted under this Agreement that vested (i) during the 12-month period immediately preceding the Forfeiture Event, or (ii) on the date of or at any time after such Forfeiture Event. "Forfeiture Event" means the following:

(a) a material breach by Employee of any of Employee's obligations under the Company's Key Employee Covenants or any Employment Agreement, which breach is (i) not cured within any applicable cure period set forth in the Key Employee Covenants or employment agreement, and (ii) materially injurious to the Company;

(b) any willful violation by Employee of any material law or regulation applicable to the business of the Company, which is materially injurious to the Company, or the Employee's conviction of, or a plea of nolo contendere to, a felony or any willful perpetration of common law fraud;

(c) any other willful misconduct by the Employee that is materially injurious to the financial condition or business reputation of, or is otherwise materially injurious to, the Company; or

(d) any material breach of the non-competition or non-solicitation provisions of the Key Employee Covenants.

6. **Governing Plan Document.** This Agreement incorporates by reference all of the terms and conditions of the Plan, as presently existing and as hereafter amended. Employee expressly acknowledges and agrees that the terms and provisions of this Agreement are subject in all respects to the provisions of the Plan. Employee also expressly acknowledges, agrees and represents as follows:

a. Acknowledges receipt of the Plan and represents that Employee is familiar with the provisions of the Plan, and that Employee enters into this Agreement subject to all of the provisions of the Plan.

b. Recognizes that the Committee has been granted complete authority to administer the Plan in its sole discretion, and agrees to accept all decisions related to the Plan and all interpretations of the Plan made by the Committee as final and conclusive upon Employee and upon all

persons at any time claiming any interest through Employee in the Restricted Stock Units or the Shares subject to this Agreement.

c. Acknowledges and understands that the establishment of the Plan and the existence of this Agreement are not sufficient, in and of themselves, to exempt Employee from the requirements of Section 16(b) of the Exchange Act and any rules or regulations promulgated thereunder, and that Employee (to the extent Section 16(b) applies to Employee) shall not be exempt from such requirements pursuant to Rule 16b-3 unless and until Employee shall comply with all applicable requirements of Rule 16b-3, including without limitation, the possible requirement that Employee must not sell or otherwise dispose of any Share acquired hereby unless and until a period of at least six months shall have elapsed between the date upon which such Restricted Stock Unit was granted to Employee and the date upon which Employee desires to sell or otherwise dispose of any Share acquired under this award.

7. **Representations And Warranties.** As a condition to the receipt of any Shares upon vesting, the Company may require Employee to make any representations and warranties to the Company that legal counsel to the Company may determine to be required or advisable under any applicable law or regulation, including without limitation, representations and warranties that the Shares are being acquired only for investment and without any present intention or view to sell or distribute any such shares.

8. **Compliance With Law And Regulations.** The obligations of the Company hereunder are subject to all applicable federal and state laws and to the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Common Stock is then listed and any other government or regulatory agency.

9. **Taxes.** Regardless of any action the Company or, if different, the Employee's employer (the "Employer") takes with respect to any or all income tax (including federal, state and other taxes), social insurance, payroll tax or other tax-related withholding ("Tax-Related Items"), Employee acknowledges that the ultimate liability for all Tax-Related Items legally due by Employee is and remains his or her responsibility and that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant of the Restricted Stock Units, the vesting of the Restricted Stock Units, the settlement of the Restricted Stock Units, the subsequent sale of any Shares acquired at settlement and the receipt of any dividends; and (ii) do not commit to structure the terms of the grant or any aspect of the Restricted Stock Units to reduce or eliminate the Employee's liability for Tax-Related Items.

Prior to vesting of the Restricted Stock Units, Employee agrees to make arrangements satisfactory to the Company and/or the Employer to satisfy any applicable Tax-Related Items in connection with the Restricted Stock Units. In this regard, if permissible under local law and regulations, Employee authorizes the Company and/or the Employer, at their discretion, to satisfy the obligations with respect to Tax-Related Items by one or a combination of the following: (i) selling or arranging for the sale of Shares otherwise deliverable to Employee in settlement of the Restricted Stock Units; (ii) withholding from Employee's wages or other cash compensation payable to Employee by the Company or the Employer; (iii) withholding from proceeds of the sale of Shares acquired upon vesting of the Restricted Stock Units; or (iv) withholding in Shares, provided that the Company only withholds the amount of Shares necessary to satisfy the minimum withholding amount. Finally, Employee will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold as a result of Employee's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to deliver any of the Shares if Employee fails to comply with his or her obligations in connection with the Tax-Related Items described in this Section.

10. **Nature of Grant.** In accepting the Restricted Stock Units and signing this Agreement, Employee acknowledges that:

10.1 the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan;

10.2 the grant of Restricted Stock Units is voluntary and occasional and does not create any contractual or other right to receive future awards of Restricted Stock Units, or benefits in lieu of Restricted Stock Units even if Restricted Stock Units have been awarded repeatedly in the past;

10.3 nothing in this Agreement or in the Plan shall confer upon Employee any right to continue in the employment or service of the Employer or the Company for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Employer or the Company, which rights are hereby expressly reserved, to terminate Employee's employment or service at any time for any reason, with or without cause except as may otherwise be provided pursuant to a separate written employment agreement;

10.4 all decisions with respect to future grants of Restricted Stock Units, if any, will be at the sole discretion of the Company;

10.5 Employee's participation in the Plan is voluntary;

10.6 Restricted Stock Units are not part of normal or expected compensation or salary for any purpose, including, but not limited to, calculation of any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments;

10.7 in consideration of the grant of Restricted Stock Units, no claim or entitlement to compensation or damages arises from termination of the Restricted Stock Units or diminution in value of the Restricted Stock Units or Shares received upon vesting of Restricted Stock Units resulting from termination of the Employee's employment or other service-providing relationship with the Company or Employer (for any reason whatsoever and whether or not in breach of local labor laws) and Employee irrevocably releases the Company and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, Employee shall be deemed irrevocably to have waived his or her entitlement to pursue such claim; and

10.8 in the event of the termination of Employee's Continuous Service (as defined above), whether or not in breach of local labor laws, Employee's right to receive Restricted Stock Units and vest under the Plan, if any, will terminate effective as of the date that Employee is no longer actively employed or providing service and will not be extended by any notice period mandated under local law (e.g., active employment or service would not include a period of "garden leave" or similar period pursuant to local law); the Committee shall have the exclusive discretion to determine when Employee is no longer providing Continuous Service for purposes of the Plan.

11. **General Provisions.**

11.1 Notices. Any notice required to be given under this Agreement shall be in writing and shall be deemed effective upon personal delivery or upon deposit in the U.S. mail, registered or certified, postage prepaid and properly addressed to the party entitled to such notice at the address indicated below such party's signature line on this Agreement or at such other address as such party may designate by ten (10) days advance written notice under this Section to all other parties to this Agreement.

11.2 No Waiver. The failure of the Company in any instance to exercise any rights under this Agreement, including the forfeiture rights under Section 5, shall not constitute a waiver of any other rights that may subsequently arise under the provisions of this Agreement or any other agreement between the Company and Employee. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition, whether of like or different nature.

**12. Miscellaneous Provisions.**

12.1 Employee Undertaking. Employee hereby agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable in order to carry out or effect one or more of the obligations or restrictions imposed on either Employee or the Shares pursuant to the provisions of this Agreement.

12.2 Entire Contract. This Agreement and the Plan constitute the entire understanding and agreement of the parties with respect to the subject matter contained herein. This Agreement is made pursuant to, and incorporates by reference, the provisions of the Plan and shall in all respects be construed in conformity with the terms of the Plan (which is attached as Exhibit A).

12.3 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

12.4 Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan, Restricted Stock Units granted under the Plan or future Restricted Stock Units that may be granted under the Plan by electronic means or to request Employee's consent to participate in the Plan by electronic means. Employee hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

12.5 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon Employee, Employee's permitted assigns and the legal representatives, heirs and legatees of Employee's estate, whether or not any such person shall have become a party to this Agreement and have agreed in writing to join herein and be bound by the terms hereof. Employee may not assign this Agreement other than by the laws of decent and distribution.

12.6 Severability. In the event that any provision in this Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement.

12.7 Governing Law. Restricted Stock Units and the provisions of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Utah without resort to that State's conflict-of-laws rules, as provided in the Plan. In the event of any legal proceeding involving this Agreement, the prevailing party shall be entitled to recover its legal fees and expenses (including reasonable attorneys' fees).

By Employee's signature and the signature of the Company's representative below, Employee and the Company agree that this Restricted Stock Unit is granted under and governed by the terms and conditions of the Plan and this Agreement. Employee has read and understands the Plan and this Agreement. Employee hereby agrees to accept as binding and conclusive all decisions or interpretations of the Board and/or the Committee related to the Plan.

*IN WITNESS WHEREOF*, the parties have executed this Agreement to be effective as of the date and year first indicated above.

**Nu Skin Enterprises, Inc.**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date:

**Employee**

\_\_\_\_\_

Name:

Date:

Address:

