

---

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

Date of Report (Date of Earliest Event Reported):

September 27, 2007

Lifevantage Corporation

(Exact name of registrant as specified in its charter)

Colorado

000-30489

90-0224471

(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

6400 S. Fiddler's Green Circle, Suite 1970,  
Greenwood Village, Colorado

80111

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

720-488-1711

Not Applicable

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

On September 26, 2007, Lifevantage Corporation (the "Company") sold Units in a private placement offering, which each consist of a convertible debenture with a principal amount of \$10,000 bearing interest at a rate of 8% per annum with a maturity date of three years from the closing date of the offering, and a warrant to purchase 50,000 shares of common stock of the Company (the "Units"), in the aggregate amount of \$1,075,000. The terms of the Units and additional information about the offering are provided under Item 3.02 of this Form 8-K, which is incorporated herein by reference in its entirety.

Upon certain Events of Default set forth in the convertible debentures, all outstanding principal and accrued interest under the convertible debentures will become due and payable upon the election of the holder, including liquidation or dissolution of the Company, an assignment of a majority of the Company's assets or failure to pay an amount due under the convertible debentures within ten days of a payment due date. Upon certain Events of Default set forth in the convertible debentures, all outstanding principal and accrued interest under the convertible debentures will become automatically due and payable, including the filing of any petition for relief under any bankruptcy law or any assignment for the benefit of creditors.

A form of the Convertible Debenture is attached hereto as Exhibit 4.1 and is incorporated herein by reference.

### **Item 3.02 Unregistered Sales of Equity Securities.**

On September 26, 2007, the Company sold Units, which each consist of a convertible debenture with a principal amount of \$10,000 and a warrant to purchase 50,000 shares of common stock of the Company, in the aggregate amount of \$1,075,000. The Company sold the Units in the initial closing of a private placement offering in which the Company will receive gross proceeds from the sale of Units of a minimum of \$1,000,000 and up to a maximum of \$2,000,000, less 10% commissions and expense reimbursements (the "Offering"). The Company may elect to sell additional Units in the Offering in an amount of up to \$500,000 in its discretion.

The Units were offered and sold in the Offering only to persons who meet the definition of "accredited investor" set forth in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended, or to persons who are not "U.S. persons" as defined in Regulation S under the Securities Act, pursuant to exemptions from registration provided by Rule 506 of Regulation D of the Securities Act and Regulation S of the Securities Act.

#### **Convertible Debentures**

Each Unit includes a convertible debenture in a principal amount of \$10,000, bearing interest at 8% per annum with a maturity date of three years from the closing date of the Offering. Upon the maturity date, all principal and interest will be paid in full or converted into common stock of the Company at a conversion price of the lower of \$0.20 per share or the average trading price for the 10 days immediately prior to the Maturity Date, subject to certain conditions being fulfilled at the time of conversion. Holders of the convertible debentures may elect to convert the convertible debentures into common stock of the Company at \$0.20 per share at any time following the closing date of the Offering.

If during the term of the convertible debentures (i) the Company fails to remain subject to the reporting requirement under the Securities Exchange Act of 1934 for a period of at least 45 consecutive days, (ii) the Company fails to materially comply with the reporting requirements under the Exchange Act for a period of 45 consecutive days, (iii) the Company's common stock is no longer quoted on the Over the Counter Bulletin Board or listed or quoted on a securities exchange, or (iv) a Change of Control is consummated, the Company will be required upon the election of the holder to redeem the convertible debentures in an amount equal to 150% of the principal amount of the convertible debenture. "Change of Control" means the closing of any of the following: (a) the sale, conveyance or disposition of all or substantially all of the assets of the Company; (b) the effectuation of a transaction or series of related transactions by the Company in which more than 50% of the voting power of the Company is disposed of (other than as a direct result of the issuance of securities by the Company in a capital raising transaction); (c) the consolidation, merger or other business combination of the Company with or into any other entity, immediately following which the prior stockholders of the Company fail to own, directly or indirectly, at least 50% of the voting equity of the surviving entity; (d) a transaction or series of transactions in which any person or "group" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) acquires more than 50% of the voting equity of the Company (other than the issuance of securities by the Company in a capital raising transaction); or (e) a transaction or series of transactions that constitutes or results in a "going private transaction" (as defined in Section 13(e) of the Exchange Act and the regulations thereunder).

#### **Warrants**

Each Unit includes a warrant to purchase 50,000 shares of the Company's common stock at an exercise price of \$0.30 per share. The warrants have a five-year term and may be exercised at any time following issuance. The warrants may be exercised on a cashless basis beginning one year after the closing date of the Offering at any time that the Company fails to have a current prospectus available for immediate resale of the common stock underlying the warrants.

Subject to 30 business days' prior notice to the holders of the warrants, and provided a registration statement is in effect covering the common stock underlying the warrants, all, but not less than all, of the warrants will be callable by the Company at \$0.01 per share at any time after the closing price of the Company's common stock exceeds 250% of \$0.20 per share for any 20 consecutive trading days and average daily volume during the same period exceeds an average of 150,000 shares per day.

### **Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits



**SIGNATURES**

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.

Lifevantage Corporation

*September 28, 2007*

By: *Bradford K. Amman*

---

*Name: Bradford K. Amman*

*Title: Treasurer*

---

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
4.1	Exhibit 4.1 Form of Convertible Debenture

**THIS CONVERTIBLE DEBENTURE AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. NO SALE OR DISPOSITION MAY BE EFFECTED EXCEPT IN COMPLIANCE WITH RULE 144 UNDER SAID ACT OR AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE HOLDER SATISFACTORY TO THE COMPANY (AS DEFINED BELOW) THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT.**

**LIFEVANTAGE CORPORATION**

**FORM OF CONVERTIBLE DEBENTURE**

\$ \_\_, 2007

Greenwood Village, Colorado

For value received, **LIFEVANTAGE CORPORATION**, a Colorado corporation (the "**Company**"), unconditionally promises to pay to \_\_ or its assigns (the "**Holder**") the principal sum of \$ \_\_ with interest on the outstanding principal amount at the rate of eight percent (8%) per annum (subject to adjustment as set forth below), or the maximum rate permissible by law, whichever is less, simple interest, and calculated on the basis of a 360 day year for the actual number of days elapsed. Interest shall commence with the date hereof and shall be due and payable on the dates and in the manner set forth below. The principal balance of this Debenture, together with the accrued interest thereon shall be due and payable on the dates and in the manner set forth below.

This Debenture is one of the convertible debentures (collectively, the "**Debentures**") referred to in, and is executed and delivered in connection with, those certain Unit Subscription Agreements, dated on or about \_\_, 2007 and executed by the Company and the Holder, among others (as the same may from time to time be amended, modified or supplemented or restated, the "**Subscription Agreements**"). Additional rights and obligations of the Holder and the Company are set forth in the Subscription Agreement. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Subscription Agreement.

**1. Interest; Maturity; Payments; Prepayment; Waiver of Presentment.**

**(a) Interest.** Interest shall commence with the date hereof and shall be due and payable on the last day of each calendar quarter. Interest due hereunder shall be payable in shares of the Company's Common Stock valued at the Market Price (as defined below) on the last day of such quarter provided, however, that interest may be paid in Common Stock only if the Equity Conditions have been met on such quarter-end date or, upon the election of the Company in its discretion, in lawful money of the United States of America to the Holder at the address set forth in the Subscription Agreement. "**Market Price**" shall mean the ten (10) day average of (i) the last reported closing sale price for the Common Stock as officially reported by the OTC Bulletin Board, if the Common Stock is then traded on the OTC Bulletin Board; or (ii) the last reported closing sale price on the Nasdaq SmallCap or National Market or a national securities exchange, if the Common Stock is then traded on the Nasdaq SmallCap or National Market or a national securities exchange, in each case as officially reported by the Nasdaq SmallCap or National Market or such national securities exchange; or (iii) if the Common Stock is not then traded on the OTC Bulletin Board, the Nasdaq SmallCap Market, the Nasdaq National Market or a national securities exchange, but is then traded in the over-the-counter market, then the average of the last reported bid and asked prices of the Common Stock reported by the National Quotation Bureau, Inc. or similar bureau if the National Quotation Bureau, Inc. is no longer reporting such information.

"**Equity Conditions**" means the following:

- The Company shall have converted to Common Stock all Debentures from Holders thereof who have properly requested such conversion;
- There will be an effective Registration Statement with respect to the Common Stock underlying the Debentures and any warrants issued by the Company and any Common Stock to be paid as interest hereunder;
- The Common Stock is listed for trading on the American Stock Exchange, the New York Stock Exchange, the NASDAQ National Market, the NASDAQ Small Cap Market or the OTC Bulletin Board (a "Principal Market");
- The Company shall have a sufficient number of authorized but unissued and otherwise unreserved Common Stock to satisfy all potential conversions of Debentures to Common Stock; and
- The payment of interest in Common Stock has been approved by the Company's shareholders, if required by the applicable rules of the Principal Market.

**(b) Maturity Date.** At any time on or after \_\_, 2010 (the "**Maturity Date**") and prior to delivery of an Automatic Conversion Notice (as defined in Section 2(b) below), if this Debenture has not been paid in full or converted in accordance with the terms of Section 2 below, the Holder may demand payment of the entire outstanding principal balance and all unpaid accrued interest in cash (a "**Payment Demand**").

**(c) Payments.** All payments of principal and interest shall be in shares of Common Stock as provided herein or in lawful money of the United States of America and shall be payable at the address of the Holder set forth in the Subscription Agreement, unless another place of payment shall be specified in writing by the Holder. All payments shall be applied first to any fees or expenses due to the Holder, then to accrued interest, including any interest that accrues after the commencement of a proceeding by or against the Company under Title 11 of the United States Code, and thereafter to the outstanding principal balance hereof. If any payments on this Debenture become due on a Saturday, Sunday, or a public holiday under the laws of the State of Colorado, such payment shall be made on the next succeeding business day and such extension of time shall be included in computing interest in connection with such payment.

**(d) Prepayment.** Subject to Section 2(c) below, at any time on or prior to the Maturity Date, the Company may pay this Debenture, in whole or in part, by giving Holder and the holders of all other Debentures then outstanding, at least fifteen (15) business days irrevocable written notice prior to such prepayment (the “*Prepayment Notice*”), and the Company shall pay this Debenture and all other Debentures, in whole or in part, (the “*Prepayment Amount*”) in accordance with the Company’s notice.

**(e) Waiver.** The Company hereby waives demand, notice, presentment, protest and notice of dishonor.

## 2. Conversion.

**(a) At Maturity Date by Company.** At any time on or after the Maturity Date, if all principal and interest outstanding under this Debenture has not been paid in full, then the Company may, in its discretion, cause the conversion of the entire principal balance of this Debenture and all unpaid interest hereon into shares of the Company’s Common Stock at a rate equal to the lower of the 10 day average closing price for the 10 previous business days or \$0.20 per share of Common Stock (the “*Conversion Price*”), subject to adjustment as set forth herein. The Company shall notify the Holder of such automatic conversion in writing at least five (5) days prior to such conversion (an “*Automatic Conversion Notice*”).

**(b) Optional Conversion by Holder.** At any time from the date hereof through the date that this Debenture is paid in full, including at any time after receiving a Prepayment Notice but before receiving the Prepayment Amount, Holder shall have the right, in its sole discretion, to convert the principal balance of this Debenture then outstanding plus accrued but unpaid interest, in whole or in part, into shares of Common Stock at the Conversion Price by delivering to the Company written notice of such conversion as set forth on Appendix A hereto (an “*Optional Conversion Notice*”).

**(c) Conversion Procedures.** Upon conversion of this Debenture pursuant to Section 2(a) or 2(b) above, the Holder shall surrender this Debenture, duly endorsed, at the principal office of the Company, and the Company shall, at its expense, following receipt of this Debenture, duly endorsed, promptly deliver or cause to be delivered to the Holder a certificate or certificates (bearing such legends as may be required) representing that number of fully paid and non-assessable shares of Common Stock into which this Debenture may be converted. The conversion of this Debenture shall be deemed to have been made on the date of (i) the Maturity Date pursuant to Section 2(a) above, or (ii) the date of the Optional Conversion Notice pursuant to Section 2(b) above, as applicable, and the Holder shall be treated for all purposes as the record holder of such shares of equity securities as of such applicable date.

**(d) Reservation of Shares.** The Company covenants and agrees that the shares of Common Stock that may be issued upon the exercise of the rights represented by this Debenture will, upon issuance, be validly issued and outstanding, fully paid and nonassessable, and free from all taxes, liens and charges with respect to the issuance thereof. The Company further covenants and agrees that the Company will at all times during the time that principal or interest is owed pursuant to this Debenture, have authorized and reserved, free from preemptive rights, a sufficient number of shares of its Common Stock to provide for the conversion rights set forth herein. If at any time during the time that this Debenture is outstanding, the number of authorized but unissued shares of Common Stock shall not be sufficient to permit conversion of amounts owed hereunder, the Company will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes.

**(e) No Fractional Shares.** Upon a conversion hereunder, the Company shall not be required to issue stock certificates representing fractions of shares of Common Stock, and in lieu of any fractional shares which would otherwise be issuable, the Company shall issue the next lowest whole number of shares of Common Stock.

**3. Mandatory Redemption.** If prior to conversion or payment of this Debenture, (i) the Company fails to remain subject to the reporting requirement under the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”) for a period of at least 45 consecutive days, (ii) the Company fails to materially comply with the reporting requirements under the Exchange Act for a period of 45 consecutive days, (iii) the Company’s Common Stock is no longer quoted on the OTC Bulletin Board or listed or quoted on a securities exchange, or (iv) a Change of Control is consummated (each a “*Mandatory Redemption Event*”), the Company will be required to redeem this Debenture in an amount equal to 150% of principal amount hereof plus any accrued but unpaid interest hereon within fifteen (15) days of such Mandatory Redemption Event. “*Change of Control*” means the existence or occurrence of any of the following: (a) the sale, conveyance or disposition of all or substantially all of the assets of the Company; (b) the effectuation of a transaction or series of related transactions by the Company in which more than 50% of the voting power of the Company is disposed of (other than as a direct result of the issuance of securities by the Company in a capital raising transaction); (c) the consolidation, merger or other business combination of the Company with or into any other entity, immediately following which the prior stockholders of the Company fail to own, directly or indirectly, at least 50% of the voting equity of the surviving entity; (d) a transaction or series of transactions in which any person or “group” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) acquires more than 50% of the voting equity of the Company (other than the issuance of securities by the Company in a capital raising transaction); or (e) a transaction or series of transactions that constitutes or results in a “going private transaction” (as defined in Section 13(e) of the Exchange Act and the regulations thereunder).

## 4. Adjustments of Conversion Price.

**(a)** In the event of changes in the outstanding Common Stock of the Company by reason of stock dividends, splits, recapitalizations, reclassifications, combinations or exchanges of shares, separations, reorganizations, liquidations, or the like, the Conversion Price shall be correspondingly adjusted to give the Holder of the Debenture, on exercise for the same aggregate Conversion Price, the total number, class, and kind of shares as the Holder would have owned had the Debenture been exercised prior to the event and had the Holder continued to hold such shares until after the event requiring adjustment. The form of this Debenture need not be changed because of any adjustment in the Conversion Price.

**(b)** If during the time that principal or interest is owed pursuant to this Debenture, the Company issues or sells Additional Shares of Common Stock (as defined below) other than pursuant to 4(a) above for a price (the “*Effective Price*”) less than the then effective Conversion Price, then and in each such case, the then existing Conversion Price shall be reduced, as of the opening of business on the date of such issue or sale, to a price equal to such Effective Price. “*Additional Shares of Common Stock*” shall mean all shares of Common Stock, or options,

warrants or other rights to acquire Common Stock, issued by the Company, other than (i) options, warrants or shares of Common Stock issued to employees, directors and consultants as a part of an equity incentive plan or agreement approved by the Company's Board of Directors, (ii) shares of Common Stock issued as a consideration for a merger, acquisition or other business combination approved by the Company's Board of Directors, (iii) options, warrants or shares issued pursuant to any equipment loan or leasing arrangement, real property leasing arrangement or debt financing from a bank or similar financial institution approved by the Company's Board of Directors; (iv) shares issued upon the exercise of an option, warrant or other right to acquire Common Stock pursuant to which an adjustment of the Conversion Price under this Section 4(b) has already been made; and (v) options, warrants or shares issued with respect to which the holders of a majority of the outstanding Debentures waive their antidilution rights under this Section 4(b).

## 5. Default.

(a) Each of the following events shall be an "**Event of Default**" hereunder:

(i) the Company engages in any liquidation, dissolution or winding up of the Company;

(ii) the Company files any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors, now or hereafter in effect, or makes any assignment for the benefit of creditors or takes any corporate action in furtherance of any of the foregoing;

(iii) an involuntary petition is filed against the Company under any bankruptcy statute now or hereafter in effect, or a custodian, receiver, trustee, assignee for the benefit of creditors (or other similar official) is appointed to take possession, custody or control of any property of the Company;

(iv) the Company executes an assignment with respect to a majority of its assets;

(v) the Company fails to pay, within ten (10) business days of the Maturity Date, any and all unpaid principal, accrued interest and other amounts owing hereunder if not otherwise converted into Common Stock pursuant to Section 2 hereof;

(vi) the Company fails to pay, within ten (10) business days of an interest payment due date, accrued interest due on such date if not otherwise converted into Common Stock pursuant to Section 1 hereof, and such failure is not cured within ten (10) business days of receipt of notice thereof; or

(vii) the Company fails to redeem the Debenture pursuant to Section 3 hereof within ten (10) business days of a Mandatory Redemption Event.

(b) Upon the occurrence of any Event of Default hereunder, all unpaid principal, accrued interest and other amounts owing hereunder shall, at the option of the Holder, and, in the case of an Event of Default pursuant to Section 5(a)(ii) or (iii) above, automatically, be immediately due, payable and collectible by the Holder pursuant to applicable law.

(c) In the event of any Event of Default hereunder, the Company shall pay all reasonable attorneys' fees and court costs incurred by the Holder in enforcing and collecting this Debenture.

## 6. Miscellaneous.

(a) **Registration Rights.** The Holder is entitled to certain registration rights with respect to the Common Stock issuable upon conversion of this Debenture as set forth in the Subscription Agreement.

(b) **Restrictions on Dividends.** The Company further covenants and agrees that during the time that principal or interest is owed pursuant to this Debenture the Company will not declare or pay any dividends on its outstanding capital stock, provided that the Company may repurchase shares of capital stock in connection with the termination of employment or consulting relationships pursuant to such agreements as are approved by the Board of Directors.

(c) **Restrictions on Transfer.** This Debenture and the rights granted hereunder are subject to restrictions on transfer under Federal and state securities laws as further described in the Subscription Agreement.

(d) **Successors and Assigns.** Subject to applicable law, the terms and conditions of this Debenture shall inure to the benefit of and be binding upon the respective successors and assigns of the parties.

(e) **Acceptance.** Receipt of this Debenture by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

(f) **Governing Law.** This Debenture shall be governed by and construed under the laws of the State of Colorado as applied to agreements among Colorado residents, made and to be performed entirely within the State of Colorado.

(g) **Titles and Subtitles.** The titles and subtitles used in this Debenture are used for convenience only and are not to be considered in construing or interpreting this Debenture.

(h) **Amendment and Waiver.** This Debenture may be amended, together with all similar Debentures purchased pursuant to the Subscription Agreements, as provided in Section O(4) of the Subscription Agreements.



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

[Signature Page to Convertible Debenture]

Appendix A

Optional Conversion Notice

**TO:** LIFE VANTAGE CORPORATION

(1) The undersigned hereby elects to convert \$\_\_\_ in principal amount of that certain Convertible Debenture dated on or about \_\_\_, 2007 and any accrued but unpaid interest thereon into shares of Common Stock of LifeVantage Corporation (the "**Company**") at the Conversion Price pursuant to the terms of the attached Convertible Debenture, and tenders herewith payment of in full by delivery of Convertible Debenture.

(2) Please issue a certificate or certificates representing said shares of Common Stock in the name of the undersigned or in such other name as is specified below:

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
\_\_\_\_\_  
(Address)

(3) The undersigned represents that (i) the aforesaid shares of Common Stock are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares; (ii) the undersigned is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision regarding its investment in the Company; (iii) the undersigned is experienced in making investments of this type and has such knowledge and background in financial and business matters that the undersigned is capable of evaluating the merits and risks of this investment and protecting the undersigned's own interests; (iv) the undersigned understands that the shares of Common Stock have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**"), by reason of a specific exemption from the registration provisions of the Securities Act, which exemption depends upon, among other things, the bona fide nature of the investment intent as expressed herein, and, because such securities have not been registered under the Securities Act, they must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available; (v) the undersigned is aware that the aforesaid shares of Common Stock may not be sold pursuant to Rule 144 adopted under the Securities Act unless certain conditions are met and until the undersigned has held the shares for the number of years prescribed by Rule 144, that among the conditions for use of the Rule is the availability of current information to the public about the Company and the Company has not made such information available and has no present plans to do so; and (vi) the undersigned agrees not to make any disposition of all or any part of the aforesaid shares of Common Stock unless and until there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with said registration statement, or the undersigned has provided the Company with an opinion of counsel satisfactory to the Company, stating that such registration is not required.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print name)