

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 8-K

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

**October 5, 2006**

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))

**Item 1.01 Entry into a Material Definitive Agreement.**

On October 5, 2006, Nu Skin Enterprises, Inc. (the "Company") executed amendments (collectively, the "Amendments") to the following loan and credit agreements (collectively, the "Credit Agreements"): (i) Note Purchase Agreement dated October 12, 2000 between the Company and The Prudential Insurance Company of America, as amended; (ii) Credit Agreement dated May 10, 2001 among the Company, various financial institutions, and Bank of America, N.A., as Administrative Agent, as amended; and (iii) Private Shelf Agreement dated as of August 26, 2003 between the Company and Prudential Investment Management, Inc., as amended (the "Private Shelf Agreement"). The Private Shelf Agreement was amended to raise the credit facility amount from \$125 million to \$205 million, and the borrowing period for this facility was extended for an additional three years from the date of the amendment. In addition, the minimum consolidated net worth and minimum cash covenants (each as defined in the Credit Agreements) were amended with respect to each of the Credit Agreements. The lenders under the Credit Agreements agreed to adjust the minimum consolidated net worth covenant in a manner that will accommodate an expanded stock repurchase program recently implemented by the Company. In addition, as a condition to the increased facility amount and extended borrowing period under the Private Shelf Agreement, the Company agreed to reinstate the minimum cash covenant that had previously lapsed, now requiring that at no time from the date of the amendment through December 31, 2008 will available cash (as defined in the Credit Agreements) be less than \$75,000,000. Pursuant to an intercreditor agreement in place between the lenders under the Credit Agreements, the minimum consolidated net worth and minimum cash covenants were amended as described above with respect to each of the Credit Agreements.

The Amendments are attached as Exhibits 99.1, 99.2, and 99.3 to this report and incorporated by reference.

**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information provided in Item 1.01 of this Current Report on Form 8-K regarding the Amendments (as such term is defined above) is incorporated by reference into this Item 2.03.

On October 5, 2006, the Company issued a series of U.S. Dollar denominated senior promissory notes (the "Notes") to affiliates of Prudential Investment Management, Inc. ("Prudential"). The Notes were issued pursuant to a \$205 million Private Shelf Agreement entered into between the Company and Prudential on August 26, 2003, as amended from time to time (the "Shelf Agreement").

The aggregate principal amount of the Notes is \$40 million, bearing a 6.19% interest rate per annum, with interest payable semi-annually beginning on January 5, 2007. The final maturity date of the Notes is July 5, 2016 and principal prepayments are required annually beginning on July 5, 2010 in equal installments of

\$1,821,428.57. The Notes are also governed by the terms of the Shelf Agreement and amendments thereto, which contain certain representations, warranties and covenants by the Company, as well as customary conditions upon which the obligations under the Notes may be accelerated and become due and payable immediately, or become subject to additional obligations. For complete information regarding these terms, please refer to the Shelf Agreement and amendments thereto previously filed with our annual and quarterly reports. The Company intends to use the proceeds from the Notes primarily for stock repurchases and other general corporate purposes.

The Notes are attached as Exhibit 99.4 to this report and incorporated by reference.

**Item 9.01 Financial Statements and Exhibits.**

(c) Exhibit.

- 99.1 Fifth Amendment to Note Purchase Agreement, dated as of July 28, 2006, between the Company and The Prudential Insurance Company of America.
- 99.2 Fifth Amendment to Credit Agreement, dated as of July 28, 2006, among the Company, various financial institutions, and JPMorgan Chase Bank, N.A. (as successor to Bank One, N.A.) as administrative agent.
- 99.3 Fifth Amendment to Private Shelf Agreement, dated as of July 28, 2006, between the Company, Prudential Investment Management, Inc., and certain other lenders.
- 99.4 Nu Skin Enterprises, Inc. Series D Senior Notes Nos. D-1, D-2, D-3 and D-4 dated October 5, 2006.

**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/ Ritch N. Wood  
Ritch N. Wood  
Chief Financial Officer

Date: October 10, 2006

**EXHIBIT INDEX**

<b><u>Exhibit No.</u></b>	<b><u>Exhibit Description</u></b>
99.1	Fifth Amendment to Note Purchase Agreement, dated as of July 28, 2006, between the Company and The Prudential Insurance Company of America.
99.2	Fifth Amendment to Credit Agreement, dated as of July 28, 2006, among the Company, various financial institutions, and JPMorgan Chase Bank, N.A. (as successor to Bank One, N.A.) as administrative agent.
99.3	Fifth Amendment to Private Shelf Agreement, dated as of July 28, 2006, between the Company, Prudential Investment Management, Inc., and certain other lenders.
99.4	Nu Skin Enterprises, Inc. Series D Senior Notes Nos. D-1, D-2, D-3 and D-4 dated October 5, 2006.

## FIFTH AMENDMENT TO NOTE PURCHASE AGREEMENT

**THIS FIFTH AMENDMENT**, dated as of October 5, 2006 (this “**Fifth Amendment**”), to the Note Purchase Agreement, dated as of October 12, 2000 (as amended to date, the “**Note Agreement**”), is between Nu Skin Enterprises, Inc., a Delaware corporation (the “**Company**”), and The Prudential Insurance Company of America (“**Prudential**”).

### RECITALS

A. Pursuant to the request of the Company, the Company and Prudential now desire to amend the Note Agreement in the respects, but only in the respects, hereinafter set forth.

B. Capitalized terms used herein shall have the respective meanings ascribed thereto in the Note Agreement unless herein defined or the context shall otherwise require.

C. All requirements of law have been fully complied with and all other acts and things necessary to make this Fifth Amendment a valid, legal and binding instrument according to its terms for the purposes herein expressed have been done or performed.

**NOW, THEREFORE**, upon the full and complete satisfaction of the conditions precedent to the effectiveness of this Fifth Amendment set forth in Section 3 hereof, and in consideration of good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Company and Prudential do hereby agree as follows:

### Section 1 Amendments to and Limited Waiver Under Note Agreement.

1.1 Section 10.4 of the Note Agreement is hereby amended and restated to read as follows:

#### 10.4 Minimum Consolidated Net Worth.

The Company will not, at any time, permit Consolidated Net Worth to be less than the sum of (i) \$250,000,000, (ii) an aggregate amount equal to 60% of Consolidated Net Income (in each case, to the extent a positive number) for each complete fiscal quarter ending on or after September 30, 2006, and (iii) 50% of the net proceeds realized by the Company and its Restricted Subsidiaries after the Fifth Amendment Effective Date from (a) the sale of Equity Securities, excluding issuances of Equity Securities upon exercise of employee stock options or rights under any employee benefit plans (excluding such exercise by any Person that owns greater than 5% of the Equity Securities of the Company), (b) issuances of Equity Securities in connection with acquisitions by the Company and its Restricted Subsidiaries, and (c) reissuances of up to \$60,000,000 of treasury securities purchased by the Company.

1.2 Section 10.11 of the Note Agreement is hereby amended and restated to read as follows:

#### 10.11 Minimum Cash.

The Company covenants that at no time from the Fifth Amendment Effective Date through and including December 31, 2008 will Available Cash be less than \$75,000,000. For purposes hereof “Available Cash” shall mean the difference between (i) the amount of the consolidated cash and cash equivalents of the Company and Restricted Subsidiaries and (ii) the aggregate amount outstanding under revolving credit facilities on which the Company or any Restricted Subsidiaries are obligated as borrowers or guarantors.

1.3 Schedule A of the Note Agreement is hereby further amended by inserting therein in the proper alphabetical order the following definitions of “Fifth Amendment” and “Fifth Amendment Effective Date”, as follows:

“**Fifth Amendment**” means that certain Fifth Amendment to Note Purchase Agreement, dated as of October 5, 2006, between the Company and The Prudential Insurance Company of America.

“**Fifth Amendment Effective Date**” shall have the meaning specified in the Fifth Amendment.

1.4 The undersigned holders of Notes hereby waive any Default or Event of Default that has occurred due to the failure of the Collateral Agent to hold at all times the stock certificate(s) pledged by the Company representing the equity interests in Nu Skin Japan Co. Ltd. (“**Nu Skin Japan**”), provided, that the effectiveness of this waiver is subject to the Company’s exercise of reasonable efforts in taking all actions as may be necessary or desirable to give to the Collateral Agent, for the ratable benefit of the holders of the Notes and the other Senior Secured Creditors, a valid and perfected first priority Lien on and security interest in the Pledged Securities of Nu Skin Japan, which valid and perfected first priority Lien shall have been obtained no later than seven months after the Fifth Amendment Effective Date.

### Section 2 Representations and Warranties and Covenants of the Company.

2.1 To induce Prudential to execute and deliver this Fifth Amendment (which representations shall survive the execution and delivery of this Fifth Amendment), the Company represents and warrants to Prudential that:

(a) this Fifth Amendment has been duly authorized, executed and delivered by it and this Fifth Amendment constitutes the legal, valid and binding obligation, contract and agreement of the Company, enforceable against it in accordance with its terms, except as enforcement may be limited by (i) bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law);

(b) the Note Agreement, as amended by this Fifth Amendment, constitutes the legal, valid and binding obligation, contract and agreement of

the Company, enforceable against it in accordance with its terms, except as enforcement may be limited by (i) bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law);

(c) the execution, delivery and performance by the Company of this Fifth Amendment (i) has been duly authorized by all requisite corporate action and, if required, shareholder action, (ii) does not require the consent or approval of any governmental or regulatory body or agency, and (iii) will not (A) violate (1) any provision of law, statute, rule or regulation or its certificate of incorporation or bylaws, (2) any order of any court or any rule, regulation or order of any other agency or government binding upon it, or (3) any provision of any material indenture, agreement or other instrument to which it is a party or by which its properties or assets are or may be bound, or (B) result in a breach or constitute (alone or with due notice or lapse or both) a default under any indenture, agreement or other instrument referred to in clause (iii)(A)(3) of this Section 2.1(c); and

(d) as of the date hereof and after giving effect to this Fifth Amendment, no Default or Event of Default has occurred which is continuing.

2.2 The Company agrees that it shall promptly pay the reasonable fees and expenses of Bingham McCutchen LLP in connection with the negotiation, preparation, approval, execution and delivery of this Fifth Amendment.

### **Section 3 Conditions to Effectiveness of This Agreement.**

This Fifth Amendment shall become effective as of the opening of business on the date hereof (the "**Fifth Amendment Effective Date**") upon (a) the delivery to Prudential of executed counterparts of this Fifth Amendment, duly executed by the Company, the Subsidiary Guarantors named as signatories hereto and the Required Holders, and (b) the delivery to Prudential of a fully executed and effective amendment to the Company's principal bank credit agreement which provides for an amendment thereto which is substantially identical to that provided herein.

### **Section 4 Miscellaneous.**

4.1 This Fifth Amendment may be executed in any number of counterparts, each counterpart constituting an original, but all together only one agreement.

4.2 The amendments, limited waiver and other modifications set forth in this Fifth Amendment shall be limited precisely as written and shall not be deemed to be (a) an amendment, consent or waiver of any other terms or conditions of the Note Agreement or any other document related to the Note Agreement, or (b) a consent to any future amendment, consent or waiver. Except as expressly set forth in this letter, the Note Agreement and the documents related to the Note Agreement shall continue in full force and effect.

4.3 This Fifth Amendment shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the internal laws of the State of New York, excluding choice-of-law principles of the law of such state that would require the application of the laws of a jurisdiction other than such state.

**IN WITNESS WHEREOF**, the parties hereto have caused this Fifth Amendment to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

#### **THE PRUDENTIAL INSURANCE COMPANY OF AMERICA**

By: /s/ Mitchell Reed  
Its: Vice President

#### **NU SKIN ENTERPRISES, INC.**

By: /s/ Ritch N. Wood  
Name: Ritch N. Wood  
Its: Chief Financial Officer

The undersigned Subsidiary Guarantors hereby consent and agree to the foregoing, and to each previous amendment to the Note Purchase Agreement.

#### **NU SKIN ENTERPRISES HONG KONG, INC.,**

a Delaware corporation

#### **NU SKIN INTERNATIONAL, INC.,**

a Utah corporation

#### **NU SKIN TAIWAN, INC.,**

a Utah corporation

#### **NU SKIN UNITED STATES, INC.,**

a Delaware corporation

#### **BIG PLANET, INC.,**

a Delaware corporation

#### **NSE PRODUCTS, INC.,**

a Delaware corporation

**NU SKIN ASIA INVESTMENT, INC.,**

a Delaware corporation

By: /s/ D. Matthew Dorny

Name: D. Matthew Dorny

Title: Vice President

**NSE KOREA, LTD.,**

a Korean corporation

By: /s/ Luke Yoo

Name: Luke Yoo

Title: President

## FIFTH AMENDMENT

THIS FIFTH AMENDMENT dated as of October 5, 2006 (this "Amendment") amends the Credit Agreement dated as of May 10, 2001 (as previously amended, the "Credit Agreement") among Nu Skin Enterprises, Inc. (the "Company"), various financial institutions (the "Lenders") and JPMorgan Chase Bank, N.A. (as successor to Bank One, NA), as successor administrative agent (in such capacity, the "Administrative Agent"). Terms defined in the Credit Agreement are, unless otherwise defined herein or the context otherwise requires, used herein as defined therein.

WHEREAS, the Company, the Lenders and the Administrative Agent have entered into the Credit Agreement; and

WHEREAS, the parties hereto desire to amend the Credit Agreement in certain respects as more fully set forth herein;

NOW, THEREFORE, the parties hereto agree as follows:

SECTION 1 Amendments. Subject to the satisfaction of the conditions precedent set forth in Section 3, Sections 10.10.1 and 10.10.3 are amended in their entirety to read as follows, respectively:

10.10.1 Minimum Consolidated Net Worth. Not at any time permit Consolidated Net Worth to be less than the sum of (a) \$250,000,000, (b) an aggregate amount equal to 60% of Consolidated Net Income (in each case, to the extent a positive number) for each complete fiscal quarter ending on or after September 30, 2006 and (c) 50% of the net proceeds received by the Company or any Restricted Subsidiary from (i) issuances of Equity Securities, excluding issuances of Equity Securities upon exercise of employee stock options or rights under any employee benefit plan (excluding such exercise by any Person that owns greater than 5% of the Equity Securities of the Company), (ii) issuances of Equity Securities in connection with an acquisition by the Company or any Restricted Subsidiary and (iii) reissuances of up to \$60,000,000 of treasury securities purchased by the Company after October 1, 2006.

10.10.3 Minimum Cash. Not at any time from the date of effectiveness of the Fifth Amendment to this Agreement through December 31, 2008 permit Available Cash to be less than \$75,000,000. For purposes hereof "Available Cash" shall mean the difference between (a) the amount of the consolidated cash and cash equivalents of the Company and its Restricted Subsidiaries and (b) the aggregate amount outstanding under revolving credit facilities for which the Company or any Restricted Subsidiary is obligated as a borrower or a guarantor.

SECTION 2 Warranties. The Company represents and warrants to the Administrative Agent and the Lenders that (a) each warranty set forth in Section 9 of the Credit Agreement is true and correct in all material respects as of the date of the execution and delivery of this Amendment by the Company, with the same effect as if made on such date, (b) no Event of Default or Unmatured Event of Default exists and (c) the Credit Agreement as amended hereby constitutes the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

SECTION 3 Effectiveness. The amendments set forth in Section 1 above and the waiver set forth in Section 4.5 below shall become effective as of the date first written above when the Administrative Agent has received (i) counterparts of this Amendment executed by the Company and the Required Lenders, (ii) a Confirmation, substantially in the form of Exhibit A, signed by the Company and each Subsidiary Guarantor and (iii) a fully-executed amendment to the Multi-Currency Private Shelf Agreement dated as of August 26, 2003 among the Company and various purchasers which provides for an amendment thereto and a waiver thereunder that are substantially identical to those provided herein.

SECTION 4 Miscellaneous.

4.1 Continuing Effectiveness, etc. As herein amended, the Credit Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects. After the effectiveness of this Amendment, all references in the Credit Agreement and the other Loan Documents to "Credit Agreement" or similar terms shall refer to the Credit Agreement as amended hereby.

4.2 Counterparts. This Amendment may be executed in any number of counterparts and by the different parties on separate counterparts, and each such counterpart shall be deemed to be an original but all such counterparts shall together constitute one and the same Amendment. Delivery to the Administrative Agent of a counterpart hereof, or a signature page hereto, by facsimile shall be effective as an original, manually-signed counterpart.

4.3 Governing Law. This Amendment shall be a contract made under and governed by the laws of the State of New York (without regard to principles of conflicts of laws, other than Title 15 of Article 5 of the New York General Obligations Law).

4.4 Successors and Assigns. This Amendment shall be binding upon the Company, the Lenders and the Administrative Agent and their respective successors and assigns, and shall inure to the benefit of the Company, the Lenders and the Administrative Agent and the respective successors and assigns of the Lenders and the Administrative Agent.

4.5 Waiver. The Required Lenders hereby waive any Event of Default or Unmatured Event of Default that has occurred due to the failure of the Collateral Agent to hold at all times the stock certificate(s) pledged by the Company representing the equity interests in Nu Skin Japan Co. Ltd. ("Nu Skin Japan"); provided that the continuing effectiveness of this waiver is subject to the Company's exercise of reasonable efforts in taking all actions as may be necessary or desirable to cause the Collateral Agent, for the ratable benefit of the Lenders and the other Senior Secured Creditors, to have a valid and perfected first priority Lien on and security interest in the Pledged Securities constituting equity interests of Nu Skin Japan, which valid and perfected first priority Lien shall have been obtained no later than seven months after the effectiveness of this Amendment.

Delivered as of the day and year first above written.

NU SKIN ENTERPRISES, INC.

By: /s/ Ritch N. Wood  
Title: Chief Financial Officer

JPMORGAN CHASE BANK, N.A. (as successor to Bank One, NA), as Administrative Agent and as a Lender

By: /s/ Mark F. Nelson  
Title: Vice President

**Exhibit A**  
CONFIRMATION

Dated as of October 5, 2006

To: JPMorgan Chase Bank, N.A., individually and as Administrative Agent (as defined below), and the other financial institutions party to the Credit Agreement referred to below

Please refer to (a) the Credit Agreement dated as of May 10, 2001 (as amended prior to the date hereof, the "Credit Agreement") among Nu Skin Enterprises, Inc., various financial institutions (the "Lenders") and JPMorgan Chase Bank, N.A., as successor to Bank One, NA (in such capacity, the "Administrative Agent"); (b) the other "Loan Documents" (as defined in the Credit Agreement), including the Guaranty and the Pledge Agreement; and (c) the Fifth Amendment dated as of the date hereof to the Credit Agreement (the "Amendment").

Each of the undersigned hereby confirms to the Administrative Agent and the Lenders that, after giving effect to the Amendment and the transactions contemplated thereby, each Loan Document to which such undersigned is a party continues in full force and effect and is the legal, valid and binding obligation of such undersigned, enforceable against such undersigned in accordance with its terms.

NU SKIN ENTERPRISES, INC.

By: /s/ Ritch N. Wood  
Name: Ritch N. Wood  
Title: Chief Financial Officer

NU SKIN INTERNATIONAL, INC.  
NU SKIN ENTERPRISES HONG KONG, INC.  
NU SKIN TAIWAN, INC.  
NU SKIN UNITED STATES, INC.  
BIG PLANET, INC.  
NSE PRODUCTS, INC.  
NU SKIN ASIA INVESTMENT, INC.

By: /s/ D. Matthew Dorny  
Name: D. Matthew Dorny  
Title: Vice President

NSE KOREA LTD. (a Korean corporation)

By: /s/ Luke Yoo  
Name: Luke Yoo  
Title: President

## FIFTH AMENDMENT TO PRIVATE SHELF AGREEMENT

**THIS FIFTH AMENDMENT**, dated as of October 5, 2006 (this “**Fifth Amendment**”), to the Multi-Currency Private Shelf Agreement, dated as of August 26, 2003 (as amended to date, the “**Private Shelf Facility**”), is between Nu Skin Enterprises, Inc., a Delaware corporation (the “**Company**”), on the one hand, and Prudential Investment Management, Inc. and the holders of the Series A Senior Notes, Series B Senior Notes and Series C Senior Notes issued under the Private Shelf Facility that are signatories hereto (collectively “**Prudential**”), on the other hand.

### RECITALS

A. Pursuant to the request of the Company, the Company and Prudential now desire to amend the Private Shelf Facility in the respects, but only in the respects, hereinafter set forth.

B. Capitalized terms used herein shall have the respective meanings ascribed thereto in the Private Shelf Facility unless herein defined or the context shall otherwise require.

C. All requirements of law have been fully complied with and all other acts and things necessary to make this Fifth Amendment a valid, legal and binding instrument according to its terms for the purposes herein expressed have been done or performed.

**NOW, THEREFORE**, upon the full and complete satisfaction of the conditions precedent to the effectiveness of this Fifth Amendment set forth in Section 3 hereof, and in consideration of good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Company and Prudential do hereby agree as follows:

#### **Section 1 Amendments to and Limited Waiver Under Private Shelf Facility.**

**1.1** Section 1 of the Private Shelf Facility is hereby amended to delete the term “\$125,000,000” and to replace such term with “\$205,000,000”.

**1.2** Section 2B(2) of the Private Shelf Facility is hereby amended and restated in its entirety, as follows:

2B(2). **Issuance Period.** Notes may be issued and sold pursuant to this Agreement until the earlier of (i) the third anniversary of the Fifth Amendment Effective Date (or if such anniversary is not a New York Business Day, the New York Business Day next preceding such anniversary), and (ii) the thirtieth day after Prudential shall have given to the Company, or the Company shall have given to Prudential, written notice stating that it elects to terminate the issuance and sale of Notes pursuant to this Agreement (or if such thirtieth (30th) day is not a New York Business Day, the New York Business Day next preceding such thirtieth (30th) day). The period during which Notes may be issued and sold pursuant to this Agreement is herein called the “**Issuance Period.**”

**1.3** Section 10.4 of the Private Shelf Facility is hereby amended and restated to read as follows:

##### **10.4 Minimum Consolidated Net Worth.**

The Company will not, at any time, permit Consolidated Net Worth to be less than the sum of (i) \$250,000,000, (ii) an aggregate amount equal to 60% of Consolidated Net Income (in each case, to the extent a positive number) for each complete fiscal quarter ending on or after September 30, 2006, and (iii) 50% of the net proceeds realized by the Company and its Restricted Subsidiaries after the Fifth Amendment Effective Date from (a) the sale of Equity Securities, excluding issuances of Equity Securities upon exercise of employee stock options or rights under any employee benefit plans (excluding such exercise by any Person that owns greater than 5% of the Equity Securities of the Company), (b) issuances of Equity Securities in connection with acquisitions by the Company and its Restricted Subsidiaries, and (c) reissuances of up to \$60,000,000 of treasury securities purchased by the Company.

**1.4** Section 10.11 of the Private Shelf Facility is hereby amended and restated to read as follows:

##### **10.11 Minimum Cash.**

The Company covenants that at no time from the Fifth Amendment Effective Date through and including December 31, 2008 will Available Cash be less than \$75,000,000. For purposes hereof “Available Cash” shall mean the difference between (i) the amount of the consolidated cash and cash equivalents of the Company and Restricted Subsidiaries and (ii) the aggregate amount outstanding under revolving credit facilities on which the Company or any Restricted Subsidiaries are obligated as borrowers or guarantors.

**1.5** Schedule A of the Private Shelf Facility is hereby further amended by inserting therein in the proper alphabetical order the following definitions of “Fifth Amendment” and “Fifth Amendment Effective Date”, as follows:

“**Fifth Amendment**” means that certain Fifth Amendment to Private Shelf Agreement, dated as of October 5, 2006, between the Company, on the one hand, and Prudential and the holders of Notes signatory thereto, on the other hand.

“**Fifth Amendment Effective Date**” shall have the meaning specified in the Fifth Amendment.

**1.6** The undersigned holders of Notes hereby waive any Default or Event of Default that has occurred due to the failure of the Collateral Agent to hold at all times the stock certificate(s) pledged by the Company representing the equity interests in Nu Skin Japan Co. Ltd. (“**Nu Skin Japan**”), provided, that the effectiveness of this waiver is subject to the Company’s exercise of reasonable efforts in taking all actions as may be necessary or desirable to give to the Collateral Agent, for the ratable benefit of the holders of the Notes and the other Senior Secured Creditors, a valid and perfected first priority Lien on and security interest in the Pledged Securities of Nu Skin Japan, which valid and perfected first priority Lien shall have been obtained no later than seven months after the Fifth Amendment Effective Date.



## **Section 2 Representations and Warranties and Covenants of the Company.**

**2.1** To induce Prudential to execute and deliver this Fifth Amendment (which representations shall survive the execution and delivery of this Fifth Amendment), the Company represents and warrants to Prudential that:

- (a) this Fifth Amendment has been duly authorized, executed and delivered by it and this Fifth Amendment constitutes the legal, valid and binding obligation, contract and agreement of the Company, enforceable against it in accordance with its terms, except as enforcement may be limited by (i) bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law);
- (b) the Private Shelf Facility, as amended by this Fifth Amendment, constitutes the legal, valid and binding obligation, contract and agreement of the Company, enforceable against it in accordance with its terms, except as enforcement may be limited by (i) bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law);
- (c) the execution, delivery and performance by the Company of this Fifth Amendment (i) has been duly authorized by all requisite corporate action and, if required, shareholder action, (ii) does not require the consent or approval of any governmental or regulatory body or agency, and (iii) will not (A) violate (1) any provision of law, statute, rule or regulation or its certificate of incorporation or bylaws, (2) any order of any court or any rule, regulation or order of any other agency or government binding upon it, or (3) any provision of any material indenture, agreement or other instrument to which it is a party or by which its properties or assets are or may be bound, or (B) result in a breach or constitute (alone or with due notice or lapse or both) a default under any indenture, agreement or other instrument referred to in clause (iii)(A)(3) of this Section 2.1(c); and
- (d) as of the date hereof and after giving effect to this Fifth Amendment, no Default or Event of Default has occurred which is continuing.

**2.2** The Company agrees that it shall promptly pay the reasonable fees and expenses of Bingham McCutchen LLP in connection with the negotiation, preparation, approval, execution and delivery of this Fifth Amendment.

## **Section 3 Conditions to Effectiveness of This Agreement.**

This Fifth Amendment shall become effective as of the opening of business on the date hereof (the "**Fifth Amendment Effective Date**") upon (a) the delivery to Prudential of executed counterparts of this Fifth Amendment, duly executed by the Company, the Subsidiary Guarantors named as signatories hereto and the Required Holders, (b) the delivery to Prudential of a fully executed and effective amendment to the Company's principal bank credit agreement which provides for an amendment thereto which is substantially identical to that provided herein, and (c) the payment to Prudential of a \$35,000 amendment fee.

## **Section 4 Miscellaneous.**

**4.1** This Fifth Amendment may be executed in any number of counterparts, each counterpart constituting an original, but all together only one agreement.

**4.2** The amendments, limited waiver and other modifications set forth in this Fifth Amendment shall be limited precisely as written and shall not be deemed to be (a) an amendment, consent or waiver of any other terms or conditions of the Private Shelf Facility or any other document related to the Private Shelf Facility, or (b) a consent to any future amendment, consent or waiver. Except as expressly set forth in this letter, the Private Shelf Facility and the documents related to the Private Shelf Facility shall continue in full force and effect.

**4.3** This Fifth Amendment shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the internal laws of the State of New York, excluding choice-of-law principles of the law of such state that would require the application of the laws of a jurisdiction other than such state.

**IN WITNESS WHEREOF**, the parties hereto have caused this Fifth Amendment to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

### **PRUDENTIAL INVESTMENT MANAGEMENT, INC.**

By: /s/ Mitchell Reed  
Its: Vice President

### **THE PRUDENTIAL INSURANCE COMPANY OF AMERICA**

By: /s/ Mitchell Reed  
Its: Vice President

### **PRUCO LIFE INSURANCE COMPANY**

By: /s/ Mitchell Reed  
Its: Vice President

### **BAYSTATE INVESTMENTS, LLC**

Prudential Private Placement Investors, L.P.,  
as Investment Advisor

By: Prudential Private Placement Investors,  
Inc., General Partner

By: /s/ Mitchell Reed  
Its: Vice President

**GOLDEN AMERICAN LIFE  
INSURANCE COMPANY**

Prudential Private Placement Investors, L.P.,  
as Investment Advisor

By: Prudential Private Placement Investors,  
Inc., General Partner

By: /s/ Mitchell Reed  
Its: Vice President

**PRUDENTIAL RETIREMENT  
INSURANCE AND ANNUITY COMPANY**

By: Prudential Investment Management, Inc.,  
Investment Manager

By: /s/ Mitchell Reed  
Its: Vice President

**NU SKIN ENTERPRISES, INC.**

By: /s/ Ritch N. Wood  
Name: Ritch N. Wood  
Its: Chief Financial Officer

The undersigned Subsidiary Guarantors hereby consent and agree to the foregoing, and to each previous amendment to the Private Shelf Agreement.

**NU SKIN ENTERPRISES HONG KONG, INC.,**

a Delaware corporation

**NU SKIN INTERNATIONAL, INC.,**

a Utah corporation

**NU SKIN TAIWAN, INC.,**

a Utah corporation

**NU SKIN UNITED STATES, INC.,**

a Delaware corporation

**BIG PLANET, INC.,**

a Delaware corporation

**NSE PRODUCTS, INC.,**

a Delaware corporation

**NU SKIN ASIA INVESTMENT, INC.,**

a Delaware corporation

By: /s/ D. Matthew Dorny  
Name: D. Matthew Dorny  
Title: Vice President

**NSE KOREA, LTD.,**

a Korean corporation

By: /s/ Luke Yoo  
Name: Luke Yoo  
Title: President

NU SKIN ENTERPRISES, INC.

SERIES D SENIOR NOTE

No. D-1

**CURRENCY AND ORIGINAL PRINCIPAL AMOUNT:** \$12,750,000 (Dollars)  
**ORIGINAL ISSUE DATE:** October 3, 2006  
**INTEREST RATE:** 6.19%  
**INTEREST PAYMENT DATES:** January 3 and July 3  
**FINAL MATURITY DATE:** July 3, 2016  
**PRINCIPAL PREPAYMENT DATES AND AMOUNTS:** \$1,821,428.57 (Dollars) on July 3 of 2010, 2011, 2012, 2013, 2014 and 2015

**FOR VALUE RECEIVED**, the undersigned, **NU SKIN ENTERPRISES, INC.** (herein called the “**Company**”), a corporation organized and existing under the laws of Delaware, hereby promises to pay to **THE PRUDENTIAL INSURANCE COMPANY OF AMERICA**, or registered assigns, the principal sum of **TWELVE MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS**, payable on the Principal Payment Dates and in the amounts specified above, and on the Final Maturity Date as specified above in an amount equal to the unpaid balance of the principal hereof, with interest (computed on the basis of a 360-day year of twelve 30-day months) (a) on the unpaid balance thereof at the Interest Rate per annum specified above, payable on each Interest Payment Date specified above and on the Final Maturity Date specified above, commencing with the Interest Payment Date next succeeding the date hereof, until the principal hereof shall have become due and payable, and (b) on any overdue payment (including any overdue prepayment) of principal, any overdue payment of any Make-Whole Amount and any overdue payment of interest, payable on each Interest Payment Date as aforesaid (or, at the option of the registered holder hereof, on demand), at a rate per annum from time to time equal to the Default Rate.

Payments of principal, Make-Whole Amount, if any, and interest are to be made at JPMorgan Chase Bank in CityNew York City or at such other place as the holder hereof shall designate to the Company in writing, in lawful money of the placecountry-regionUnited States of America.

This Note is one of a series of Senior Notes (herein called the “**Notes**”) issued pursuant to a Private Shelf Agreement, dated as of August 26, 2003 (as from time to time amended, herein called the “**Agreement**”), between Nu Skin Enterprises, Inc. (the “**Company**”) and each Issuer Subsidiary which becomes party thereto, on the one hand, and Prudential Investment Management, Inc. and each Prudential Affiliate which becomes party thereto, on the other hand, and is entitled to the benefits thereof. Capitalized terms used and not otherwise defined herein shall have the meanings provided in the Agreement. Each holder of this Note will be deemed, by its acceptance hereof, (i) to have agreed to the confidentiality provisions set forth in Section 20 of the Agreement, and (ii) to have made the representations set forth in Section 6 of the Agreement. This Note is secured by the Collateral Documents and is guaranteed by the Subsidiary Guarantors pursuant to the Subsidiary Guaranty.

This Note is subject to optional prepayment, in whole or from time to time in part, on the terms specified in the Agreement.

This Note is a registered Note and, as provided in the Agreement, upon surrender of this Note for registration of transfer, duly endorsed, or accompanied by a written instrument of transfer duly executed, by the registered holder hereof or such holder’s attorney duly authorized in writing, a new Note for the then outstanding principal amount will be issued to, and registered in the name of, the transferee. Prior to due presentment for registration of transfer, the Company may treat the person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes, and the Company shall not be affected by any notice to the contrary.

In case an Event of Default shall occur and be continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount), and with the effect provided in the Agreement.

This Note shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such state (other than Section 5-1401 of the New York General Obligations Law) that would require the application of the laws of a jurisdiction other than such state.

NU SKIN ENTERPRISES, INC.

By: /s/ Ritch N. Wood  
Name: Ritch N. Wood  
Title: Chief Financial Officer

NU SKIN ENTERPRISES, INC.

SERIES D SENIOR NOTE

No. D-2

**CURRENCY AND ORIGINAL PRINCIPAL AMOUNT:** \$20,000,000 (Dollars)  
**ORIGINAL ISSUE DATE:** October 3, 2006  
**INTEREST RATE:** 6.19%  
**INTEREST PAYMENT DATES:** January 3 and July 3  
**FINAL MATURITY DATE:** July 3, 2016  
**PRINCIPAL PREPAYMENT DATES AND AMOUNTS:** \$2,857,142.85 (Dollars) on July 3 of 2010, 2011, 2012, 2013, 2014 and 2015

**FOR VALUE RECEIVED**, the undersigned, **NU SKIN ENTERPRISES, INC.** (herein called the “**Company**”), a corporation organized and existing under the laws of Delaware, hereby promises to pay to **THE PRUDENTIAL INSURANCE COMPANY OF AMERICA**, or registered assigns, the principal sum of **TWENTY MILLION DOLLARS**, payable on the Principal Payment Dates and in the amounts specified above, and on the Final Maturity Date as specified above in an amount equal to the unpaid balance of the principal hereof, with interest (computed on the basis of a 360-day year of twelve 30-day months) (a) on the unpaid balance thereof at the Interest Rate per annum specified above, payable on each Interest Payment Date specified above and on the Final Maturity Date specified above, commencing with the Interest Payment Date next succeeding the date hereof, until the principal hereof shall have become due and payable, and (b) on any overdue payment (including any overdue prepayment) of principal, any overdue payment of any Make-Whole Amount and any overdue payment of

interest, payable on each Interest Payment Date as aforesaid (or, at the option of the registered holder hereof, on demand), at a rate per annum from time to time equal to the Default Rate.

Payments of principal, Make-Whole Amount, if any, and interest are to be made at JPMorgan Chase Bank in CityNew York City or at such other place as the holder hereof shall designate to the Company in writing, in lawful money of the placecountry-regionUnited States of America.

This Note is one of a series of Senior Notes (herein called the “**Notes**”) issued pursuant to a Private Shelf Agreement, dated as of August 26, 2003 (as from time to time amended, herein called the “**Agreement**”), between Nu Skin Enterprises, Inc. (the “**Company**”) and each Issuer Subsidiary which becomes party thereto, on the one hand, and Prudential Investment Management, Inc. and each Prudential Affiliate which becomes party thereto, on the other hand, and is entitled to the benefits thereof. Capitalized terms used and not otherwise defined herein shall have the meanings provided in the Agreement. Each holder of this Note will be deemed, by its acceptance hereof, (i) to have agreed to the confidentiality provisions set forth in Section 20 of the Agreement, and (ii) to have made the representations set forth in Section 6 of the Agreement. This Note is secured by the Collateral Documents and is guaranteed by the Subsidiary Guarantors pursuant to the Subsidiary Guaranty.

This Note is subject to optional prepayment, in whole or from time to time in part, on the terms specified in the Agreement.

This Note is a registered Note and, as provided in the Agreement, upon surrender of this Note for registration of transfer, duly endorsed, or accompanied by a written instrument of transfer duly executed, by the registered holder hereof or such holder’s attorney duly authorized in writing, a new Note for the then outstanding principal amount will be issued to, and registered in the name of, the transferee. Prior to due presentment for registration of transfer, the Company may treat the person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes, and the Company shall not be affected by any notice to the contrary.

In case an Event of Default shall occur and be continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount), and with the effect provided in the Agreement.

This Note shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such state (other than Section 5-1401 of the New York General Obligations Law) that would require the application of the laws of a jurisdiction other than such state.

**NU SKIN ENTERPRISES, INC.**

By: /s/ Ritch N. Wood  
Name: Ritch N. Wood  
Title: Chief Financial Officer

**NU SKIN ENTERPRISES, INC.**

**SERIES D SENIOR NOTE**

**No. D-3**

**CURRENCY AND ORIGINAL PRINCIPAL AMOUNT:** \$4,250,000 (Dollars)  
**ORIGINAL ISSUE DATE:** October 3, 2006  
**INTEREST RATE:** 6.19%  
**INTEREST PAYMENT DATES:** January 3 and July 3  
**FINAL MATURITY DATE:** July 3, 2016  
**PRINCIPAL PREPAYMENT DATES AND AMOUNTS:** \$607,142.86 (Dollars) on July 3 of 2010, 2011, 2012, 2013, 2014 and 2015

**FOR VALUE RECEIVED**, the undersigned, **NU SKIN ENTERPRISES, INC.** (herein called the “**Company**”), a corporation organized and existing under the laws of Delaware, hereby promises to pay to **PRUCO LIFE INSURANCE COMPANY OF NEW JERSEY**, or registered assigns, the principal sum of **FOUR MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS**, payable on the Principal Payment Dates and in the amounts specified above, and on the Final Maturity Date as specified above in an amount equal to the unpaid balance of the principal hereof, with interest (computed on the basis of a 360-day year of twelve 30-day months) (a) on the unpaid balance thereof at the Interest Rate per annum specified above, payable on each Interest Payment Date specified above and on the Final Maturity Date specified above, commencing with the Interest Payment Date next succeeding the date hereof, until the principal hereof shall have become due and payable, and (b) on any overdue payment (including any overdue prepayment) of principal, any overdue payment of any Make-Whole Amount and any overdue payment of interest, payable on each Interest Payment Date as aforesaid (or, at the option of the registered holder hereof, on demand), at a rate per annum from time to time equal to the Default Rate.

Payments of principal, Make-Whole Amount, if any, and interest are to be made at JPMorgan Chase Bank in CityNew York City or at such other place as the holder hereof shall designate to the Company in writing, in lawful money of the placecountry-regionUnited States of America.

This Note is one of a series of Senior Notes (herein called the “**Notes**”) issued pursuant to a Private Shelf Agreement, dated as of August 26, 2003 (as from time to time amended, herein called the “**Agreement**”), between Nu Skin Enterprises, Inc. (the “**Company**”) and each Issuer Subsidiary which becomes party thereto, on the one hand, and Prudential Investment Management, Inc. and each Prudential Affiliate which becomes party thereto, on the other hand, and is entitled to the benefits thereof. Capitalized terms used and not otherwise defined herein shall have the meanings provided in the Agreement. Each holder of this Note will be deemed, by its acceptance hereof, (i) to have agreed to the confidentiality provisions set forth in Section 20 of the Agreement, and (ii) to have made the representations set forth in Section 6 of the Agreement. This Note is secured by the Collateral Documents and is guaranteed by the Subsidiary Guarantors pursuant to the Subsidiary Guaranty.

This Note is subject to optional prepayment, in whole or from time to time in part, on the terms specified in the Agreement.

This Note is a registered Note and, as provided in the Agreement, upon surrender of this Note for registration of transfer, duly endorsed, or accompanied by a written instrument of transfer duly executed, by the registered holder hereof or such holder’s attorney duly authorized in writing, a new Note for the then outstanding principal amount will be issued to, and registered in the name of, the transferee. Prior to due presentment for registration of transfer, the Company

may treat the person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes, and the Company shall not be affected by any notice to the contrary.

In case an Event of Default shall occur and be continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount), and with the effect provided in the Agreement.

This Note shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such state (other than Section 5-1401 of the New York General Obligations Law) that would require the application of the laws of a jurisdiction other than such state.

**NU SKIN ENTERPRISES, INC.**

By: /s/ Ritch N. Wood  
Name: Ritch N. Wood  
Title: Chief Financial Officer

**NU SKIN ENTERPRISES, INC.**

**SERIES D SENIOR NOTE**

**No. D-4**

**CURRENCY AND ORIGINAL PRINCIPAL AMOUNT:** \$3,000,000 (Dollars)  
**ORIGINAL ISSUE DATE:** October 3, 2006  
**INTEREST RATE:** 6.19%  
**INTEREST PAYMENT DATES:** January 3 and July 3  
**FINAL MATURITY DATE:** July 3, 2016  
**PRINCIPAL PREPAYMENT DATES AND AMOUNTS:** \$428,571.43 on July 3 of 2010, 2011, 2012, 2013, 2014 and 2015

**FOR VALUE RECEIVED**, the undersigned, **NU SKIN ENTERPRISES, INC.** (herein called the “**Company**”), a corporation organized and existing under the laws of Delaware, hereby promises to pay to **PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY**, or registered assigns, the principal sum of **THREE MILLION DOLLARS**, payable on the Principal Payment Dates and in the amounts specified above, and on the Final Maturity Date as specified above in an amount equal to the unpaid balance of the principal hereof, with interest (computed on the basis of a 360-day year of twelve 30-day months) (a) on the unpaid balance thereof at the Interest Rate per annum specified above, payable on each Interest Payment Date specified above and on the Final Maturity Date specified above, commencing with the Interest Payment Date next succeeding the date hereof, until the principal hereof shall have become due and payable, and (b) on any overdue payment (including any overdue prepayment) of principal, any overdue payment of any Make-Whole Amount and any overdue payment of interest, payable on each Interest Payment Date as aforesaid (or, at the option of the registered holder hereof, on demand), at a rate per annum from time to time equal to the Default Rate.

Payments of principal, Make-Whole Amount, if any, and interest are to be made at JPMorgan Chase Bank in CityNew York City or at such other place as the holder hereof shall designate to the Company in writing, in lawful money of the placecountry-regionUnited States of America.

This Note is one of a series of Senior Notes (herein called the “**Notes**”) issued pursuant to a Private Shelf Agreement, dated as of August 26, 2003 (as from time to time amended, herein called the “**Agreement**”), between Nu Skin Enterprises, Inc. (the “**Company**”) and each Issuer Subsidiary which becomes party thereto, on the one hand, and Prudential Investment Management, Inc. and each Prudential Affiliate which becomes party thereto, on the other hand, and is entitled to the benefits thereof. Capitalized terms used and not otherwise defined herein shall have the meanings provided in the Agreement. Each holder of this Note will be deemed, by its acceptance hereof, (i) to have agreed to the confidentiality provisions set forth in Section 20 of the Agreement, and (ii) to have made the representations set forth in Section 6 of the Agreement. This Note is secured by the Collateral Documents and is guaranteed by the Subsidiary Guarantors pursuant to the Subsidiary Guaranty.

This Note is subject to optional prepayment, in whole or from time to time in part, on the terms specified in the Agreement.

This Note is a registered Note and, as provided in the Agreement, upon surrender of this Note for registration of transfer, duly endorsed, or accompanied by a written instrument of transfer duly executed, by the registered holder hereof or such holder’s attorney duly authorized in writing, a new Note for the then outstanding principal amount will be issued to, and registered in the name of, the transferee. Prior to due presentment for registration of transfer, the Company may treat the person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes, and the Company shall not be affected by any notice to the contrary.

In case an Event of Default shall occur and be continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount), and with the effect provided in the Agreement.

This Note shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such state (other than Section 5-1401 of the New York General Obligations Law) that would require the application of the laws of a jurisdiction other than such state.

**NU SKIN ENTERPRISES, INC.**

By: /s/ Ritch N. Wood  
Name: Ritch N. Wood  
Title: Chief Financial Officer