UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

☒ **QUARTERLY REPORT UNDER SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2014

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE TRANSITION PERIOD FROM _____ TO _____

Commission file number 001-35647

LIFEVANTAGE CORPORATION

(Exact name of Registrant as specified in its charter)

COLORADO	**90-0224471**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification No.)**

9785 S. Monroe Street, Ste 300, Sandy, UT 84070
(Address of principal executive offices)

(801) 432-9000
(Registrant's telephone number)

9815 S. Monroe Street, Suite 100, Sandy, UT 84070
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares outstanding of the issuer's common stock, par value $0.001 per share, as of May 01, 2014 was 103,701,792.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This quarterly report on Form 10-Q, in particular "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations," and the information incorporated by reference herein contains “forward-looking statements” (as such term is defined in Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended). These statements, which involve risks and uncertainties, reflect our current expectations, intentions, or strategies regarding our possible future results of operations, performance, and achievements. Forward-looking statements include, without limitation: statements regarding future products or product development; statements regarding future selling, general and administrative costs and research and development spending; statements regarding the future performance of our network marketing efforts; statements regarding our expectations regarding ongoing litigation; and statements regarding future financial performance, results of operations, capital expenditures and sufficiency of capital resources to fund our operating requirements. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and applicable rules of the Securities and Exchange Commission and common law.

These forward-looking statements may be identified in this report and the information incorporated by reference by words such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “intend”, “plan”, “predict”, “project”, “should” and similar terms and expressions, including references to assumptions and strategies. These statements reflect our current beliefs and are based on information currently available to us. Accordingly, these statements are subject to certain risks, uncertainties, and contingencies, which could cause our actual results, performance, or achievements to differ materially from those expressed in, or implied by, such statements.

The following factors are among those that may cause actual results to differ materially from our forward-looking statements:

- We may not succeed in expanding our operations;
- Inability to conform to government regulations in existing markets;
- We may not succeed in growing existing markets or opening new international markets;
- Inability to manage our growth and expansion;
- Disruptions in our information technology systems;
- Claims against us as a result of our independent distributors failing to comply with our policies and procedures;
- Inability of new products to gain distributor and market acceptance;
- International trade or foreign exchange restrictions, increased tariffs, foreign currency exchange;
- Deterioration of global economic conditions;
- Inability to maintain appropriate level of internal control over financial reporting;
- We may be unable to raise additional capital if needed;
- Exposure to environmental liabilities stemming from past operations and property ownership;
- Significant dependence upon a single product;
- The impact of our debt service obligations and restrictive debt covenants;
- Our inability to obtain high quality raw material for our products;
- Improper actions by our independent distributors that violate laws or regulations;
- Our inability to retain independent distributors or to attract new independent distributors on an ongoing basis;
- We may be subject to a product recall;
- Our dependence on third parties to manufacture our products;
- Significant government regulations on network marketing activities;
- Third party and governmental actions involving our network marketing sales activities;
- Our direct selling program could be found to not be in compliance with current or newly adopted laws or regulations;

- Unfavorable publicity on our business or products;
- Legal proceedings may be expensive and time consuming;
- Regulations governing the production or marketing of our products;
- Our business is subject to strict government regulations;
- We are subject to the risk of investigatory and enforcement action by the federal trade commission;
- Government authorities may question our tax positions or transfer pricing policies or change their laws in a manner that could increase our effective tax rate or otherwise harm our business;
- Failure to comply with anti-corruption laws;
- Loss of key personnel;
- Competition in the dietary supplement market;
- Our inability to protect our intellectual property rights;
- Third party claims that we infringe on their intellectual property;
- Product liability claims against us;
- Economic, political, foreign exchange and other risks associated with international operations;
- Significant dilution of outstanding voting shares if holders of our existing warrants and options exercise their securities for shares of common stock;
- Volatility of the market price of our common stock;
- We have not paid dividends on our capital stock, and we do not currently anticipate paying dividends in the foreseeable future; and
- Other factors not specifically described above, including the other risks, uncertainties, and contingencies described under “Part II. Item 1A — Risk Factors” of this Quarterly Report on Form 10-Q or under “Business”, “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Items 1, 1A and 7 of our Annual Report on Form 10-K for the year ended June 30, 2013.

When considering these forward-looking statements, you should keep in mind the cautionary statements in this report and the documents incorporated by reference. We have no obligation and, except as required by law, do not undertake to update or revise any such forward-looking statements to reflect events or circumstances after the date of this report.

LIFEVANTAGE CORPORATION

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PART I Financial Information

Item 1. Financial Statements

LIFEVANTAGE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	As of,	
	March 31, 2014	**June 30, 2013**
(In thousands, except per share data)		
ASSETS		
Current assets		
Cash and cash equivalents	$ 35,681	$ 26,299
Accounts receivable	2,606	1,789
Income tax receivable	1,511	2,150
Inventory	8,576	10,524
Current deferred income tax asset	2,885	2,885
Prepaid expenses and deposits	4,999	2,294
Total current assets	56,258	45,941
Property and equipment, net	7,183	5,692
Intangible assets, net	1,697	1,747
Deferred debt offering costs, net	1,413	—
Long-term deferred income tax asset	730	730
Other long-term assets	3,021	1,374
TOTAL ASSETS	$ 70,302	$ 55,484
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 2,641	$ 5,171
Commissions payable	9,595	7,564
Other accrued expenses	8,369	7,831
Short-term portion of debt	4,700	—
Total current liabilities	25,305	20,566
Long-term debt		
Principal amount	41,125	—
Less: unamortized discount	(1,098)	—
Long-term debt, net of unamortized discount	40,027	—
Other long-term liabilities	2,243	973
Total liabilities	67,575	21,539
Commitments and contingencies		
Stockholders' equity		
Preferred stock — par value $0.001 per share, 50,000 shares authorized, no shares issued or outstanding	—	—
Common stock — par value $0.001 per share, 250,000 shares authorized and 104,024 and 117,088 issued and outstanding as of March 31, 2014 and June 30, 2013, respectively	104	121
Additional paid-in capital	113,692	110,413
Accumulated deficit	(110,593)	(76,476)
Accumulated other comprehensive loss	(476)	(113)
Total stockholders' equity	2,727	33,945
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 70,302	$ 55,484

The accompanying notes are an integral part of these condensed consolidated statements.

LIFEVANTAGE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND OTHER COMPREHENSIVE INCOME (LOSS)
(Unaudited)

	For the Three Months Ended March 31,		For the Nine Months Ended March 31,	
	2014	2013	2014	2013
(In thousands, except per share data)				
Sales, net	$ 55,064	$ 50,370	$ 157,930	$ 156,667
Cost of sales	8,459	7,330	24,212	23,936
Product recall costs	—	(461)	—	5,418
Gross profit	46,605	43,501	133,718	127,313
Operating expenses:				
Sales and marketing	32,483	29,844	92,510	88,976
General and administrative	8,470	8,370	23,432	23,227
Research and development	655	848	1,546	2,105
Depreciation and amortization	530	499	1,527	1,180
Total operating expenses	42,138	39,561	119,015	115,488
Operating income	4,467	3,940	14,703	11,825
Other income (expense), net:				
Interest and other income (expense), net	(1,278)	122	(1,605)	(426)
Total other income (expense)	(1,278)	122	(1,605)	(426)
Net income before income taxes	3,189	4,062	13,098	11,399
Income tax expense	(695)	(646)	(4,066)	(3,609)
Net income	$ 2,494	$ 3,416	$ 9,032	$ 7,790
Net income per share:				
Basic	$ 0.02	$ 0.03	$ 0.08	$ 0.07
Diluted	$ 0.02	$ 0.03	$ 0.08	$ 0.06
Weighted average shares outstanding:				
Basic	101,594	112,806	107,385	112,203
Diluted	106,578	124,985	113,717	125,371
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustment	103	(87)	(363)	(24)
Other comprehensive income (loss), net of tax:	$ 103	$ (87)	$ (363)	$ (24)
Comprehensive income	$ 2,597	$ 3,329	$ 8,669	$ 7,766

The accompanying notes are an integral part of these condensed consolidated statements.

LIFEVANTAGE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(Unaudited)

	Common stock		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive loss	Total
	Shares	Amount				
(In thousands)						
Balances, June 30, 2013	**117,088**	**$ 121**	**$ 110,413**	**$ (76,476)**	**$ (113)**	**$ 33,945**
Stock-based compensation	—	—	2,044	—	—	2,044
Exercise of options and warrants	4,654	4	1,235	—	—	1,239
Issuance of shares related to restricted stock	225	—	—	—	—	—
Shares canceled or surrendered as payment of tax withholding	(453)	—	—	—	—	—
Repurchase of company stock	(17,490)	(21)	—	(43,149)	—	(43,170)
Currency translation adjustment	—	—	—	—	(363)	(363)
Net income	—	—	—	9,032	—	9,032
Balances, March 31, 2014	**104,024**	**$ 104**	**$ 113,692**	**$ (110,593)**	**$ (476)**	**$ 2,727**

The accompanying notes are an integral part of these condensed consolidated statements.

LIFEVANTAGE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Nine Months Ended March 31,	
	2014	2013
(In thousands)		
Cash Flows from Operating Activities:		
Net income	$ 9,032	$ 7,790
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,527	1,180
Stock-based compensation	2,169	1,635
Amortization of deferred financing fees	99	—
Amortization of debt discount	76	—
Impairment of inventory	—	4,155
Changes in operating assets and liabilities:		
Increase in accounts receivable	(189)	(1,048)
Decrease/(increase) in inventory	1,858	(827)
Increase in prepaid expenses and deposits	(2,719)	(4,735)
Increase in other long-term assets	(1,645)	(1,077)
Increase/(decrease) in accounts payable	(2,527)	993
Increase in accrued expenses	2,596	1,559
Increase/(decrease) in other long-term liabilities	(100)	442
Net Cash Provided by Operating Activities	**10,177**	**10,067**
Cash Flows from Investing Activities:		
Purchase of equipment	(1,671)	(4,625)
Net Cash Used in Investing Activities	**(1,671)**	**(4,625)**
Cash Flows from Financing Activities:		
Proceeds from term loan	45,825	—
Payment of deferred financing fees	(1,511)	—
Repurchase of company stock	(43,170)	(4,893)
Payment on term loan	(1,175)	—
Exercise of options and warrants	1,239	2,066
Net Cash Provided by (Used in) Financing Activities	**1,208**	**(2,827)**
Foreign Currency Effect on Cash	**(332)**	**(24)**
Increase in Cash and Cash Equivalents:	**9,382**	**2,591**
Cash and Cash Equivalents — beginning of period	26,299	24,648
Cash and Cash Equivalents — end of period	**$ 35,681**	**$ 27,239**
Non Cash Investing and Financing Activities:		
Increase in property and equipment/other long-term liabilities	$ 1,386	$ 376
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest expense	$ 1,821	$ —
Cash paid for income taxes	$ 3,461	$ 6,370

The accompanying notes are an integral part of these condensed consolidated statements.

These unaudited Condensed Consolidated Financial Statements and Notes should be read in conjunction with the audited financial statements and notes of LifeVantage Corporation (the "Company") as of and for the year ended June 30, 2013 included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on September 12, 2013.

Note 1 — Organization and Basis of Presentation

The condensed consolidated financial statements included herein have been prepared by the Company's management, without audit, pursuant to the rules and regulations of the SEC. In the opinion of the Company's management, these interim Financial Statements include all adjustments, consisting of normal recurring adjustments, that are considered necessary for a fair presentation of its financial position as of March 31, 2014, and the results of operations for the three and nine months ended March 31, 2014 and 2013 and the cash flows for the nine months ended March 31, 2014 and 2013. Interim results are not necessarily indicative of results for a full year or for any future period.

The condensed consolidated financial statements and notes included herein are presented as required by Form 10-Q, and do not contain certain information included in the Company's audited financial statements and notes for the fiscal year ended June 30, 2013 pursuant to the rules and regulations of the SEC. For further information, refer to the financial statements and notes thereto as of and for the year ended June 30, 2013, and included in the Annual Report on Form 10-K on file with the SEC.

Note 2 — Summary of Significant Accounting Policies

Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany accounts and transactions are eliminated in consolidation.

Use of Estimates

Management has made a number of estimates and assumptions relating to the reporting of revenues, expenses, assets and liabilities and the disclosure of contingent assets and liabilities to prepare these consolidated financial statements. Actual results could differ from those estimates.

Translation of Foreign Currency Statements

A portion of the Company's business operations occurs outside the United States. The local currency of each of the Company's subsidiaries is generally its functional currency. All assets and liabilities are translated into U.S. dollars at exchange rates existing at the balance sheet dates, revenue and expenses are translated at weighted average exchange rates and stockholders' equity is recorded at historical exchange rates. The resulting foreign currency translation adjustments are recorded as a separate component of stockholders' equity in the consolidated balance sheets and transaction gains and losses are included in interest and other income (expense), net in the consolidated financial statements.

Currency translation gains and losses on intercompany balances denominated in a foreign currency are recorded as other income (expense), net. A net foreign currency gain of $121,000 and a loss of $213,000 is recorded in other income (expense), net for the three and nine months ended March 31, 2014.

Derivative Instruments and Hedging Activities

The Company's subsidiaries enter into transactions with each other which may not be denominated in the respective subsidiaries' functional currencies. The Company seeks to reduce its exposure to fluctuations in foreign exchange rates through the use of derivatives. The Company does not use such derivative financial instruments for trading or speculative purposes.

To hedge risks associated with the foreign-currency-denominated intercompany transactions the Company entered into forward foreign exchange contracts which were settled in March 2014 and were not designated for hedge accounting. For the three and nine months ended March 31, 2014, a realized loss of $176,000 and a gain of $8,000, related to forward contracts, is recorded in other income (expense), net. The Company did not hold any derivative instruments at March 31, 2014.

Cash and Cash Equivalents

The Company considers only its monetary liquid assets with original maturities of three months or less as cash and cash equivalents.

Concentration of Credit Risk

The Company discloses significant concentrations of credit risk regardless of the degree of such risk. Financial instruments with significant credit risk include cash and investments. At March 31, 2014, the Company had $30.8 million in cash accounts that were held primarily at one financial institution and $4.8 million in accounts at other financial institutions. As of March 31, 2014 and June 30, 2013 the Company's cash balances exceeded federally insured limits.

Accounts Receivable

The Company's accounts receivable as of March 31, 2014 and June 30, 2013 consist primarily of credit card receivables. Based on the Company's verification process for customer credit cards and historical information available, management has determined that an allowance for doubtful accounts on credit card sales related to its customer sales as of March 31, 2014 is not necessary. No bad debt expense has been recorded for the periods ended March 31, 2014 and March 31, 2013.

Inventory

Inventory is stated at the lower of cost or market value. Cost is determined using the first-in, first-out method. The Company has capitalized payments to its contract product manufacturer for the acquisition of raw materials and commencement of the manufacturing, bottling and labeling of its product. As of March 31, 2014 and June 30, 2013, inventory consisted of (in thousands):

	March 31, 2014	June 30, 2013
Finished goods	$ 5,208	$ 5,273
Raw materials	3,368	5,251
Total inventory	$ 8,576	$ 10,524

Revenue Recognition

The Company ships the majority of its product directly to the consumer and receives substantially all payment for these sales in the form of credit card receipts. Revenue from direct product sales to customers is recognized upon passage of title and risk of loss. Estimated returns are recorded when product is shipped. The Company's return policy is to provide a full refund for product returned within 30 days if the returned product is unopened or defective. After 30 days, the Company generally does not issue refunds to direct sales customers for returned product. The Company allows terminating distributors to return unopened, unexpired product that they have purchased within the prior twelve months, subject to certain consumption limitations, for a full refund, less a 10% restocking fee. The Company establishes the returns reserve based on historical experience. The returns reserve is evaluated on a quarterly basis. As of March 31, 2014 and June 30, 2013, the Company's reserve balance for returns and allowances was approximately $0.6 million and $0.6 million, respectively.

Shipping and Handling

Shipping and handling costs associated with inbound freight and freight out to customers, including independent distributors, are included in cost of sales. Shipping and handling fees charged to all customers are included in sales.

Research and Development Costs

The Company expenses all costs related to research and development activities as incurred. Research and development expenses for the nine months ended March 31, 2014 and 2013 were approximately $1.5 million and $2.1 million, respectively.

Stock-Based Compensation

The Company recognizes stock-based compensation by measuring the cost of services to be rendered based on the grant date fair value of the equity award. The Company recognizes stock-based compensation, net of any estimated forfeitures, over the period an employee is required to provide service in exchange for the award, generally referred to as the requisite service period.

The Black-Scholes option pricing model is used to estimate the fair value of stock options. The determination of the fair value of stock options is affected by the Company's stock price and a number of assumptions, including expected volatility,

expected life, risk-free interest rate and expected dividends. The Company uses historical volatility as the expected volatility assumption required in the Black-Scholes model. The Company utilizes a simplified method for estimating the expected life of the options. The Company uses this method because it believes that it provides a better estimate than the Company's historical data as post vesting exercises have been limited. The risk-free interest rate assumption is based on observed interest rates appropriate for the expected terms of the stock options.

The fair value of restricted stock grants is based on the closing market price of the Company's stock on the date of grant less the Company's expected dividend yield. The fair value of performance-based awards to be paid in cash, accounted for as liabilities, is remeasured at the end of each reporting period and is based on the closing market price of the Company's stock on the last day of the reporting period. The Company recognizes compensation costs for awards with performance conditions when it concludes it is probable that the performance conditions will be achieved. The Company reassesses the probability of vesting at each balance sheet date and adjusts compensation.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry-forwards. Deferred tax assets and liabilities are measured using statutory tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities from a change in tax rates is recognized in income in the period that includes the effective date of the change.

For the nine months ended March 31, 2014 and 2013 the Company has recognized income tax expense of $4.1 million and $3.6 million, respectively, which is the Company's estimated federal, state and foreign income tax liability. Realization of deferred tax assets is dependent upon future earnings in specific tax jurisdictions, the timing and amount of which are uncertain. The Company continues to evaluate the realizability of the deferred tax asset based upon achieved and estimated future results. The difference between the nine months ended March 31, 2014 effective rate of 31.0% and the Federal statutory rate of 35.0% is due to state income taxes (net of federal benefit) and certain permanent differences between taxable and book income as well as a one-time tax benefit from a tax return true-up recognized during the three months ended March 31, 2014.

Income Per Share

Basic income per common share is computed by dividing the net income or loss by the weighted average number of common shares outstanding during the period, less unvested restricted stock awards. Diluted income per common share is computed by dividing net income by the weighted average number of common shares and potentially dilutive common share equivalents using the treasury stock method.

For the three and nine months ended March 31, 2014 the effects of approximately 0.7 million and 0.2 million common shares, respectively, issuable upon exercise of options and non-vested shares of restricted stock granted pursuant to the Company's 2007 and 2010 Long-Term Incentive Plans are not included in computations because their effect was anti-dilutive. For the three and nine months ended March 31, 2013 the effects of approximately 0.7 million common shares, respectively, issuable upon exercise of options granted pursuant to the Company's 2007 and 2010 Long-Term Incentive Plans are not included in computations because their effect was anti-dilutive.

The following is a reconciliation of earnings per share and the weighted average common shares outstanding for purposes of computing basic and diluted net income per share (in thousands except per share amounts):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2014	2013	2014	2013
Numerator:				
Net income	$ 2,494	$ 3,416	$ 9,032	$ 7,790
Denominator:				
Basic weighted average common shares outstanding	101,594	112,806	107,385	112,203
Effect of dilutive securities:				
Stock awards and options	1,974	3,802	2,929	4,586
Warrants	3,010	8,377	3,403	8,582
Diluted weighted average common shares outstanding	106,578	124,985	113,717	125,371
Net income per share, basic	$ 0.02	$ 0.03	$ 0.08	$ 0.07
Net income per share, diluted	$ 0.02	$ 0.03	$ 0.08	$ 0.06

Segment Information

The Company operates in a single operating segment by selling products to a global network of independent distributors that operates in an integrated manner from market to market. Selling expenses are the Company's largest expense comprised of the commissions paid to its worldwide independent distributors. The Company manages its business primarily by managing its global network of independent distributors. The Company reports revenue in two geographic regions: Americas and Asia/Pacific. Revenues by geographic area are as follows (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2014	2013	2014	2013
Americas	$ 32,641	$ 33,098	$ 101,557	$ 97,720
Asia/Pacific	22,423	17,272	56,373	58,947
Total revenues	$ 55,064	$ 50,370	$ 157,930	$ 156,667

Additional information as to the Company's revenue from operations in the most significant geographical areas is set forth below (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2014	2013	2014	2013
United States	$ 31,619	$ 32,721	$ 98,415	$ 96,779
Japan	$ 19,202	$ 15,284	$ 48,122	$ 55,080

As of March 31, 2014 long-lived assets were $9.9 million in the U.S. and $2.5 million in Japan. As of June 30, 2013 long-lived assets were $4.8 million in the U.S. and $3.0 million in Japan.

Effect of New Accounting Pronouncements

The Company has reviewed recently issued, but not yet effective, accounting pronouncements and does not believe any such pronouncements will have a material impact on its financial statements.

Note 3 — Long-Term Debt

On October 18, 2013 the Company entered into a Financing Agreement providing for a term loan facility in an aggregate principal amount of $47 million (the "Term Loan") and a delayed draw term loan facility in an aggregate principal amount not to exceed $20 million (the "Delayed Draw Term Loan" and collectively with the Term Loan, the "Credit Facility"). The Delayed Draw Term Loan is available for borrowing in specified minimum amounts from time to time beginning after the

effective date (as defined in the Financing Agreement) until October 18, 2014 or until the Delayed Draw Term Loan is reduced to zero, if earlier. As of March 31, 2014 the Company had not borrowed any amounts under the Delayed Draw Term Loan.

The principal amount of the Term Loan is payable in consecutive quarterly installments beginning with the calendar quarter ended March 31, 2014 and matures on the earlier of October 18, 2018 or such date as the outstanding loans become payable in accordance with the terms of the Financing Agreement (the "Final Maturity Date"). In the event the Company borrows under the Delayed Draw Term Loan, the outstanding principal will be payable in consecutive quarterly installments beginning with the calendar quarter ending December 31, 2014 through the Final Maturity Date. Each of the loans will bear interest at a rate equal to 7.5% per annum plus the greater of (i) 1.25% or (ii) LIBOR, or at the Company's option, a reference rate (as defined in the Financing Agreement) plus 6.5% per annum, with such interest payable monthly. For the nine months ended March 31, 2014 the interest rate was 8.75%.

The Company's obligations under the Credit Facility are secured by a security interest in substantially all of the Company's assets. Loans outstanding under the Credit Facility (1) must be prepaid based on certain cash flow metrics and with any net proceeds of certain permitted asset sales and (2) may be prepaid in whole or in part at any time, with any prepayments made prior to the first anniversary of the effective date subject to a prepayment premium. Any principal amount of the loans which is prepaid or repaid may not be re-borrowed.

The Credit Facility contains customary negative covenants that, among other things, restrict the Company from undertaking specified corporate actions such as, creation of liens, incurrence of additional indebtedness, making certain investments with affiliates, changes of control, having excess foreign cash, issuance of equity, repurchasing the Company's equity securities, and making certain restricted payments, including dividends, without prior approval from the lender. The Credit Facility also contains various financial covenants that require the Company to maintain a certain consolidated EBITDA, certain leverage and fixed charges ratios as well as a minimum level of liquidity. Additionally, the Credit Facility contains cross-default provisions, whereby a default pursuant to the terms and conditions of certain indebtedness will cause a default on the remaining indebtedness under the Credit Facility. At March 31, 2014, the Company was not in compliance with the non-financial covenant restricting it from having excess foreign cash. The Company's foreign cash balance exceeded the covenant limit of $5.5 million. On April 7, 2014 the Company obtained a waiver of the violation from the lender. The Company was in compliance with all other financial and non-financial covenants under the Credit Facility.

The Company incurred transaction costs associated with the Credit Facility totaling $2.7 million, of which $175,000 was recorded in interest expense during the nine months ended March 31, 2014. The remaining $2.5 million consists of unamortized deferred debt offering costs and debt discount included in the accompanying consolidated balance sheet and are amortized to interest expense using the interest method.

The Company's book value for the Credit Facility approximates the fair value. Aggregate future principal payments required in accordance with the terms of the Credit Facility are as follows (in thousands):

Year Ending June 30,	Amount
2014 (remaining three months ending June 30, 2014)	$ 1,175
2015	4,700
2016	4,700
2017	4,700
2018	4,700
Thereafter	25,850
	$ 45,825

Note 4 — Stockholders' Equity

During the three and nine months ended March 31, 2014 the Company issued 100,000 and 225,000 shares, respectively, of restricted stock and 0.4 million and 4.7 million shares, respectively, of common stock upon the exercise of warrants and options. During the three and nine months ended March 31, 2014, 351,000 and 453,000 shares, respectively, of restricted stock were canceled or surrendered as payment of tax withholding upon vesting.

On March 11, 2014 the Company announced a share repurchase program authorizing it to repurchase up to $3 million of shares of the Company's common stock. As part of that repurchase program, the Company entered into a pre-arranged stock repurchase plan that operated in accordance with guidelines specified under Rule 10b5-1 of the Securities Exchange Act of 1934. As of March 31, 2014, the Company had not purchased any shares under this repurchase program.

On November 1, 2013, the Company accepted for payment an aggregate of 16.3 million shares of its common stock at an aggregate purchase price of $40 million as a result of its modified Dutch auction tender offer (the "Tender Offer") that expired October 25, 2013. The Company incurred transaction costs of $0.3 million related to the Tender Offer. The Company entered into the Credit Facility to finance this repurchase, (see Note 3).

On March 22, 2013 the Company announced a share repurchase program authorizing it to repurchase up to $5 million of shares of the Company's common stock. As part of that repurchase program, the Company entered into a pre-arranged stock repurchase plan that operated in accordance with guidelines specified under Rule 10b5-1 of the Securities Exchange Act of 1934. During July 2013 the Company repurchased 1.2 million shares under this repurchase authorization. As of March 31, 2014, the Company had purchased the full $5 million in shares authorized under this repurchase program.

The Company’s Articles of Incorporation authorize the issuance of preferred shares. However, as of March 31, 2014, none have been issued nor have any rights or preferences been assigned to the preferred shares by the Company’s Board of Directors.

Note 5 — Share-based Compensation

Long-Term Incentive Plans

The Company adopted and the shareholders approved the 2007 Long-Term Incentive Plan (the “2007 Plan”), effective November 21, 2006, to provide incentives to certain eligible employees, directors and consultants. A maximum of 10.0 million shares of the Company's common stock can be issued under the 2007 Plan in connection with the grant of awards. Awards to purchase common stock have been granted pursuant to the 2007 Plan and are outstanding to various employees, officers, directors, Scientific Advisory Board members and independent distributors at prices between $0.21 and $1.50 per share, with initial vesting periods of one to three years. Awards expire in accordance with the terms of each award and the shares subject to the award are added back to the 2007 Plan upon expiration of the award. The contractual term of stock options granted is generally ten years. As of March 31, 2014 there were awards outstanding, net of awards expired, for the purchase in aggregate of 2.5 million shares of the Company's common stock.

The Company adopted and the shareholders approved the 2010 Long-Term Incentive Plan (the “2010 Plan”), effective September 27, 2010, as amended on January 10, 2012, to provide incentives to eligible employees, directors and consultants who contribute to the strategic and long-term performance objectives and growth of the Company. A maximum of 6.9 million shares of the Company’s common stock can be issued under the 2010 Plan in connection with the grant of awards. Awards to purchase common stock have been granted pursuant to the 2010 Plan and are outstanding to various employees, officers and directors. Outstanding stock options awarded under the 2010 Plan have exercise prices between $0.63 and $3.53 per share, and vest over one to four year vesting periods. Awards expire in accordance with the terms of each award and the shares subject to the award are added back to the 2010 Plan upon expiration of the award. The contractual term of stock options granted is generally ten years. As of March 31, 2014 there were awards outstanding, net of awards expired, for an aggregate of 3.3 million shares of the Company’s common stock.

The Company adopted a Performance Incentive Plan (the “Performance Plan”), effective July 1, 2013, to provide selected employees an opportunity to earn performance-based cash bonuses whose value is based upon the Company’s stock value and to encourage such employees to provide services to the Company and to attract new individuals with outstanding qualifications. The Performance Plan seeks to achieve this purpose by providing for awards in the form of performance share units (the “Units”). No shares will be issued under the Performance Plan. Awards may be settled only with cash and will be paid subsequent to award vesting. The fair value of share-based compensation awards, that include performance shares, are accounted for as liabilities. Vesting for the Units is subject to achievement of both service-based and performance-based vesting requirements. Performance-based vesting occurs in three installments if the Company meets certain performance criteria generally set for each year of a three-year performance period. The service-based vesting criteria occurs in three annual installments which are achieved at the end of a given fiscal year only if the participant has continuously remained in service from the date of award through the end of that fiscal year. The fair value of these awards is based on the trading price of our common stock and is remeasured at each reporting period date until settlement.

Stock-Based Compensation

In accordance with accounting guidance for stock-based compensation, payments in equity instruments for goods or services are accounted for under the fair value method. For the three and nine months ended March 31, 2014, stock-based compensation of $0.6 million and $2.0 million was reflected as an increase to additional paid in capital, all of which was employee related and $103,000 and $125,000 was reflected as an increase to other accrued expenses. For the three and nine

months ended March 31, 2013, stock-based compensation of $0.6 million and $1.6 million, was reflected as an increase to additional paid in capital, all of which was employee related.

For the nine months ended March 31, 2014, no stock options were awarded. For the nine months ended March 31, 2013, the fair value of stock option awards was estimated using the Black-Scholes option-pricing model with the following assumptions and weighted average fair values:

	Nine Months Ended March 31,	
	2014	2013
Risk-free interest rate	N/A	0.46% - 1.19%
Dividend yield	N/A	—%
Expected life in years	N/A	3.0 - 6.0
Expected volatility	N/A	113% - 127%

Note 6 — Contingencies

The Company is occasionally involved in lawsuits and disputes arising in the normal course of business. In the opinion of management, based upon advice of counsel, the likelihood of an adverse outcome in any litigation currently pending against the Company is remote. As such, management currently believes that the ultimate outcome of these lawsuits will not have a material impact on the Company's financial position or results of operations.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

We are a company dedicated to helping people achieve their health, wellness and financial independence goals. We provide quality, scientifically-validated products and a financially rewarding network marketing business opportunity to preferred customers and independent distributors who seek a healthy lifestyle and financial freedom. We sell our products in the United States, Japan, Hong Kong, Australia, Canada, Philippines, and Mexico primarily through a network of independent distributors, and to our preferred customers.

We engage in the identification, research, development and distribution of advanced nutraceutical dietary supplements and skin care products, including, Protandim®, our scientifically-validated dietary supplement, LifeVantage TrueScience® , our anti-aging skin care product, and Canine Health®, our companion pet supplement formulated to fight oxidative stress in dogs. We currently focus our internal research efforts on oxidative stress solutions, particularly the activation of Nuclear factor (erythroid-derived 2)-like 2, also known as Nrf2, as it relates to health-related disorders. We also evaluate healthy living products developed by third party research companies that we believe are scientifically-validated and compatible with our current product offerings.

Our Products

Our products are Protandim®, a full-line of LifeVantage TrueScience® skin care products and Canine Health®. Protandim® contains a proprietary blend of ingredients and has been shown to combat oxidative stress by increasing the body's natural antioxidant protection at the genetic level, inducing the production of naturally-occurring protective antioxidant enzymes including superoxide dismutase, catalase, and glutathione synthase. Our full-line of LifeVantage TrueScience® skin care products was introduced in April 2014 and consists of TrueScience Ultra Gentle Facial Cleanser, TrueScience Perfecting Lotion, TrueScience Eye Corrector Serum, and an enhanced version of our LifeVantage TrueScience® anti-aging skin care lotion. Canine Health® is a supplement formulated to combat oxidative stress in dogs through Nrf2 activation.

We sell our Protandim®, LifeVantage TrueScience® and Canine Health® products through a direct selling model to independent distributors and to our preferred customers.

Customers

Because we utilize a direct selling model for the distribution of our products, the success and growth of our business is primarily based on our ability to attract new and retain existing independent distributors. Changes in our product sales are typically the result of variations in product sales volume relating to fluctuations in the number of active independent distributors and preferred customers purchasing our products. The number of active independent distributors and preferred customers is, therefore, used by management as a key non-financial measure.

The following tables summarize the changes in our active customer base by geographic region. These numbers have been rounded to the nearest thousand as of the dates indicated. For purposes of this report, we only count as active customers those independent distributors and preferred customers who have purchased from us at any time during the most recent three-month period, either for personal use or for resale.

Active Independent Distributors By Region						
	March 31,					
	2014		2013		Change from Prior Year	Percent Change
Americas	43,000	58.9%	38,000	60.3%	5,000	13.2%
Asia/Pacific	30,000	41.1%	25,000	39.7%	5,000	20.0%
	73,000	100.0%	63,000	100.0%	10,000	15.9%

Active Preferred Customers By Region						
	March 31,					
	2014		2013		Change from Prior Year	Percent Change
Americas	106,000	79.1%	115,000	82.1%	(9,000)	(7.8)%
Asia/Pacific	28,000	20.9%	25,000	17.9%	3,000	12.0 %
	134,000	100.0%	140,000	100.0%	(6,000)	(4.3)%

Three and Nine months Ended March 31, 2014 Compared to Three and Nine months Ended March 31, 2013

Revenue. We generated net revenue of $55.1 million and $50.4 million during the three months ended March 31, 2014 and 2013, respectively. We generated net revenue of $157.9 million and $156.7 million during the nine months ended March 31, 2014 and 2013, respectively. Foreign currency fluctuations negatively impacted our revenue $2.3 million or 4.6% and $9.8 million or 6.2% during the three and nine months ended March 31, 2014, respectively.

Americas. The following table sets forth revenue for the three and nine months ended March 31, 2014 and 2013 for the Americas region (in thousands):

	Three Months Ended March 31,			Nine Months Ended March 31,		
	2014	2013	% Change	2014	2013	% Change
United States	$ 31,619	$ 32,721	(3.37)%	$ 98,415	$ 96,779	1.7%
Other	1,022	377	171.09 %	3,142	941	233.9%
Americas Total	$ 32,641	$ 33,098	(1.4)%	$ 101,557	$ 97,720	3.9%

Revenue in the Americas region for the three and nine months ended March 31, 2014 decreased $0.5 million or 1.4% and increased $3.8 million or 3.9% from the three and nine months ended March 31, 2013, respectively. The decrease in revenue during the three months ended March 31, 2014 is due to lower volume of product sales in the United States partially offset by increased volume in Canada as compared to the prior year same period. The increase in revenue during the nine months ended March 31, 2014 is due to higher volume of product sales in the United States as well as Canada as compared to the prior year same period.

Asia/Pacific. The following table sets forth revenue for the three and nine months ended March 31, 2014 and 2013 for the Asia/Pacific region and its principal markets (in thousands):

	Three Months Ended March 31,			Nine Months Ended March 31,		
	2014	2013	% Change	2014	2013	% Change
Japan	$ 19,202	$ 15,284	25.6%	$ 48,122	$ 55,080	(12.6)%
Hong Kong	2,278	1,203	89.4%	5,872	1,203	388.1 %
Other	943	785	20.1%	2,379	2,664	(10.7)%
Asia/Pacific Total	$ 22,423	$ 17,272	29.8%	$ 56,373	$ 58,947	(4.4)%

Revenue in the region for the three and nine months ended March 31, 2014 was negatively impacted approximately $2.2 million or 12.9% and $9.6 million or 16.2%, respectively, by foreign currency exchange rate fluctuations.

During the three and nine months ended March 31, 2014 the Japanese yen continued to weaken against the U.S. dollar, negatively impacting our revenue in this market by $2.1 million or 13.8% and $9.3 million or 16.8%, respectively. The negative impact of foreign currency rate fluctuations was offset by an increase in volume of product sales in Japan and Hong Kong for the three months ended March 31, 2014 as compared to the prior year same period. For the nine months ended March 31, 2014 the negative impact of foreign currency rate fluctuations was partially offset by an increase in volume of product sales in Japan and Hong Kong as compared to the prior year same period. Effective April 1, 2014 we implemented a price increase in our Japan market of 20% to offset the yen devaluation.

All of our sales and marketing efforts were directed toward building our network marketing sales. We expect to continue to focus our efforts on strengthening our distributor and preferred customer culture to promote growth and retention, developing new products, and expanding our reach geographically into new markets.

Gross Margin. Our gross profit percentage for the three months ended March 31, 2014 and 2013 was 84.6% and 86.4%, respectively. Our gross profit percentage for the nine months ended March 31, 2014 and 2013 was 84.7% and 81.3%, respectively.

As a percentage of total revenues, cost of sales for the three months ended March 31, 2014 increased to 15.4% from 13.6% for the three months ended March 31, 2013 and decreased for the nine months ended March 31, 2014 to 15.3% from 18.7% for the nine months ended March 31, 2013. The increase for the three months ended March 31, 2014 was due to increases in shipping and warehousing expenses associated with the shipment of product into new international markets, partially offset by a benefit associated with the release of inventory reserves, as well as initial cost recoveries from insurance of approximately $511,000 related to the product recall that was recorded in the prior year same period. The decrease for the nine months ended was primarily due to product recall costs of $5.4 million recorded in the prior year same period. We expect to recognize a benefit associated with the rework of previously recalled inventory within the next two quarters.

Operating Expenses. Total operating expenses during the three months ended March 31, 2014 were $42.1 million as compared to operating expenses of $39.6 million during the three months ended March 31, 2013. Total operating expenses during the nine months ended March 31, 2014 were $119.0 million as compared to operating expenses of $115.5 million during the nine months ended March 31, 2013.

Operating expenses consist of sales and marketing, general and administrative, research and development, and depreciation and amortization expenses. Primary factors that may cause our operating expenses to fluctuate include changes in the number of employees, foreign exchange rates, and the impact of our variable compensation programs, which are driven by overall operating results. A fluctuation in our stock price may also impact our share-based compensation expense that is related to liability classified awards. The increase in total operating expenses for the three and nine months ended March 31, 2014 was primarily due to increased sales and marketing expenses.

We expect our operating expenses, as a percent of revenue, to remain relatively consistent with the current year results.

Sales and Marketing Expenses. Sales and marketing expenses during the three months ended March 31, 2014 were $32.5 million as compared to sales and marketing expenses of $29.8 million for the three months ended March 31, 2013. Sales and marketing expenses during the nine months ended March 31, 2014 were $92.5 million as compared to sales and marketing expenses of $89.0 million for the nine months ended March 31, 2013.

The increase in sales and marketing expenses for the three and nine months ended March 31, 2014 was due primarily to increased costs for distributor commissions, incentives, and events. Costs also increased as a result of our jersey-front sponsorship.

We expect our sales and marketing expenses to increase slightly during the remainder of fiscal 2014, as compared to the same period in fiscal 2013, as we continue to focus our efforts on increasing revenue through growth and retention both domestically and internationally.

General and Administrative Expenses. General and administrative expenses during the three months ended March 31, 2014 were $8.5 million as compared to general and administrative expenses of $8.4 million for the three months ended March 31, 2013. General and administrative expenses during the nine months ended March 31, 2014 were $23.4 million as compared to general and administrative expenses of $23.2 million for the nine months ended March 31, 2013.

The increase in general and administrative expenses during the nine months ended March 31, 2014 was due primarily to an increase in salaries and wages as compared to the prior year same period that resulted from a reduction in our estimated incentive payout that occurred during the nine months ended March 31, 2013. This was offset by a decrease in recruiting costs.

We expect our general and administrative expenses to remain relatively consistent with the current year results.

Research and Development Expenses. Research and development expenses during the three months ended March 31, 2014 were $0.7 million as compared to research and development expenses of $0.8 million for the three months ended March 31, 2013. Research and development expenses during the nine months ended March 31, 2014 were $1.5 million as compared to research and development expenses of $2.1 million for the nine months ended March 31, 2013.

The decrease in research and development expenses during the three and nine months ended March 31, 2014 was primarily due to a reduction in salaries and benefits related to the retirement of Dr. McCord. The decrease was partially offset by increases in professional services costs related to new product development.

The recognition and timing of research and development expenses will be dependent upon entry into specific research and development projects. We expect our research and development expenses to increase slightly during the remainder of fiscal 2014, as compared to the same period in fiscal 2013, as a result of our continued efforts in new product development.

Depreciation and Amortization Expense. Depreciation and amortization expense during the three months ended March 31, 2014 was $0.5 million as compared to depreciation and amortization expense of $0.5 million for the three months ended March 31, 2013. Depreciation and amortization expense during the nine months ended March 31, 2014 was $1.5 million as compared to depreciation and amortization expense of $1.2 million for the nine months ended March 31, 2013.

While depreciation and amortization remained relatively consistent with the prior year, the slight increase for the nine months ended March 31, 2014 was due primarily to capital acquisitions in the United States and Japan.

Other Income (Expenses), Net. During the three and nine months ended March 31, 2014 we recognized net other expenses of $1.3 million and $1.6 million, respectively, as compared to net other income of $122,000 for the three months ended March 31, 2013 and net other expense of $0.4 million for the nine months ended March 31, 2013.

Net other expense for the three months ended March 31, 2014 consisted primarily of interest expense. Net other expense for the nine months ended March 31, 2014 consisted primarily of interest expense offset by income related to a business development incentive and by foreign currency gains and losses.

The following table sets forth interest expense for the three and nine months ended March 31, 2014 and 2013 (in thousands):

	For the Three Months Ended March 31,		For the Nine Months Ended March 31,	
	2014	2013	2014	2013
Contractual interest expense:				
2013 Term Loan	$ 1,047	$ —	$ 1,800	$ —
Amortization of deferred financing fees:				
2013 Term Loan	60	—	99	—
Amortization of debt discount:				
2013 Term Loan	46	—	76	—
Other	7	—	21	—
Total interest expense	$ 1,160	$ —	$ 1,996	$ —

Income Tax Expense. We recognized income tax expense of $0.7 million and $4.1 million for the three and nine months ended March 31, 2014 as compared to income tax expense of $0.6 million and $3.6 million for the three and nine months ended March 31, 2013.

Our provision for income taxes for the three and nine months ended March 31, 2014 consisted primarily of federal, state and foreign tax on anticipated fiscal 2014 income which was partially offset by tax benefits related to research and development credits and domestic production activities deduction.

Liquidity and Capital Resources

Liquidity

Our primary liquidity and capital resource requirements are to finance the cost of our planned sales and marketing efforts, the manufacture and sale of our products, to pay our general and administrative expenses, and to service our debt. Our primary source of liquidity is cash generated from the sales of our products.

As of March 31, 2014, our available liquidity was $35.7 million, including available cash and cash equivalents. This represented an increase of $9.4 million from the $26.3 million in cash and cash equivalents as of June 30, 2013.

During the nine months ended March 31, 2014, our net cash provided by operating activities was $10.2 million as compared to net cash provided by operating activities of $10.1 million during the nine months ended March 31, 2013.

During the nine months ended March 31, 2014, our net cash used in investing activities was $1.7 million, due to the purchase of fixed assets. During the nine months ended March 31, 2013, our net cash used in investing activities was $4.6 million due to the purchases of fixed assets.

Cash provided by financing activities during the nine months ended March 31, 2014 was $1.2 million compared to cash used in financing activities of $2.8 million during the nine months ended March 31, 2013. Cash provided by financing activities during the nine months ended March 31, 2014 related to the proceeds from the 2013 Term Loan and proceeds from the exercise of stock options and warrants. The increase was offset by the repurchase of company stock, fees paid in connection with the 2013 Term Loan, and payment on the 2013 Term Loan.

At March 31, 2014 and June 30, 2013, the total amount of our foreign subsidiary cash was $6.7 million and $4.2 million, respectively.

At March 31, 2014, we had working capital (current assets minus current liabilities) of $31.0 million, compared to working capital of $25.4 million at June 30, 2013. We expect that our cash and cash equivalents balances and our ongoing cash flow from operations will be sufficient to satisfy our cash requirements for at least the next 12 months. The majority of our historical expenses have been variable in nature and as such, a potential reduction in the level of revenue would reduce our cash flow needs. In the event that our current cash balances and future cash flow from operations are not sufficient to meet our obligations or strategic needs, we would consider raising additional funds. Our credit facility, however, contains covenants that restrict our ability to raise additional funds in the debt or equity markets and repurchase our equity securities without prior approval from the lender. Additionally, we would consider realigning our strategic plans including a reduction in capital spending.

Capital Resources

On October 18, 2013, we entered into a Financing Agreement providing for a term loan facility in an aggregate principal amount of $47 million (the "Term Loan") and a delayed draw term loan facility in an aggregate principal amount not to exceed $20 million (the "Delayed Draw Term Loan" and collectively with the Term Loan, the "Credit Facility"). The Delayed Draw Term Loan will be available for borrowing in specified minimum amounts from time to time beginning after the effective date (as defined in the Financing Agreement) until October 18, 2014 or until the Delayed Draw Term Loan is reduced to zero, if earlier. As of March 31, 2014 we had not borrowed any amounts under the Delayed Draw Term Loan.

The Credit Facility contains customary negative covenants that, among other things, restrict us from undertaking specified corporate actions such as, creation of liens, incurrence of additional indebtedness, making certain investments with affiliates, changes of control, having excess foreign cash, issuance of equity, repurchasing our equity securities, and making certain restricted payments, including dividends, without prior approval from the lender. At March 31, 2014 we were not in compliance with the non-financial covenant restricting us from having excess foreign cash. The Company's foreign cash balance exceeded the covenant limit of $5.5 million. On April 7, 2014 we obtained a waiver of the violation from the lender.

The Credit Facility also contains various financial covenants that require us to maintain a certain consolidated EBITDA, certain leverage and fixed charges ratios as well as a minimum level of liquidity. Specifically, we must:

- Have a consolidated EBITDA (as defined in the Financing Agreement) amount greater than $9.5 million for the two consecutive fiscal quarters ending March 31, 2014;
- Have a total leverage ratio (as defined in the Financing Agreement) of less than 2.39 to 1.00 for the quarter ended March 31, 2014. Our leverage ratio requirement decreases over time to 1.25 to 1.00 for the quarter ended June 30, 2016, and remains level thereafter;
- Have a fixed charge ratio (as defined in the Financing Agreement) of greater than 1.20 to 1.00 for the two consecutive fiscal quarters ending March 31, 2014. Our fixed charge requirement remains level through the quarter ended December 31, 2014, after which it increases to 1.25 to 1.00 thereafter; and
- Have no less than $10 million in unrestricted cash and cash equivalents at any time when the total leverage ratio is greater than 1.25 to 1.00.

At March 31, 2014, we were in compliance with the applicable financial covenants under the Credit Facility. Additionally, management anticipates that in the normal course of operations, we will be in compliance with the financial covenants during the ensuing year.

Off-Balance Sheet Arrangements

As of March 31, 2014, we did not have any off-balance sheet arrangements.

Critical Accounting Policies

We prepare our financial statements in conformity with accounting principles generally accepted in the United States of America. As such, we are required to make certain estimates, judgments, and assumptions that we believe are reasonable based upon the information available. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. Actual results could differ from these estimates. Our significant accounting policies are described in Note 2 to our financial statements. Certain of these significant accounting policies require us to make difficult, subjective, or complex judgments or estimates. We consider an accounting estimate to be critical if (1) the accounting estimate requires us to make assumptions about matters that were highly uncertain at the time the accounting estimate was made, and (2) changes in the estimate that are reasonably likely to occur from period to period, or use of different estimates that we reasonably could have used in the current period, would have a material impact on our financial condition or results of operations.

There are other items within our financial statements that require estimation, but are not deemed critical as defined above. Changes in estimates used in these and other items could have a material impact on our financial statements. Management has discussed the development and selection of these critical accounting estimates with our board of directors, and the audit committee has reviewed the foregoing disclosure.

Allowances for Product Returns

We record allowances for product returns at the time we ship the product based on estimated return rates. Customers may return unopened product to us within 30 days of purchase for a refund of the purchase price less shipping and handling. As of

March 31, 2014, our shipment of products sold totaling $20.4 million were subject to the return policy. In addition, we allow terminating distributors to return up to 30% of unopened, unexpired product they purchased within the prior twelve months.

We monitor our return estimate on an ongoing basis and may revise the allowances to reflect our experience. Our allowance for product returns was $0.6 million at March 31, 2014, compared with $0.6 million at June 30, 2013. To date, product expiration dates have not played any role in product returns, and we do not expect they will in the future because it is unlikely that we will ship product with an expiration date earlier than the latest allowable product return date.

Inventory Valuation

We value our inventory at the lower of cost or market value on a first in first out basis. Accordingly, we reduce our inventories for the diminution of value resulting from product obsolescence, damage or other issues affecting marketability equal to the difference between the cost of the inventory and its estimated market value. Factors utilized in the determination of estimated market value include (i) current sales data and historical return rates, (ii) estimates of future demand, (iii) competitive pricing pressures, (iv) new production introductions, (v) product expiration dates, and (vi) component and packaging obsolescence. We have recorded $37,000 of obsolescence costs for the three months ended March 31, 2014.

Revenue Recognition

We ship the majority of our product directly to the consumer and receive substantially all payment for these sales in the form of credit card receipts. Revenue from direct product sales to customers is recognized upon passage of title and risk of loss.

Stock-Based Compensation

We use the fair value approach to account for stock-based compensation in accordance with current accounting guidance. We recognize compensation costs for awards with performance conditions when we conclude it is probable that the performance conditions will be achieved. We reassess the probability of vesting at each balance sheet date and adjust compensation costs based on our probability assessment.

Research and Development Costs

We expense all of our payments related to research and development activities.

Commitments and Obligations

The following table summarizes our contractual payment obligations and commitments as of March 31, 2014 (in thousands):

		Payments due by period			
Contractual Obligations	**Total**	**Less than 1 year**	**1-3 years**	**3-5 years**	**Thereafter**
Long-term debt obligations	$ 45,825	$ 4,700	$ 14,100	$ 27,025	$ —
Interest on long-term debt obligations	14,609	3,949	9,356	1,304	—
Operating lease obligations	16,419	2,294	6,176	3,837	4,112
Total	$ 76,853	$ 10,943	$ 29,632	$ 32,166	$ 4,112

Recently Issued Accounting Standards

We have reviewed recently issued, but not yet effective, accounting pronouncements and do not believe any such pronouncements will have a material impact on our financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We conduct business in several countries and intend to continue to grow our international operations. Net sales, operating income, and net income are affected by fluctuations in currency exchange rates and other uncertainties in doing business and selling products in more than one currency. In addition, our operations are exposed to risks associated with changes in social, political and economic conditions inherent in international operations, including changes in the laws and policies that govern international investment in countries where we have operations, as well as, to a lesser extent, changes in U. S. laws and regulations relating to international trade and investment.

Foreign Currency Risk

During the nine months ended March 31, 2014, approximately 37.7% of our net sales were realized outside of the United States. The local currency of each international subsidiary is generally the functional currency. All revenues and expenses are translated at weighted average exchange rates for the periods reported. Therefore, our reported revenue and earnings will be positively impacted by a weakening of the U.S. dollar and will be negatively impacted by a strengthening of the U.S. dollar. Given the large portion of our business derived from Japan, any weakening of the Japanese Yen will negatively impact our reported revenue and profits, whereas a strengthening of the Japanese Yen will positively impact our reported revenue and profits. Because of the uncertainty of exchange rate fluctuations, it is difficult to predict the effect of these fluctuations on our future business, product pricing and results of operations or financial condition. Changes in various currency exchange rates affect the relative prices at which we sell our products. We regularly monitor our foreign currency risks and periodically take measures to reduce the risk of foreign exchange rate fluctuations on our operating results. Additionally, we may seek to reduce our exposure to fluctuations in foreign currency exchange rates through the use of foreign currency exchange contracts. We do not use derivative financial instruments for trading or speculative purposes. At March 31, 2014 we did not have any derivative instruments.

Interest Rate Risks

As of March 31, 2014, we had $45.8 million in variable rate debt issued pursuant to the Financing Agreement we entered into on October 18, 2013. Based on the amount of our variable debt as of March 31, 2014, a hypothetical 100 basis point increase or decrease in interest rates on our variable rate debt would increase or decrease our annual interest expense by approximately $0.4 million. This change in market risk exposure was driven by our borrowings in connection with our repurchase of shares of our common stock under the Tender Offer.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) that are designed to ensure that the information required to be disclosed in the reports we file or submit under the Exchange Act is (a) recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and (b) accumulated and communicated to management, including our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), as appropriate, to allow timely decisions regarding required disclosure. As of the end of the period covered by this Quarterly Report on Form 10-Q, we carried out an evaluation, under the supervision and with the participation of our management, including our CEO and CFO, of the effectiveness and design and operation of such disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based on this evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective as of March 31, 2014.

Changes In Internal Control over Financial Reporting

An evaluation required by paragraph (d) of Rules 13a-15 and 15d-15 of the Exchange Act was also performed under the supervision and with the participation of our management, including our CEO and CFO, of any change in our internal control over financial reporting that occurred during our last fiscal quarter. That evaluation did not identify any changes in our internal control over financial reporting during the three months ended March 31, 2014 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II Other Information

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors

The following description of risk factors includes any material changes to, and, if applicable, supersedes the description of, risk factors associated with our business previously disclosed in “Part I. Item 1A — Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended June 30, 2013, and it supplements and should be read in conjunction with the detailed discussion of risks associated with our business in our recent SEC filings, including the risk factors discussed in “Part I. Item 1A — Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended June 30, 2013.

Our credit facility includes debt service obligations and restrictive covenants that could impede our operations and flexibility.

We entered into a Financing Agreement on October 18, 2013 that provides for a term loan facility in an aggregate principal amount of up to $47 million and a delayed draw term loan facility in an aggregate principal amount not to exceed $20 million (collectively, the "Credit Facility"). The principal amount borrowed under the Credit Facility is payable in consecutive quarterly installments beginning with the calendar quarter ended March 31, 2014. We expect to generate the cash necessary to pay the principal and interest on the Credit Facility from our cash flows provided by operating activities. However, our ability to meet our debt service obligations will depend on our future performance, which may be affected by financial, business, economic, demographic and other factors. If we do not have enough money to pay our debt service obligations, we may be required to refinance all or part of our debt, sell assets, borrow more money or raise cash through the sale of equity. In such an event, we may not be able to refinance our debt, sell assets, borrow more money or raise cash through the sale of equity on terms acceptable to us or at all. Also, our ability to carry out any of these activities on favorable terms, if at all, may be further impacted by any financial or credit crisis which may limit access to the credit markets and increase the cost of capital.

The Credit Facility is secured by a lien on substantially all of our assets, and the assets of our subsidiaries, and contains customary negative covenants that, among other things, restrict us from undertaking specific corporate actions such as, creation of liens, incurrence of additional indebtedness, making certain investments with affiliates, causing a change of control, having excess foreign cash, issuance of equity, repurchasing our equity securities and making certain restricted payments, including dividends, without prior approval from the lender. The Credit Facility includes financial covenants that require us to maintain specified financial ratios and satisfy certain financial condition tests. Our ability to meet these financial ratios and tests can be affected by events beyond our control and we may be unable to meet these ratios and tests. At March 31, 2014, we were not in compliance with the non-financial covenant restricting us from having excess foreign cash. The Company's foreign cash balance exceeded the covenant limit of $5.5 million. On April 7, 2014, we obtained a waiver of the violation from the lender. A breach of any of the covenants, ratios, tests or restrictions imposed by the Credit Facility could result in an event of default and, if such breach is not waived by the lender, the lender could declare all amounts outstanding under the Credit Facility to be immediately due and payable. Our assets may not be sufficient to repay the indebtedness if the lenders accelerate our repayment of the indebtedness under the Credit Facility.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

During the period covered by this report, we issued 258,000 unregistered shares of our common stock upon the exercise of various warrants. The shares issued were exempt from registration under the Securities Act of 1933 pursuant to Section 3(a)(9) thereof.

On March 11, 2014, we announced that our board of directors authorized us to repurchase an aggregate amount of up to $3 million of shares of our common stock. As part of that repurchase program, we entered into a pre-arranged stock repurchase plan that operates in accordance with guidelines specified under Rule 10b5-1 of the Securities Exchange. Unless earlier terminated in accordance with its terms, the pre-arranged stock repurchase plan terminates on the earlier of (i) June 8, 2014 or (ii) the date on which the aggregate dollar amount of shares purchased under the plan reaches $3 million. As of March 31, 2014, we had not made any purchases of our common stock pursuant to this repurchase program.

During the quarter ended March 31, 2014 we withheld 97,000 shares to satisfy tax withholding obligations in connection with the partial vesting of restricted stock awards.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

See the exhibit index immediately following the signature page of this report.

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 thereunto duly authorized.

LIFEVANTAGE CORPORATION

Date: May 6, 2014

/s/ *Douglas C. Robinson*

Douglas C. Robinson
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 6, 2014

/s/ *David S. Colbert*

David S. Colbert
Chief Financial Officer
(Principal Financial Officer)

Exhibit Index

Exhibit	Description
10.1#	Commercial Supply Agreement dated January 31, 2014 between LifeVantage Corporation and Deseret Laboratories, Inc.
10.2	Amended and Restated Employment Agreement dated effective as of March 24, 2014 between LifeVantage Corporation and Douglas C. Robinson
10.3	First Amendment to Lease entered into as of March 24, 2014 between Sandy Park II L.L.C. and LifeVantage Corporation
31.1	Certification of principal executive officer pursuant to Rule 13a-14(a)/15d-14(a)
31.2	Certification of principal financial officer pursuant to Rule 13a-14(a)/15d-14(a)
32.1*	Certification of principal executive officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of principal financial officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101**	The following financial information from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2014 formatted in XBRL (extensible Business Reporting Language): (i) Unaudited Condensed Consolidated Balance Sheets at March 31, 2014 and June 30, 2013; (ii) Unaudited Condensed Consolidated Statements of Operations and Other Comprehensive Income for the three months and nine months ended March 31, 2014 and 2013; (iii) Unaudited Condensed Consolidated Statement of Stockholders' Deficit for the nine months ended March 31, 2014; (iv) Unaudited Condensed Consolidated Statements of Cash Flows for the nine months ended March 31, 2014 and 2013; and (v) Notes to Unaudited Condensed Consolidated Financial Statements, tagged as blocks of text.

The Company has requested confidential treatment for portions of this agreement. Accordingly, certain portions of this agreement have been omitted in the version filed with this report and such confidential portions have been filed with the Securities and Exchange Commission.

* This certification is being furnished solely to accompany this report pursuant to 18 U.S.C. 1350, and is not being filed for purposes of Section 18 of the Exchange Act and is not to be incorporated by reference into any filing of the registrant, whether made before or after the date hereof, regardless of any general incorporation language in such filing

** Users of this data are advised that pursuant to Rule 406T of Regulation S-T, this XBRL information is being furnished and not filed herewith for purposes of Section 18 of the Exchange, and Sections 11 or 12 of the Securities Act of 1933 and is not to be incorporated by reference into any filing, or part of any registration statement or prospectus, of LifeVantage Corporation, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Exhibit 10.1

COMMERCIAL SUPPLY AGREEMENT

THIS COMMERCIAL SUPPLY AGREEMENT (this "***Agreement***") is made as of January 31, 2014 (the "***Effective Date***") by and between LifeVantage Corporation, a Colorado corporation having a place of business at 9815 South Monroe Street, Suite 100, Sandy, Utah 84070 ("***Company***") and Deseret Laboratories, Inc., a Utah corporation having a place of business at 1414 East 3850 South, St. George, Utah 84790 ("***Manufacturer***"). Each of Company and Manufacturer is referred to as a "***Party***" and, collectively, the "***Parties***".

WITNESSETH:

WHEREAS, Company develops, sells and distributes unique nutritional supplements and personal care products;

WHEREAS, Company desires that Manufacturer manufacture and supply certain products of Company's based on Company's formulas and specifications on the terms set forth herein; and

WHEREAS, Manufacturer desires to manufacture and supply such products on the terms set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual promises and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, Company and Manufacturer agree as follows.

Article 1
DEFINITIONS

The following words and phrases when used herein with capital letters shall have the meanings set forth or referenced below.

1.1 "***Adverse Supply Event***" shall have the meaning set forth in Section 4.2(b).

1.2 "***Affiliate***" shall mean any corporation or other entity which controls, is controlled by, or is under common control with a Party to this Agreement at any time during the Term. A corporation or other entity shall be regarded as in control of another corporation or other entity if it owns, or directly or indirectly controls, in excess of fifty percent (50%) of the voting stock or membership interests of the other entity or if it possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation or non-corporate business entity, as applicable.

1.3 "***Applicable Law***" shall mean the Federal Food, Drug and Cosmetic Act and all other applicable laws, rules, regulations, guidelines, and standards, including, without limitation, cGMPs.

1.4 "***cGMP***" shall mean the current good manufacturing practices required by the FDA and set forth in the United States Federal Food, Drug and Cosmetic Act or FDA regulations, policies or guidelines in effect at any time during the Term applicable to the Products, and all corresponding industry standards and requirements of each applicable Regulatory Authority.

1.5 "***Company IP***" shall mean intellectual property, including but not limited to: (i) Company's rights and interests in and to issued patents and pending patent applications, including, without limitation, all provisional applications, substitutions, continuations, continuations-in-part, divisionals, and renewals, all letters patent granted thereon, and all re-issues, re-examinations and extensions thereof, and supplemental protection certificates relating thereto, which relate to Product; (ii) all Technology related to Product; and (iii) any Improvements to the foregoing.

1.6 "***Company Project IP***" shall have the meaning set forth in Section 9.2.

1.7 "***Confidential Information***" shall mean the proprietary and confidential information of a Party disclosed under this Agreement, part of a prior disclosure, or developed hereunder, except any portion thereof which:

(a) is known to the recipient at the time of the disclosure, as evidenced by its written records or other competent evidence;

(b) is disclosed to the recipient by a third person lawfully in possession of such information and not under an obligation of nondisclosure;

(c) is published or generally known to the public, either before or after the date of disclosure through no act or omission on the part of the recipient;

(d) is developed by or for the recipient independently of Confidential Information disclosed hereunder as evidenced by the recipient's written records or other competent evidence; or

(e) is required by law to be disclosed by the recipient, to defend or prosecute litigation or to comply with governmental regulations, provided that the recipient gives the other Party hereto prompt prior written notice of such legal requirement, such that such other Party shall have the opportunity to apply for confidential treatment of such Confidential Information, and reasonably cooperates therewith. The Confidential Information of Company shall be deemed to include all information concerning the terms and existence of this Agreement, as well as all Technology, Company IP, Company Project IP, Company's Other Project IP and other information relating to the Products.

1.8 "***Customer Representative in Plant***" shall have the meaning set forth in Section 7.5.

1.9 "***Equipment***" shall mean, as applicable, all equipment used to prepare, process, manufacture, blend, store, transport and package the Product.

1.10 "***FDA***" shall mean the United States Federal Drug Administration.

1.11 "***Firm Purchase Order***" shall have the meaning set forth in Section 5.2.

1.12 "***Force Majeure***" shall have the meaning set forth in Section 12.1(a).

1.13 "***Improvements***" shall mean any and all new developments by a Party, excluding Project IP, related to Product, Materials, manufacture or packaging, including, but not limited to, the Product's use, composition, formulation, development, or processing.

1.14 "***Initial Term***" shall have the meaning set forth in Section 10.1.

1.15 "***Materials***" shall mean all active raw materials used to prepare, process, manufacture, blend and package the Product.

1.16 "***Other Project IP***" shall have the meaning set forth in Section 9.2.

1.17 "***PAC***" shall mean the Product Advisory Committee as set forth in Section 3.1.

1.18 "***Product***" or "***Products***" shall mean the products set forth on Exhibit A and other proprietary products purchased by Company under Firm Purchase Orders pursuant to this Agreement to be blended, manufactured, tableted and inspected, bottled, labeled, sealed, and packaged by manufacturer in accordance with the Product Specifications.

1.19 "***Product Specifications***" shall mean those product specifications identified on the Purchase Order; provided that any modification or amendment to the Product Specifications shall be mutually agreed on in writing by the Parties.

1.20 "***Project IP***" shall mean any developments, inventions, Improvements or Technology developed or conceived by the Company or Manufacturer pursuant to or in connection with this Agreement, or using, based on or derived from Company IP or Company Confidential Information.

1.21 "***Purchase Order***" shall mean written orders from Company to Manufacturer, which shall specify: (a) the quantity of Products ordered; (b) delivery dates; and (c) delivery destinations.

1.22 "***Quality Agreement***" shall have the meaning set forth in Section 7.2.

1.23 "***Regulatory Authority***" shall mean, with respect to the Territory, any federal, state or local or international regulatory agency, department, bureau or other governmental entity, including, without limitation, the FDA.

1.24 "***Renewal Term***" shall have the meaning set forth in Section 10.1.

1.25 "***Technology***" shall mean and include any and all unpatented proprietary ideas, inventions, patents, patent applications, discoveries, Confidential Information, trade secrets (including, without limitation, ingredient profiles, flavor profiles and flavors), data, formulae, designs, specifications, methods, processes for mixing, blending, preparing and manufacturing the Products, ingredient and flavor formulations, regulatory information, techniques, ideas, know-how, technical information, process information, control, manufacturing data and materials.

1.26 "***Territory***" shall mean all countries and jurisdictions in the world.

1.27 "***Term***" shall have the meaning set forth in Section 10.1.

1.28 "***Third Party***" shall mean a party other than Manufacturer or Company and their respective Affiliates.

Article 2
PRODUCT; ADDITIONAL SERVICES

2.1 ***Purchase and Sale of Products.*** Pursuant to the terms and conditions of this Agreement and for the duration of this Agreement, Manufacturer shall manufacture, sell and deliver to Company all Product ordered by Company, and Company shall purchase and take delivery from Manufacturer Product ordered by Company in Firm Purchase Orders. Company shall have the right at all times to obtain Products from one or more second sources.

2.2 ***Additional Services.*** During the Term, the Parties may agree that Manufacturer shall provide to Company the additional services agreed in writing by the Parties and annexed as an Exhibit hereto.

Article 3
PRODUCT MANAGEMENT COMMITTEE

3.1 ***Product Advisory Committee.*** Within thirty (30) days after the Effective Date, the Parties shall establish a Product Advisory Committee (the "***PAC***") to coordinate key Product issues including, without limitation, Product development, manufacturing process, ingredient procurement, quality and testing, and logistics relating to this Agreement. The PAC shall be composed of two (2) senior, qualified representatives from each Party (or from a Party's Affiliate), with representatives having experience in product development, finance, supply chain logistics, and manufacturing. A Party may replace one or both of its PAC representatives from time to time upon written notice to the other Party. The PAC shall exist during the Term, unless the Parties otherwise agree in writing. Each Party shall appoint one of its representatives on the PAC as its secretary. The secretary shall be responsible for scheduling meetings of the PAC and agendas for such meetings (at least ten (10) days before such meetings). The PAC secretary shall be responsible for having minutes of each PAC meeting prepared and circulated among

the PAC members within five (5) days after each meeting. For clarity, the PAC is an advisory committee, and Company shall maintain all final decision-making authority related to the Product and its development and manufacture.

3.2 ***PAC Meetings***. The PAC shall meet at least once every calendar quarter during the Initial Term (and more frequently, if mutually agreed by a majority of the PAC members) and annually thereafter. Meetings may be held by telephone or video-conference; provided that at least one (1) meeting per year shall be held in person. Meetings of the PAC shall be effective only if at least one (1) PAC representative of each Party participates in the meeting (in person or by telephone or video conference). Each Party shall be responsible for expenses incurred by its PAC representatives in attending or otherwise participating in PAC meetings. If only one PAC representative of a Party is present at a meeting, then that representative shall have the right to cast the vote of the absent Party representative.

3.3 ***PAC Responsibilities***. The PAC shall facilitate open communication, collaboration and cooperation between the Parties with respect to the Products and manufacturing thereof, and shall promote the prompt and reasonable resolution of issues or problems that may arise in connection therewith. The principal functions of the PAC are to foster a collaborative relationship between the Parties to expedite the efficient manufacturing and delivery of Product, discuss new Product development, discuss Product and manufacturing developments and challenges and work on solutions, disclose Project IP and process developments; and identify forecasting and sales trends.

Article 4
MANUFACTURE AND SUPPLY OF PRODUCTS

4.1 ***Manufacture.*** Manufacturer shall fulfill all Firm Purchase Orders in accordance with this Agreement. In the event of any supply interruption, Manufacturer agrees to promptly notify Company with full details and to use its best efforts to restore supply of Product to the levels forecasted and as contemplated in this Agreement as soon as possible, provided that such notice shall not change in any manner Manufacturer's obligations under this Agreement.

4.2 ***Failure and Shortfalls.***

(a) In the event that Manufacturer fails to deliver by the relevant delivery date at least ninety five percent (95%) of Product meeting the requirements of this Agreement under Firm Purchase Orders, Company may cancel the amount of the shortfall from the relevant Firm Purchase Orders and have the shortfall manufactured by one or more second sources.

(b) In the event that (i) Manufacturer has been given notice from a regulatory, governmental agency or Company indicating a significant regulatory deficiency or safety concern related to the Materials, the manufacture of Product or a Product-related facility, (ii) a Manufacturer facility has experienced a Force Majeure that prevents or materially curtails, or would reasonably be expected to prevent or materially curtail, the manufacture

and delivery of Product as contemplated hereunder, or (iii) Manufacturer is unable to comply, or has not complied, with a change in the manufacturing process that is required by a Regulatory Authority or by the Company, notwithstanding Company agreeing to pay the reasonable actual costs attributable to such change (each, an "***Adverse Supply Event***"), and Manufacturer cannot, or will not, remediate the circumstances of the Adverse Supply Event so that manufacture and delivery of Product can continue and/or resume under this Agreement as contemplated herein within thirty (30) days after the occurrence of the Adverse Supply Event, then Company may cancel relevant outstanding Purchase Orders, whether or not such Purchase Orders have been accepted by Manufacturer, and have all such Product manufactured by one or more second sources from the period beginning on the date of the Adverse Supply Event, or date that supply of Product ceased. Manufacturer shall use its best efforts to resume Product manufacture after any Adverse Supply Event including, without limitation, promptly complying with any reasonable manufacturing process changes requested by Company.

4.3 ***Regulatory Approval***. Manufacturer shall reasonably assist Company in obtaining any necessary governmental and regulatory approvals for the Products in any country in the Territory ("***Regulatory Approval***"). Manufacturer shall use its commercially reasonable efforts to successfully perform all activities requested by Company in order to obtain Regulatory Approvals for the Territory, which shall include, without limitation, performing all tasks in a timely and professional manner and adhering to all timelines required to obtain such approvals as quickly as practicable. Manufacturer shall be reasonably reimbursed, if said activities are excessive according to industry standards.

Article 5
ORDERS

5.1 ***Purchase Orders.***

(a) Company shall submit each Purchase Order for Product to Manufacturer at least sixty (60) days prior to the delivery date for the Products set forth therein. Company shall deliver to the Manufacturer the Materials needed for the manufacture of the Product no fewer than forty-five (45) days prior to such delivery date. Late deliveries of needed Materials will result in a corresponding adjustment to the delivery date.

(b) Each Purchase Order or any acknowledgment thereof, whether printed, stamped, typed, or written shall be governed by the terms of this Agreement and none of the provisions of such Purchase Order or acknowledgment shall be applicable except those specifying Product and quantity ordered, delivery dates, special shipping instructions and invoice information.

(c) Manufacturer shall deliver Product on the delivery dates set forth in each Firm Purchase Order, provided delivery may be up to thirty (30) days before or fifteen (15) days after any such delivery date. In the event that Manufacturer believes it may miss a

delivery date in a Firm Purchase Order submitted by Company, Manufacturer shall promptly give Company written notice of the same specifying in detail the reasons for the late delivery.

5.2 ***Purchase Order Confirmation.*** As soon as practicable but no later than five (5) days after receipt of Company's Purchase Orders issued in accordance with this Agreement, Manufacturer shall confirm to Company its receipt of the Purchase Order, delivery date and quantity of product order by Company. Any Purchase Order shall be deemed accepted by Manufacturer if not rejected within five (5) business days of its receipt by Manufacturer. A Purchase Order shall be deemed a "***Firm Purchase Order***" after it has been accepted, or deemed to have been accepted, by Manufacturer in accordance with this Section 5.2.

5.3 ***Other Firm Purchase Order Changes or Cancellations.*** If Company requests other changes to Firm Purchase Orders, Manufacturer shall attempt to accommodate the changes within reasonable manufacturing capabilities and efficiencies. If Manufacturer can accommodate such change, Manufacturer shall advise Company of the costs associated with making any such change and Company shall be deemed to have accepted the obligation to pay Manufacturer for such costs if Company indicates in writing to Manufacturer that Manufacturer should proceed to make the change. If Manufacturer cannot accommodate such change, Company shall be bound to the original Firm Purchase Order. If Company cancels a Firm Purchase Order, Manufacturer shall be relieved of its obligation to manufacture Product under such Firm Purchase Order, and Company shall be obligated to pay Manufacturer its reasonable and documented costs associated with its fulfillment of such Firm Purchase Order prior to cancellation including, but not limited to, any costs associated with Materials purchased by Manufacturer to be used in the Manufacture of Products that cannot be reasonably used for future manufacture of Products or the manufacture of another party's products. The Company will then own said material it paid for under this Section.

5.4 ***Materials.***

(a) ***Supply.*** Manufacturer shall manufacture the Products for Company from Materials that Company shall purchase and supply at its sole cost including, without limitation, any replacement Materials (unless such replacement is required due to an act or omission of Manufacturer). Company may store with the Manufacturer a reasonable safety stock of Materials and Manufacturer shall at all times remain responsible for the safety stock including, without limitation, the storage, rotation, security and insurance thereof. The Company shall be solely responsible for any defect or contamination in the Materials if such defect or contamination existed in the Materials at the time Company supplied it to Manufacturer and such defect or contamination would not be expected to be discovered by Manufacturer through the exercise of ordinary due care. Manufacturer will at its expense perform any testing on the Materials under this Agreement, the Quality Agreement and as the Parties may mutually agree from time to time, and Manufacturer shall notify Company of any out of specification test results.

(b) ***Company Title.*** Company shall retain title to such Materials at all times; provided, however, risk of loss or damage to the Materials shall remain with Manufacturer while in its possession or control except for ordinary and expected degradation and expiration of such Material supplied by the Company for which Company shall be responsible. If requested by Company any or all Materials or Product in process will be delivered to Company or its designee at the Company's expense.

5.5 ***Equipment.*** Manufacturer shall pay the cost of all Equipment used to perform its obligations under this Agreement, unless special prior arrangements are made and agreed on in writing by the Parties. During the Term, Manufacturer shall be responsible for cleaning, maintaining, servicing, replacing and insuring such Equipment.

5.6 ***Product Labeling and Packaging.*** Manufacturer shall be solely responsible for ensuring that the final packaging complies with Product Specifications. Manufacturer shall provide Company with samples of all such final packaging or labeling materials upon request.

5.7 ***Lot and Date Coding; Sub-Lots.*** Lot and date coding are to be applied on all outer packaging for all Products as directed by Company. Should Company desire Manufacturer to split a manufacturing lot of the Products into several sub-lots during packaging, there shall be no split fees. Expiration dates are to be as determined by Company unless otherwise agreed on by the Parties in writing.

5.8 ***Waste.*** Manufacturer shall be responsible for the costs of disposal in accordance with all Applicable Laws of all waste related to the Product except for waste caused by Material supplied by Company that is defective or contaminated at the time it is supplied to Manufacturer. If necessary, Manufacturer shall hire, and direct a contractor to remove all waste from Manufacturer's manufacturing facility for the Products.

5.9 ***Delivery.*** Manufacturer shall deliver the Products to Company pursuant to instructions provided by Company from time to time and will include shipping charges on the invoice for each shipment of Products. Risk of loss for the Products shall pass to Company, F.O.B. Manufacturer the time when they are delivered as set forth above. Title to the Product and all Product in process shall at all times remain in Company. Shipment shall be via a carrier designated by Company. For shipments to destinations outside the United States, Company shall be the exporter of record. If requested by Company, Manufacturer agrees to make multiple shipments of Products per lot at no charge to Company other than shipping costs.

5.10 ***Batch Failure/Acceptance of Products/Replacement of Nonconforming Shipment***.

(a) In the event of a batch failure during preparation for manufacture or during manufacture, or the discovery by Manufacturer of out-of-specification Product prior to shipment, written notice of the same shall be promptly provided to Company with full details and, with the consent of Company, the batch of Product shall be replaced by Manufacturer as quickly as possible thereafter at Manufacturer's cost and expense; provided, however,

Company shall be responsible for such costs to the extent such costs result from Material supplied by Company that is defective or contaminated at the time it is supplied to Manufacturer. If directed by Company, Manufacturer agrees promptly to conduct an investigation and report to Company its findings, as well as take any corrective actions that are appropriate in light of the findings of the investigation or as are reasonably requested by Company.

(b) After discovery that the Products fail to conform to the Product Specifications or other requirements of this Agreement, Company may reject a quantity of Products upon notice to Manufacturer. Manufacturer shall promptly replace all rejected Product, as soon as reasonably possible. If Company rejects such shipment, it shall also provide to Manufacturer samples of such Product for evaluation. If Manufacturer evaluates such Product and determines that it did conform to the Product Specifications and all other requirements of this Agreement, the Parties shall submit samples of such Product to a mutually acceptable independent laboratory or consultant, or both, as appropriate for evaluation. If such independent laboratory determines that the Product conformed to the Product Specifications and all other requirements of this Agreement, Company shall bear all expenses for the evaluation. If Manufacturer or such independent laboratory confirms that such shipment did not meet the Product Specifications and/or the other requirements of this Agreement, Manufacturer shall, in addition to promptly replacing, at no cost to Company, the Product which does not conform. Any nonconforming Product shall be destroyed as directed by Manufacturer, at Manufacturer's expense unless such Product is nonconforming due to Company supplying Materials that is defective or contaminated at the time it is supplied to Manufacturer. Company shall not be required to pay Manufacturer for any Product which has been correctly rejected pursuant to this Section 5.10.

Article 6
PRICE AND PAYMENT

6.1 ***Price.*** Manufacturer shall invoice Company for the Products delivered by Manufacturer at the prices set forth on Exhibit A. Prices are firm through the Term of this Agreement; *provided*, *however*, the prices set forth on Exhibit A may be adjusted to the extent (a) Manufacturer and Company agree to changes in the manufacturing process that increase or decrease the cost of manufacturing the Product, or (b) the cost of raw materials purchased by Manufacturer increases. Notwithstanding the foregoing, price adjustments pursuant to Section 6.1(b) shall not be made more frequently than once in any twelve (12) month period.

6.2 ***Payment.*** Manufacturer shall invoice Company upon shipment of the Products following release by Manufacturer's Quality Assurance department in accordance with the Quality Agreement. Company shall make payment net thirty (30) days from the date of receipt of Manufacturer's invoice. Company may, at its option, pre-pay fifty percent (50%) of the purchase order for a one percent (1%) discount off the Purchase Order amount.

6.3 ***Taxes.*** Any federal, state, county or municipal sales or use tax, excise, customs charges, duties or similar charge, or any other tax assessment (other than that assessed against income), lawfully assessed or charged on the purchase by Company of the Products sold pursuant to this Agreement shall be paid by Company.

Article 7
QUALITY

7.1 ***Quality Control.*** Manufacturer shall apply its quality control procedures and in-plant quality control checks on the manufacture of the Products for Company in the same manner as Manufacturer applies such procedures and checks to products similar to the Products manufactured for sale by Manufacturer. In addition, Manufacturer shall test and release the Products in accordance with its standard test methods mutually-agreed upon by Company and Manufacturer to ensure that the Products conform to the Product Specifications. Manufacturer shall not change the formula or manufacturing process for Product without the prior consent of Company.

7.2 ***Quality Agreement.*** If requested by Company, the Parties shall negotiate in good faith to enter into a quality agreement relating to the quality of the Products delivered under this Agreement (the "***Quality Agreement***").

7.3 ***Audit Rights.***

(a) Company shall have the right, upon twenty four (24) hour prior written notice to Manufacturer, to conduct, at its expense and during normal business hours, a quality assurance audit and inspection of Manufacturer's records and production facilities relating to the manufacturing, assembly and/or packaging of the Products. Except as provided in Section 7.3(b), such audits shall, assuming the full cooperation of Manufacturer, not be conducted more frequently than three (3) times per calendar year unless there is a reasonable basis for additional audits. Any auditors that are not employees of Company shall be required to enter into confidentiality agreements with Manufacturer and Company containing terms of confidentiality that require them to keep confidential Manufacturer's Confidential Information.

(b) Company shall have the right to conduct additional audits in response to incidents/deviations associated with the manufacture/testing of the Products, given that a reasonable advanced notice is provided to Manufacturer. Visits by Company to Manufacturer production facilities may involve the transfer of Confidential Information, and any such Confidential Information shall be subject to the terms of Article 11 hereof. The results of such audits and inspections shall be considered Confidential Information under Article 11 and shall not be disclosed to Third Parties, except to the extent required by law or otherwise in connection with regulatory or governmental compliance and only then upon prior written notice to Manufacturer, to the extent practicable. In the event that any audit or inspection reveals that Manufacturer failed to meet cGMPs or the Product Specifications, Manufacturer shall be responsible, at Manufacturer's expense, for: (a)

conducting an investigation to define the probable causes for the failure; (b) providing an acceptable cGMP investigation report and remediation plan to Company for review and, with respect to the remediation plan, approval; and (c) achieving compliance with cGMPs and the Product Specifications.

(c) Company shall have the right, upon ten (10) days' prior written notice to Manufacturer, to conduct, at its expense and during normal business hours, a quality assurance audit and inspection of all suppliers and vendors of Materials. Manufacturer shall ensure that each of its agreements with vendors and suppliers of Materials provides for both Manufacturer's and Company's right to audit their facilities and processes. Manufacturer shall provide Company written notice of its intent to audit a subcontractor or vendor of Materials no less than thirty (30) days prior to a scheduled audit, and shall offer Company an opportunity to attend and participate in such audit. Subcontractor and vendor audits shall, assuming the full cooperation of Manufacturer and the subcontractor or vendor at issue, (a) be limited to not more than two (2) auditors for a duration of two (2) days or, at the option of Company, one (1) auditor for three (3) days appointed by or representing Company and (b) may be conducted not more than one (1) time per calendar year, without a reasonable basis for additional audits. To the extent practicable Company shall coordinate its audits with Manufacturer so they can be completed simultaneously.

7.4 ***Notification of Inspection.*** In the event the FDA or other Regulatory Authority notifies Manufacturer that it intends to visit or inspect its facilities relating to the manufacture of Product, the following shall apply: (a) Manufacturer shall immediately provide notice of such visit or inspection to Company; (b) Manufacturer shall permit a representative of Company to be present at the facility during such visit or inspection; (c) Manufacturer shall permit such representative of Company to be present at, and participate in, each daily wrap up session for such inspection and the post-inspection wrap up session for such inspection; (d) Manufacturer promptly shall provide Company with copies of all written materials received by Manufacturer relating to such inspection; (e) Manufacturer shall provide Company with advance copies of all proposed responses, shall permit Company reasonable opportunity to review and comment on each such response, shall reasonably consider Company's reasonable comments thereon and shall provide Company with copies of each such response as submitted; and (f) Manufacturer agrees to allow the FDA or other relevant Regulatory Authorities to conduct such audit and reasonably cooperate with the FDA and other Regulatory Authorities in connection therewith. In addition, Manufacturer shall advise Company immediately if an authorized agent of the FDA or other Regulatory Authority visits any Manufacturer facilities relating to the manufacture of Product without prior notice. Manufacturer shall furnish to Company the report by such agency of any such visit within thirty (30) days of Manufacturer's receipt of such report.

7.5 ***Customer Representative in Plant***. Company, at its own expense, shall have the right to appoint a technician to be assigned to each Manufacturer facility where any Product or component thereof is manufactured, assembled or packaged ("***Customer Representative in Plant***") at such times and for such periods as, in the opinion of Company, is necessary to monitor compliance with this Agreement, or to coordinate and advise on the proper manufacture of the

Products by Manufacturer. While at the Manufacturer facility, the Customer Representative in Plant shall have access solely to such areas of the Manufacturer facility in accordance with Manufacturer's Customer Representative in Plant guidelines that are: (i) reasonably related to the manufacture of the Product; (ii) food-service areas; (iii) designated office space (with internet and phone service) as allocated to the Customer Representative in Plant by Manufacturer; (iv) public areas within the facility; or (v) as otherwise authorized by Manufacturer. The Customer Representative in Plant shall comply with all applicable Manufacturer policies and procedures (including, without limitation, all Manufacturer security policies and procedures and the Customer Representative in Plant guidelines) as provided to Company in writing. Company hereby represents that any and all of its employees visiting the Manufacturer facility shall be bound by terms of confidentiality.

7.6 ***Notification of Complaints.*** Company shall notify Manufacturer promptly of any Product complaints involving Manufacturer's manufacture or packaging so as to provide, to the extent practicable, sufficient time to allow Manufacturer to evaluate the complaints and assist Company in responding to such complaints.

7.7 ***Product Recalls.*** In the event: (a) any Regulatory Authority or other national government authority issues a request, directive or order that the Products be recalled; (b) a court of competent jurisdiction orders such a recall or withdrawal; or (c) Company or Manufacturer reasonably determines that the Products should be recalled or withdrawn, the Parties shall take all appropriate corrective actions, and shall cooperate in any governmental investigations surrounding the recall. In the event that such recall results from the breach of Manufacturer's express warranties under this Agreement or its negligence or willful misconduct, Manufacturer shall be responsible for promptly replacing the quantity of Products that were recalled at no cost to Company, which replacement of Products shall not limit the remedies available to Company.

Article 8
WARRANTIES; COVENANTS AND INDEMNIFICATION

8.1 ***Company's Warranties***.

Company represents and warrants to Manufacturer that Company's performance of its obligations under this Agreement shall not result in a material violation or breach of any agreement, contract, commitment or obligation to which Company is a Party or by which it is bound and shall not conflict with or constitute a default under its corporate charter or bylaws.

8.2 ***Manufacturer's Warranties and Covenants***.

(a) Manufacturer represents and warrants to Company that the Products Manufacturer delivers to Company pursuant to this Agreement shall: (i) at the time of delivery, not be adulterated within the meaning of the United States Federal Food, Drug and Cosmetic Act (the "***Act***") or within the meaning of any applicable state or municipal law in which the definitions of adulteration are substantially the same as those contained in the

Act, as the Act and such laws are constituted and effective at the time of delivery; (ii) shall be an article which may under the provisions of Section 404 of the Act be introduced into interstate commerce. Notwithstanding the foregoing, it shall not be a breach of this Section 8.2(a) if Product is adulterated within the meaning of the Act as a result of Material supplied by Company being defective or contaminated at the time of delivery to Manufacturer and Manufacturer has, with respect to such defective or contaminated Material, complied with the provisions of this Agreement relating to the testing and inspection.

(b) Manufacturer further represents and warrants to Company that the Products Manufacturer delivers to Company pursuant to this Agreement shall, at the time of delivery, be free from defects in material and workmanship and shall have been manufactured: (i) in accordance and conformity with the Product Specifications and all the provisions of this Agreement; and (ii) in compliance with all Applicable Law. Notwithstanding the foregoing, it shall not be a breach of this Section 8.2(b) if Product is defective as a result of Material supplied by Company being defective or contaminated at the time of delivery to Manufacturer and Manufacturer has, with respect to such defective or contaminated raw material, complied with the provisions of this Agreement relating to the testing and inspection of raw material.

(c) Manufacturer further represents and warrants to Company that Manufacturer's performance of its obligations under this Agreement shall not result in a material violation or breach of any agreement, contract, commitment or obligation to which Manufacturer or its Affiliates is a party or by which it is bound and shall not conflict with or constitute a default under its Certificate of Incorporation or corporate bylaws. Manufacturer shall obtain and maintain all licenses and permits useful or necessary in order to meet its obligations hereunder.

(d) Manufacturer further represents and warrants that it has in place facilities and processes necessary to protect the Confidential Information and ensure Product security, including without limitation restricted areas, workplace notices, and 24-hour on-site security personnel.

(e) Manufacturer further represents and warrants that it shall perform all obligations hereunder in compliance with all Applicable Laws, Manufacturer's standard operating procedures, and consistently high standards of workmanship and professionalism. With respect to Product delivered hereunder, Manufacturer has, and shall have, all the rights necessary to manufacture and sell the Product.

8.3 ***Indemnification by Manufacturer.*** Manufacturer shall indemnify, defend and hold harmless Company, its Affiliates, officers, directors and employees from and against all claims, causes of action, suits, costs and expenses (including reasonable attorney's fees), losses or liabilities of any kind related to this Agreement and asserted by Third Parties to the extent such claims arise out of or are attributable to: (a) Manufacturer's breach of this Agreement; or (b) any negligent or wrongful act or omission on the part of Manufacturer, its employees, agents,

sub-contractors or representatives, or (d) any latent defect in the Products, such as contamination or adulteration, to the extent not solely attributable to the Materials as supplied on the date of supply by Company.

8.4 ***Indemnification by Company.*** Company shall indemnify, defend and hold harmless Manufacturer, its Affiliates, officers, directors and employees from and against all claims, causes of action, suits, costs and expenses (including reasonable attorney's fees), losses or liabilities of any kind related to this Agreement and asserted by Third Parties to the extent such claims arise out of or are attributable to: (a) Company's breach of this Agreement; (b) any negligence or willful misconduct of Company or its employees, agents or sub-contractors; or (c) any latent defect existing in the raw materials supplied by Company at the time such materials are delivered to Manufacturer if Manufacturer has, with respect to such defective or contaminated Material, complied with the provisions of this Agreement relating to testing and inspection.

8.5 ***Conditions of Indemnification.*** If either Party seeks indemnification from the other hereunder, it shall promptly give notice to the other Party of any such claim or suit threatened, made or filed against it which forms the basis for such claim of indemnification and shall cooperate fully with the other Party in the investigation and defense of all such claims or suits. The indemnifying Party shall have the option to assume the other Party's defense in any such claim or suit with counsel which is reasonably satisfactory to the other Party. No settlement or compromise shall be binding on a Party hereto without its prior written consent, such consent not to be unreasonably withheld.

8.6 ***Limitations.***

(a) EXCEPT AS OTHERWISE SET FORTH HEREIN, A PARTY SHALL NOT BE LIABLE TO THE OTHER PARTY FOR INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES RELATED TO THIS AGREEMENT, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, IN EXCESS OF THE AMOUNT OF ANY INSURANCE PROCEEDS RECOVERABLE UNDER THE LIABLE PARTY'S INSURANCE POLICIES, WHICH POLICIES SHALL INCLUDE COVERAGE NOT LESS THAN THAT CONTEMPLATED IN SECTION 12.9; PROVIDED, HOWEVER, THE FOREGOING SHALL NOT APPLY TO DAMAGES OR LOSSES RELATED TO THIRD PARTY CLAIMS; BREACHES OF ARTICLES 9 OR 11; OR WILLFUL MISCONDUCT, GROSS NEGLIGENCE, NEGLIGENT OR INTENTIONAL MISREPRESENTATION OR FRAUD.

(b) FOR THE AVOIDANCE OF DOUBT, NOTHING IN THIS SECTION SHALL BE INTERPRETED TO LIMIT THE INDEMNIFICATION OBLIGATION OF A PARTY IN CONNECTION WITH A THIRD PARTY CLAIM EVEN IF THE RELATED DAMAGES ARE CHARACTERIZED AS BEING SPECIAL, CONSEQUENTIAL, INCIDENTAL, INDIRECT OR OTHER LIKE DAMAGES OR LOSSES.

Article 9
INTELLECTUAL PROPERTY RIGHTS

9.1 ***Transfer of IP.*** Manufacturer acknowledges that, as between the parties, Company is the sole and exclusive owner of the Company IP. Company hereby grants a non-exclusive license during the Term to Manufacturer under the Company IP, Company Project IP and Company's interest in Other Project IP solely to the extent necessary for Manufacturer to fulfill its obligations to the Company under this Agreement. Manufacturer covenants that it shall not use the Company IP, Company Project IP, or Other Project IP owned by Company for any purpose beyond the scope of the license granted in the foregoing sentence.

9.2 ***Project IP.*** Company shall be the sole and exclusive owner of all Project IP (i) related to the Product, including, without limitation, its development, specifications, testing, ingredient contents and ratios, manufacture process, formulation, and ingredient profiles, or (ii) based on, derived from or using any Company IP or Company Confidential Information ("***Company Project IP***"). Manufacturer hereby assigns to Company all of its right, title and interest in and to all Company Project IP. Manufacturer agrees to execute such documents and take such actions as Company may from time to time reasonably request to effect the foregoing assignment. Ownership of all Project IP other than Company Project IP shall be owned by the developing party ("***Other Project IP***"). Manufacturer hereby grants to Company a worldwide, irrevocable, royalty-free nonexclusive license for any purpose to the Other Project IP in which it has any right, title or interest.

Article 10
TERM AND TERMINATION

10.1 ***Term.*** Unless earlier terminated as permitted herein, this Agreement shall commence on the Effective Date and shall expire three (3) years thereafter (the "***Initial Term***") and shall automatically extend for additional one (1) year terms (if any, a "***Renewal Term***" and, together with the Initial Term, the "***Term***"), unless either Party provides written notice of non-renewal no less than ninety (90) days prior to the expiration of the Initial Term or any Renewal Term.

10.2 ***General Termination Rights.*** Either Party may terminate this Agreement as follows:

(a) immediately by providing written notice upon the bankruptcy of the other Party, which bankruptcy is not resolved or withdrawn within ninety (90) days of its filing; or

(b) by giving to the other Party sixty (60) days prior written notice upon the material breach of any representation, warranty or any other provision of this Agreement by the other Party if the breach is not cured within sixty (60) days after written notice thereof to the Party in default.

10.3 ***Termination.***

(a) Company and/or Manufacturer may terminate this Agreement at any time by giving three (3) months' prior written notice to the other Party; *provided, however*, termination by Manufacturer pursuant to this Section 10.3(a) shall not relieve Manufacturer of its obligation to fulfill any outstanding Firm Purchase Orders.

(b) Company or Manufacturer shall have the right to terminate this Agreement upon written notice to the other Party should any Adverse Supply Event continue for more than three (3) months or due to a continuing Force Majeure as contemplated in Section 12.1.

(c) Company or Manufacturer shall have the right to immediately terminate this Agreement upon the breach by the other Party of its noncompetition obligations under this Agreement, as set forth in Section 11.6.

10.4 ***Termination/Accrued Obligations.*** Termination of this Agreement shall not relieve either Party of any liability which has accrued prior to the effective date of such termination, nor prejudice either Party's right to obtain performance of any obligation provided for in this Agreement, which by its express terms or context survives termination, provided that (i) with respect to a termination by Company pursuant to Section 10.2 or 10.3(a), (b) or (c), Company shall not be obligated to purchase any further Product, but if Manufacturer is capable of manufacturing Product as required by this Agreement within three (3) months thereafter, it may require Manufacturer to fill all outstanding Firm Purchase Orders as of the date of termination and for such longer period required for transfer of Product manufactured to another manufacturer, and (ii) with respect to a termination by Manufacturer pursuant to Section 10.2, or a termination by Company pursuant to Section 10.3(a), Company shall be obligated to purchase all Product ordered pursuant to Firm Purchase Orders, assuming that production of Product shall be wound down promptly and ceased as soon as reasonably practicable by Manufacturer. In any event, Manufacturer shall, at its own cost and expense, return to Company any Materials in Manufacturer's possession.

10.5 ***Survival.*** Expiration or early termination of this Agreement shall not relieve either Party of any obligations that it may have incurred prior to expiration or early termination and all covenants and agreements contained in this Agreement, which by their terms or context are intended to survive, shall continue in full force and effect, including without limitation, Articles 7 through 12, as well any relevant provisions of the Quality Agreement.

Article 11
CONFIDENTIAL INFORMATION

11.1 ***Nondisclosure.*** It is contemplated that in the course of the performance of this Agreement each Party may, from time to time, disclose Confidential Information to the other. Manufacturer agrees that, except as expressly provided herein, it shall not disclose Confidential Information received from Company, and shall not use Confidential Information disclosed to it by Company, for any purpose other than to fulfill Manufacturer's obligations hereunder. Company agrees that, except as expressly provided herein, it shall not disclose Confidential Information received from Manufacturer, and shall not use Confidential Information disclosed to it by Manufacturer, for any purpose other than to fulfill Company's obligations hereunder. Company shall have the right to share the terms of this Agreement and this Agreement with its current and potential collaborators, partners, and investors who are obligated to keep its terms confidential. Without limiting the generality of the foregoing, Manufacturer hereby agrees that it shall disclose the cost of Materials and Product pricing only to such of its senior management personnel who have a need to know such information. Manufacturer shall protect the Products from unauthorized copying, reproduction, dissemination or disclosure and from other unauthorized use including, without limitation, unauthorized use during any manufacturing or scrap processes.

11.2 ***Exceptions to Duty of Nondisclosure.*** Notwithstanding the above, nothing contained in this Agreement shall preclude Company from utilizing Confidential Information as may be necessary in prosecuting patent rights related to Product, obtaining governmental marketing approvals, or complying with other governmental laws and regulations or court orders (provided that the Party disclosing such information uses reasonable efforts to seek confidential treatment of such information). The obligations of the Parties relating to Confidential Information shall expire ten (10) years after the termination of this Agreement. In addition, if either Party, based on the advice of its counsel, determines that this Agreement, or any of the other documents executed in connection herewith, must be filed with the Securities and Exchange Commission, then such Party shall have the right to file this Agreement (or such other documents) with the Securities and Exchange Commission, provided that such Party notifies the other Party reasonably in advance of such filing and uses commercially reasonable efforts to obtain confidential treatment of the material terms and conditions of this Agreement (consistent with Applicable Law).

11.3 ***Return of Confidential Information.*** Upon termination of this Agreement, the receiving Party shall, if so requested by the disclosing Party, promptly return to the disclosing Party the originals and all copies of any Confidential Information (including all extracts, summaries and derivatives thereof) then in the receiving Party's possession or under the receiving Party's control. Notwithstanding the foregoing, the receiving Party may retain one (1) copy of such Confidential Information for legal archival purposes, provided that such copy shall be kept confidential after the termination or expiration of this Agreement.

11.4 ***Handling and Reconstruction of and Access to Confidential Information***. Each Party shall maintain the originals or electronic copies of all documents containing disclosing Party's Confidential Information according to its own internal quality procedures, cGMP and Applicable Laws. Accordingly, each Party shall ensure that such procedures incorporate and maintain appropriate safety and facility procedures, data security procedures and other safeguards against the destruction, loss, or alteration of the disclosing Party's Confidential Information in the possession of the receiving Party, including procedures for the recovery and reconstruction of lost Confidential Information. At no time shall the receiving Party store or hold the disclosing Party's Confidential Information in a form or manner not promptly accessible to the disclosing. Each Party agrees that it shall not withhold from the other any Confidential Information as a means of resolving a dispute.

11.5 ***Public Announcements.*** Neither Party shall make any public announcement concerning the transactions contemplated herein, or make any public statement which includes the name of the other Party or any of its Affiliates, or otherwise use the name of the other Party or any of its Affiliates in any public statement or document without the prior written consent of the other Party, except as may be required by law, regulation, including SEC regulation, or judicial order, in which case the Party required to make the public announcement or public statement shall use commercially reasonable efforts to obtain the approval of the other Party as to form, nature and extent of the public announcement or public statement prior to issuing the same.

11.6 ***Noncompetition***. Manufacturer shall not manufacture, produce, develop, solicit or market the Product or any product using or incorporating the Company's proprietary Technology utilized hereunder, other than for Company pursuant to the terms of this Agreement. Manufacturer shall not manufacture, produce, develop, solicit or market any product that is substantially similar to the Product during the Term and for three (3) years thereafter, without the prior written consent of Company.

11.7 ***Injunctive Relief.*** In the event of a breach or threatened breach by a Party of any provision of this Section, the other Party shall be authorized and entitled to obtain from any court of competent jurisdiction equitable relief, whether preliminary or permanent, in addition to any other rights or remedies to which such Party may be entitled in law or equity.

Article 12
MISCELLANEOUS

12.1 ***Force Majeure and Failure of Suppliers***.

(a) ***Excusable Delay.*** Any delay in the performance of any of the duties or obligations of either Party hereto (except the payment of money) shall not be considered a breach of this Agreement and the time required for performance shall be extended for a period equal to the period of such delay, provided that such delay has been caused by or is the result of any acts of God, acts of a public enemy or other terrorist acts, insurrections, riots, embargoes, labor disputes, including strikes, lockouts, job actions, boycotts, fires,

explosions, floods, shortages of material or energy, or other unforeseeable causes beyond the control and without the fault or negligence of the Party so affected, but not an Adverse Supply Event (a "***Force Majeure***"). The effected Party shall give prompt notice to the other Party of such cause and a good faith estimate of the continuing effect of the Force Majeure condition and duration of the affected Party's nonperformance, and shall take promptly whatever reasonable steps are necessary or appropriate to relieve the effect of such cause(s) as rapidly as possible. Subject to the provisions of Section 12.1(b), if a Force Majeure prevents Manufacturer from manufacturing Products ordered by Company hereunder for more than three (3) months, then Company may terminate this Agreement immediately without further obligation to Manufacturer.

(b) ***Transfer of Production.*** If Manufacturer becomes subject to a Force Majeure event which prevents or substantially interferes with manufacture of the Products at Manufacturer's manufacturing facility, the Parties shall mutually agree on implementation of an agreed-upon action plan to transfer production of the Products to another Manufacturer facility or another manufacturer. The Parties shall, after the execution of this Agreement and at the request of either Party, meet to discuss and define such an action plan.

(c) ***Suppliers.*** With respect to any components or materials supplied by Manufacturer in connection with this Agreement, the Parties understand and agree that Company shall approve in advance the suppliers chosen by Manufacturer. Manufacturer shall be fully responsible for the timely and complete performance of all the suppliers it utilizes in connection herewith and the satisfaction of the Product Specifications and other requirements except for those materials supplied by the Company.

12.2 ***Notices.*** All notices hereunder shall be delivered as follows: (a) personally; (b) by facsimile and confirmed by first class mail (postage prepaid); (c) by registered or certified mail (postage prepaid); or (d) by overnight courier service, to the following addresses of the respective Parties:

If to Company:

LifeVantage Corporation
9815 S. Monroe Street
Sandy, Utah 84970
Attention: General Counsel
Telephone: (801) 432-9000
Facsimile: (801) 906-7097

With a copy to:

Kirt Shuldberg
Sheppard, Mullin, Richter & Hampton LLP
12775 El Camino Real
San Diego, CA 92130
Telephone: (858) 720-8900
Facsimile: (858) 509-3691

If to Manufacturer:

Deseret Laboratories, Inc.
1414 East 3850 South
St. George, Utah 84790
Attn: Mark H. Gubler
Telephone: (435) 628-8786
Facsimile: (435) 673-1202

With copy to:

Deseret Laboratories, Inc.
1414 East 3850 South
St. George, Utah 84790
Attn: Scott A. Gubler
Telephone: (435) 628-8786
Facsimile: (435) 673-1202

Notices shall be effective upon receipt if personally delivered or delivered by facsimile and confirmed by first class mail, on the fifth business day following the date of registered or certified mailing or on the first business day following the date of or delivery to the overnight courier. A Party may change its address listed above by written notice to the other Party.

12.3 ***Choice of Law/Venue/Jurisdiction.*** This Agreement shall be construed, interpreted and governed by the laws of the State of Utah, excluding its choice of law provisions. The United Nations Convention on the International Sale of Goods is hereby expressly excluded. Any legal suit, action or proceeding arising out of or relating to this Agreement shall be commenced in the state or federal courts located in the City of Salt Lake City, Utah and each Party hereto irrevocably submits to the exclusive jurisdiction and venue of any such court in any such suit, action or proceeding.

12.4 ***Assignment.*** Manufacturer acknowledges that the rights granted by Company to Manufacturer in this Agreement are unique to Manufacturer. This Agreement may not be assigned or transferred, in whole or in part, by Manufacturer, by operation of law or otherwise, without the prior written consent of Company, which consent may be withheld in Company's sole discretion. Notwithstanding the foregoing, this Agreement shall be freely assignable by Company. Manufacturer agrees, upon request, to execute, acknowledge and deliver to such successor any additional documents that such successor may deem necessary to effectuate or evidence such assignment. No assignment shall relieve any Party of its responsibility hereunder.

12.5 ***Entire Agreement.*** This Agreement, together with the Exhibits referenced and incorporated herein, constitute the entire agreement between the Parties concerning the subject matter hereof and supersede all written or oral prior agreements or understandings with respect thereto.

12.6 ***Severability.*** This Agreement is subject to the restrictions, limitations, terms and conditions of all applicable governmental regulations, approvals and clearances. If any term or provision of this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other term or provision hereof, and this Agreement shall be interpreted and construed as if such term or provision, to the extent the same shall have been held to be invalid, illegal or unenforceable, had never been contained herein.

12.7 ***Waiver-Modification of Agreement.*** No waiver or modification of any of the terms of this Agreement shall be valid unless in writing and signed by authorized representatives of both Parties. Failure by either Party to enforce any such rights under this Agreement shall not be construed as a waiver of such rights, nor shall a waiver by either Party in one or more instances be construed as constituting a continuing waiver or as a waiver in other instances.

12.8 ***Insurance.*** Manufacturer shall, at its own cost and expense, obtain and maintain in full force and effect the following insurance during the Term: (A) Commercial General Liability, including personal and advertising injury insurance and contractual liability insurance, with a per occurrence limit of not less than One Million Dollars per occurrence and aggregate (this limit can be satisfied using a primary general liability policy in combination with an umbrella policy); (B) Products and Completed Operations Liability Insurance with a per occurrence limit of not less than One Million Dollars and (C) Worker's Compensation and Employer's Liability Insurance with statutory limits for Workers' Compensation and Employer's Liability insurance limits of not less than One Million Dollars per accident. In the event that any of the required policies of insurance are written on a claims-made basis, then such policies shall be maintained during the entire Term and for a period of not less than two (2) years following the expiration or termination of this Agreement. Upon written request, Manufacturer shall furnish certificates of insurance to Company as soon as practicable after the Effective Date and within thirty (30) days after renewal of such policies. Manufacturer shall name Company as an additional insured party under its insurance policies of said types evidencing the required insurance policies to Company. Each insurance policy that is required under this Agreement shall be obtained from an insurance carrier with an A.M. Best rating of at least A-VII.

12.9 ***Exhibits.*** All Exhibits referred to herein are hereby incorporated by reference.

12.10 ***Further Actions.*** The Parties shall duly execute and deliver, or cause to be duly executed and delivered, such further instruments, and to do and cause to be done such further acts that may be necessary to carry out the provisions and purposes of this Agreement, notwithstanding any expiration or termination of this Agreement.

12.11 ***Subcontracting.*** Manufacturer shall not assign, subcontract or delegate any of its rights or obligations under this Agreement without the express prior written authorization of Company. Manufacturer shall cause any such authorized subcontractor to be subject by contract to the same restrictions, exceptions, obligations, reports, termination provisions, confidentiality provisions, and other provisions contained in this Agreement as are applicable to Manufacturer.

Manufacturer shall remain primarily obligated for all acts and omissions of any of its subcontractors as if Manufacturer had performed the subcontracted obligations itself, and shall guarantee the performance of the same.

12.12 ***Successors; Assigns.*** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and to each of their respective successors and permitted assigns.

12.13 ***Independent Contractor.*** This Agreement shall not be deemed to create any partnership, joint venture, or agency relationship between the Parties. Each Party shall act hereunder as an independent contractor, and its agents and employees shall have no right or authority under this Agreement to assume or create any obligation on behalf of, or in the name of, the other Party. All persons employed by a Party shall be employees of such Party and not of the other Party, and all costs and obligations incurred by reason of any such employment shall be for the account and expense of such Party.

12.14 ***Counterparts.*** This Agreement may be executed by original or facsimile signature in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

12.15 ***Headings.*** The headings used in this Agreement are for convenience only and are not a part of this Agreement.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties intending to be bound by the terms and conditions hereof have caused this Agreement to be signed by their duly authorized representatives as of the date first above written.

LIFEVANTAGE CORPORATION

By: /s/ Douglas C. Robinson
Name: Douglas C. Robinson
Title: President and Chief Executive Officer

DESERET LABORATORIES, INC.

By: /s/ Scott A. Gubler
Name: Scott A. Gubler
Title: President and Chief Executive Officer

[***] Confidential portions of this document have been redacted and filed separately with the Securities and Exchange Commission

EXHIBIT A

Product Pricing

Product	LifeVantage Item Number	Manufacturer Item Key	Price
Protandim Mexico 30 ct	3010MX	LIF-05	**[***]**
Protandim US 30 ct	3010US	LIF-06	**[***]**
Protandim US Bulk Tbs/M	100160	LIF-06T	**[***]**
Canine Health US 30 ct	1500US	LIF-07	**[***]**
Protandim Japan 30 ct	3015JP	LIF-09	**[***]**
Protandim JP Bulk Tbs/M	100185	LIF-09T	**[***]**
Protandim Hong Kong 30 ct	3010HK	LIF-10	**[***]**
Protandim Canada 30 ct	3010CA	LIF-12	**[***]**
Canine Health Japan 30 ct	1500JP	LIF-13	**[***]**

[***] Confidential portions of this document have been redacted and filed separately with the Securities and Exchange Commission

Exhibit 10.2

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This amended and restated employment agreement (the "**Agreement**") is entered into by and between Douglas C. Robinson ("**you**" or "**your**") and LifeVantage Corporation, a Colorado corporation, (the "**Company**"). This Agreement amends, restates and supersedes that certain Employment Agreement between you and the Company dated March 11, 2011 and effective as of March 15, 2011, as previously amended to date, including pursuant to the Amendment thereto dated as of March 23, 2012 (the "**Prior Agreement**"). This Agreement has an effective date of March 25, 2014 (the "**Effective Date**") and will automatically terminate on June 30, 2016 (the "**Expiration Date**") unless extended by mutual written agreement of the Company and you on or prior to the Expiration Date. In consideration of the mutual covenants and promises made in this Agreement, you and the Company agree as follows:

1. ***Position and Responsibilities.*** As of the Effective Date, you will continue serving as a full-time employee of the Company as the Company's President and Chief Executive Officer ("**PCEO**"). You shall report directly to the Company's Board of Directors (the "**Board**"). You shall have the duties, responsibilities and authority that are customarily associated with such position and such other senior management duties as may reasonably be assigned by the Board. You will devote your full time, efforts, abilities, and energies to promote the general welfare and interests of the Company and any related enterprises of the Company. You will loyally, conscientiously, and professionally do and perform all duties and responsibilities of his position, as well as any other duties and responsibilities as will be reasonably assigned by the Company. At the request of the Company, you will also serve as an officer and/or member of the board of directors of any Company affiliate, without additional compensation. Your primary workplace will be located at the Company's Utah office, currently located at 9785 S. Monroe Street, Suite 300, Sandy, Utah 84070. Nothing herein shall preclude you from (i) serving, with the prior consent of the Board, as a member of the board of directors or advisory boards (or their equivalents in the case of a non-corporate entity) of non-competing businesses and charitable organizations, (ii) engaging in charitable activities and community affairs, and (iii) managing your personal investments and affairs; provided, however, that the activities set out in clauses (i), (ii) and (iii) shall be limited by you so as not to materially interfere, individually or in the aggregate, with the performance of your duties and responsibilities hereunder.

2. ***Base Salary.*** During your employment as PCEO and while this Agreement is in effect, you will be paid an annual base salary of $565,000.00 (the "**Base Salary**") for your services as PCEO, payable in the time and manner that the Company customarily pays its employees and subject to increase or decrease at the discretion of the Board (or committee of the Board).

3. ***Bonuses.*** During your employment as PCEO and while this Agreement is in effect, you will be eligible to participate in any annual incentive bonus plan as approved by the Board (or committee of the Board). Any such bonus shall be paid to you during the first three months of the fiscal year that follows the applicable performance fiscal year. The bonus will be deemed to have been earned on the date of payment of such bonus and you must remain an employee of the Company through the date of payment in order to receive the bonus.

4. ***Long-Term Incentive Plan.*** While you are an employee of the Company, you will be eligible to receive grants of stock options (or other grants of Company equity) to purchase shares of the Company's common stock. Such equity grants, if any, will be made in the sole discretion of the Board (or committee of the Board) and will be subject to the terms and conditions specified by the Board (or committee of the Board), the Company's stock plan, the award agreement that you must execute as a condition of any grant and the Company's insider trading policy. If required by applicable law with respect to transactions involving Company equity securities, you agree that you shall use your best efforts to comply with any duty that you may have to (i) timely report any such transactions and (ii) to refrain from engaging in certain transactions from time to time. The Company has no duty to register under (or otherwise obtain an exemption from) the Securities Act of 1933 (or applicable state securities laws) with respect to any Company equity securities that may be issued to you. Any equity compensation awards that were granted to you before the Effective Date shall continue to be governed by their applicable terms and conditions.

5. ***Expense Reimbursement; Financial Planning and Compliance.*** During your employment and while this Agreement is in effect, you will be reimbursed for all reasonable business expenses (including, but without limitation, travel expenses) upon the properly completed submission of requisite forms and receipts to the Company in accordance with the Company's expense reimbursement policy. In addition, during your employment and while this Agreement is in effect, the Company will pay up to $20,000 annually to cover costs incurred by you for professional assistance with respect to personal financial and tax planning and compliance.

6. ***Employee Benefit Programs.*** During your employment with the Company, and except as may be provided under an employee stock purchase plan, you will be eligible to participate, on the same terms as generally provided to senior executives, in all Company employee benefit plans and programs at the time or thereafter made available to Company senior executive officers including, without limitation, any savings or profit sharing plans, deferred compensation plans, stock option incentive plans, group life insurance, accidental death and dismemberment insurance, hospitalization, surgical, major medical and dental coverage, vacation, sick leave (including salary continuation arrangements), long-term disability, holidays and other employee benefit programs sponsored by the Company. The Company may amend, modify or terminate these benefits at any time and for any reason. Any change in any employee benefit program or programs applicable to all covered employees shall not constitute a material breach of the terms of the Agreement or constitute Good Reason as defined below.

7. ***Termination of Employment.*** Unless the Company requests otherwise in writing, upon termination of your employment for any reason, you understand and agree that you shall be deemed to have also immediately resigned from all positions as an officer (and/or director, if applicable) with the Company (and its affiliates) as of your last day of employment (the "**Termination Date**"). Upon termination of your employment for any reason, you shall receive payment or benefits from the Company covering the following: (i) all unpaid salary and unpaid vacation accrued pursuant to the paid time off policy through the Termination Date, (ii) any payments/benefits to which you are entitled under the express terms of any applicable Company

employee benefit plan, (iii) any unreimbursed valid business expenses for which you have submitted properly documented reimbursement requests, and (iv) your then outstanding equity compensation awards as governed by their applicable terms (collectively, (i) through (iv) are the "**Accrued Pay**"). You may also be eligible for other post-employment payments and benefits as provided in this Agreement. To the extent needed to comply with Internal Revenue Code (the "**Code**") Section 409A, you must as a condition of payment have experienced a "separation from service" within the meaning of Code Section 409A with respect to certain payments to be made to you on or after your Termination Date.

(a) **At-Will Employment.** Your employment with the Company is at-will and either you or the Company may terminate your employment at any time upon written notice to the other party (except that your employment shall automatically be terminated without notice upon your death) and for any reason (or no reason), with or without Cause or Good Reason (as each are defined below), in each case subject to the terms and provisions of this Agreement.

(b) **For Cause.** For purposes of this Agreement, your employment may be terminated by the Company for "**Cause**" as a result of the occurrence of one or more of the following:

(i) a charge, through indictment or criminal complaint, entry of pretrial diversion or sentencing agreement, or your conviction of, or a plea of guilty or nolo contendere to, a felony or other crime involving moral turpitude, dishonesty or fraud, or any other criminal arrest (for example D.U.I.) which the Company, in its discretion considers inappropriate or harmful to its interests;

(ii) your refusal to perform in any material respect your duties and responsibilities for the Company or a Company affiliate or your failure to comply in any material respect with the terms of this Agreement and the Confidentiality Agreement and the polices and procedures of the Company or a Company affiliate;

(iii) fraud or deceptive or illegal conduct in your performance of duties for the Company or a Company affiliate;

(iv) your material breach of any material term of this Agreement; or

(v) any conduct by you which materially injurious to the Company or a Company affiliate or materially injurious to the business reputation of the Company or a Company affiliate.

In the event your employment is terminated by the Company for Cause you will be entitled only to your Accrued Pay and you will be entitled to no other compensation from the Company.

(c) **Without Cause.** The Company may terminate your employment without Cause at any time and for any reason with notice. If your employment is terminated without Cause and while this Agreement is in effect then, in addition to your Accrued Pay, you will be

eligible to receive payments equal in the aggregate to your then annualized Base Salary. The payments shall be paid to you in cash, in substantially equal monthly installments payable over the twelve (12) month period following your Termination Date, provided, however, the first payment (in an amount equal to two (2) months of Base Salary) shall be made on the sixtieth (60th) day following the Termination Date. As a condition to receiving (and continuing to receive) the payments provided in this Section 7(c) you must: (i) within not later than forty-five (45) days after your Termination Date, execute (and not revoke) and deliver to the Company a Separation Agreement in a form prescribed by the Company and such Separation Agreement shall include without limitation a release of all claims against the Company and its affiliates along with a covenant not to sue and (ii) remain in full compliance with such Separation Agreement.

(d) **Voluntary Termination.** In the event you voluntarily terminate your employment with the Company, you will be entitled to receive only your Accrued Pay. You will be entitled to no other compensation from the Company.

(e) **Death or Disability.** In the event your employment with the Company is terminated while this Agreement is in effect due to your Disability, death or presumed death, then you or your estate will be entitled to receive your Accrued Pay. For purposes of this Agreement, "**Disability**" is defined to occur when you are 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 which has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

(f) **Resignation for Good Reason.** You may resign your employment from the Company for "Good Reason" subject to the terms and conditions set forth below. Your resignation for Good Reason will only be effective if the Company has not cured or remedied the Good Reason event within 30 days after its receipt of your written notice (such notice shall describe in detail the basis and underlying facts supporting your belief that a Good Reason event has occurred). Such notice of your intention to resign for Good Reason must be provided to the Company within forty-five (45) days following the initial existence of a Good Reason event. Failure to timely provide such written notice to the Company or failure to timely resign your employment for Good Reason means that you will be deemed to have consented to and waived the Good Reason event. If the Company does timely cure or remedy the Good Reason event, then you may either resign your employment without Good Reason or you may continue to remain employed subject to the terms of this Agreement.

(i) You have incurred a material diminution in your responsibilities, duties or authority;

(ii) You have incurred a material diminution in your Base Salary; or

(iii) The Company has materially breached a material term of this Agreement.

The foregoing Good Reason provisions in this Section 7(f) are intended to (and shall be interpreted to) comply with the Good Reason safe harbor afforded by Treasury Regulation Section 1.409A-1(n)(2)(ii).

If you resign your employment for Good Reason, then in addition to your Accrued Pay, you will be eligible to receive payments equal in the aggregate to your then annualized Base Salary. The payments shall be paid to you in cash, in substantially equal monthly installments payable over the twelve (12) month period following your Termination Date, provided, however, the first payment (in an amount equal to two (2) months of Base Salary) shall be made on the sixtieth (60th) day following the Termination Date. As a condition to receiving (and continuing to receive) the payments provided in this Section 7(f) you must: (1) within not later than forty-five (45) days after your Termination Date, execute (and not revoke) and deliver to the Company a Separation Agreement in a form prescribed by the Company and such Separation Agreement shall include without limitation a release of all claims against the Company and its affiliates along with a covenant not to sue and (2) remain in full compliance with such Separation Agreement.

(g) **Termination Within Twelve (12) Months after a Change in Control.** The provisions of this Section 7(g) set forth certain terms of an agreement reached between you and the Company regarding your rights and obligations upon the occurrence of a Change in Control of the Company while this Agreement is in effect. These provisions are intended to assure and encourage in advance your continued attention and dedication to your assigned duties and your objectivity during the pendency and after the occurrence of any such event. Except if a termination of your employment by the Company without Cause or a Good Reason event has occurred during the twelve month period after a Change in Control, these provisions shall terminate and be of no further force or effect beginning on the first anniversary of the occurrence of a Change in Control.

(i) **"Change in Control"** shall mean the occurrence of any one or more of the following: (A) any merger, consolidation or business combination in which the shareholders of the Company immediately prior to the merger, consolidation or business combination do not own at least a majority of the outstanding equity interests of the surviving parent entity, (B) the sale or other disposition of all or substantially all of the Company's assets, (C) the acquisition of beneficial ownership or control of (including, without limitation, power to vote) a majority of the outstanding shares of the Company's capital stock by any person or entity (including a "group" as defined by or under Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**")), (D) the dissolution or liquidation of the Company, (E) a contested election of directors, as a result of which or in connection with which the persons who were directors of the Company before such election or their nominees cease to constitute a majority of the Board, or (F) any other event specified by the Board.

(ii) If within twelve (12) months after a Change in Control, your employment is terminated by the Company without Cause, then subject to your compliance with the terms of Section 7(c), the Company shall pay you those benefits described in Section 7(c) above.

(iii) If within twelve (12) months after a Change in Control, a Good Reason event has occurred and you resign your employment for Good Reason, then subject to your compliance with the terms of Section 7(f), the Company shall pay you those benefits described in Section 7(f).

(iv) Unless otherwise provided in the applicable option agreement or stock-based award agreement, all outstanding stock options and other stock-based awards granted to you by the Company shall immediately accelerate and become exercisable or non-forfeitable as of the date of Change in Control, and you shall be entitled to any other rights and benefits with respect to stock-related awards, to the extent and upon the terms provided in the employee stock option or incentive plan or any agreement or other instrument attendant thereto pursuant to which such options or awards were granted.

8. ***Limitation on Golden Parachute Payments.*** Notwithstanding any other provision of this Agreement or any such other agreement or plan, if any portion of the Total Payments (as defined below) would constitute an Excess Parachute Payment (as defined below) and therefore would be nondeductible to the Company by reason of the operation of Code Section 280G relating to golden parachute payments and/or would be subject to the golden parachute excise tax ("**Excise Tax**") by reason of Section 4999 of the Code, then the full amount of the Total Payments shall not be provided to you and you shall instead receive the Reduced Total Payments (as defined below).

If the Total Payments must be reduced to the Reduced Total Payments, the reduction shall occur in the following order: (1) reduction of cash payments for which the full amount is treated as a Parachute Payment; (2) cancellation of accelerated vesting (or, if necessary, payment) of cash awards for which the full amount is not treated as a parachute payment; (3) cancellation of any accelerated vesting of equity awards; and (4) reduction of any continued employee benefits. In selecting the equity awards (if any) for which vesting will be reduced under clause (3) of the preceding sentence, awards shall be selected in a manner that maximizes the after-tax aggregate amount of Reduced Total Payments provided to you, provided that if (and only if) necessary in order to avoid the imposition of an additional tax under Section 409A of the Code, awards instead shall be selected in the reverse order of the date of grant.

For the avoidance of doubt, for purposes of measuring an equity compensation award's value to you when performing the determinations under the preceding paragraph, such award's value shall equal the then aggregate fair market value of the vested shares underlying the award less any aggregate exercise price less applicable taxes. Also, if two or more equity awards are granted on the same date, each award will be reduced on a pro-rata basis. In no event shall (i) you have any discretion with respect to the ordering of payment reductions or (ii) the Company be required to gross up any payment or benefit to you to avoid the effects of the Excise Tax or to pay any regular or excise taxes arising from the application of the Excise Tax.

All mathematical determinations and all determinations of whether any of the Total Payments are Parachute Payments that are required to be made under this Section 8 shall be made by a nationally recognized independent audit firm selected by the Company (the "**Accountants**"), who shall provide their determination, together with detailed supporting

calculations regarding the amount of any relevant matters, both to the Company and to you. Such determination shall be made by the Accountants using reasonable good faith interpretations of the Code. The Company shall pay the fees and costs of the Accountants which are incurred in connection with this Section 8.

"**Excess Parachute Payment**" has the same meaning provided to such term by Treasury Regulations section 1.280G-1 Q/A-3.

"**Parachute Payment**" has the same meaning provided to such term by Treasury Regulations section 1.280G-1 Q/A-2.

"**Reduced Total Payments**" means the lesser portion of the Total Payments that may be provided to you instead of the Total Payments. The Reduced Total Payments shall be the maximum amount from the Total Payments that can be provided to you without incurring Excess Parachute Payments.

"**Total Payments**" means collectively the benefits or payments provided by the Company (or by any person who acquires ownership or effective control of the Company or ownership of a substantial portion of the Company's assets within the meaning of Section 280G of the Code and the regulations thereunder) to or for the benefit of you under this Agreement or any other agreement or plan.

9. ***Proprietary Information and Inventions Agreement; Confidentiality.*** You will be required, as a condition of your employment with the Company, to timely execute and comply with the Company's form of proprietary information and inventions agreement as may be amended from time to time by the Company ("**Confidentiality Agreement**").

10. ***Assignability; Binding Nature.*** Commencing on the Effective Date, this Agreement will be binding upon you and the Company and your respective successors, heirs, and assigns. This Agreement may not be assigned by you except that your rights to compensation and benefits hereunder, subject to the limitations of this Agreement, may be transferred by will or operation of law. No rights or obligations of the Company under this Agreement may be assigned or transferred except in the event of a merger or consolidation in which the Company is not the continuing entity, or the sale or liquidation of all or substantially all of the assets of the Company provided that the assignee or transferee is the successor to all or substantially all of the assets of the Company and assumes the Company's obligations under this Agreement contractually or as a matter of law. The Company will require any such purchaser, successor or assignee to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such purchase, succession or assignment had taken place. Your rights and obligations under this Agreement shall not be transferable by you by assignment or otherwise provided, however, that if you die, all amounts then payable to you hereunder shall be paid in accordance with the terms of this Agreement to your devisee, legatee or other designee or, if there be no such designee, to your estate.

11. ***Governing Law; Arbitration.*** To the extent not preempted by federal law, this Agreement will be deemed a contract made under, and for all purposes shall be construed in

accordance with, the laws of Utah. Any controversy or claim relating to this Agreement or any breach thereof, and any claims you may have arising from or relating to your employment with the Company, will be settled solely and finally by arbitration in Salt Lake City, Utah before a single arbitrator and judgment upon such award rendered by the arbitrator may be entered in any court having jurisdiction thereof, provided that this Section 11 shall not be construed to eliminate or reduce any right the Company or you may otherwise have to obtain a temporary restraining order or a preliminary or permanent injunction to enforce any of the covenants contained in this Agreement before the matter can be heard in arbitration.

12. ***Taxes.*** The Company shall have the right to withhold and deduct from any payment hereunder any federal, state or local taxes of any kind required by law to be withheld with respect to any such payment. The Company shall not be liable to you or other persons as to any unexpected or adverse tax consequence realized by you and you shall be solely responsible for the timely payment of all taxes arising from this Agreement that are imposed on you. This Agreement is intended to comply with the applicable requirements of Code Section 409A and shall be limited, construed and interpreted in a manner so as to comply therewith. Each payment made pursuant to any provision of this Agreement shall be considered a separate payment and not one of a series of payments for purposes of Code Section 409A. While it is intended that all payments and benefits provided under this Agreement to you will be exempt from or comply with Code Section 409A, the Company makes no representation or covenant to ensure that the payments under this Agreement are exempt from or compliant with Code Section 409A. The Company will have no liability to you or any other party if a payment or benefit under this Agreement is challenged by any taxing authority or is ultimately determined not to be exempt or compliant. In addition, if upon your Termination Date, you are then a "specified employee" (as defined in Code Section 409A), then solely to the extent necessary to comply with Code Section 409A and avoid the imposition of taxes under Code Section 409A, the Company shall defer payment of "nonqualified deferred compensation" subject to Code Section 409A payable as a result of and within six (6) months following your Termination Date until the earlier of (i) the first business day of the seventh (7th) month following your Termination Date or (ii) ten (10) days after the Company receives written confirmation of your death. Any such delayed payments shall be made without interest. Additionally, the reimbursement of expenses or in-kind benefits provided pursuant to this Agreement shall be subject to the following conditions: (1) the expenses eligible for reimbursement or in-kind benefits in one taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits in any other taxable year; (2) the reimbursement of eligible expenses or in-kind benefits shall be made promptly, subject to the Company's applicable policies, but in no event later than the end of the year after the year in which such expense was incurred; and (3) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

13. ***Entire Agreement.*** Except as otherwise specifically provided in this Agreement, this Agreement (and the agreements referenced herein) contains all the legally binding understandings and agreements between you and the Company pertaining to the subject matter of this Agreement and supersedes all such agreements, whether oral or in writing, previously discussed or entered into between the parties including without limitation the Prior Agreement and any term sheets regarding your continued employment with the Company. As a material

condition of this Agreement, you represent that by entering into this Agreement or by continuing as a Company employee you are not violating the terms of any other contract or agreement or other legal obligations that would prohibit you from performing your duties for the Company. You further agree and represent that in providing your services to the Company you will not utilize or disclose any other entity's trade secrets or confidential information or proprietary information. You represent that you are not resigning employment or relocating any residence in reliance on any promise or representation by the Company regarding the kind, character, or existence of such work, or the length of time such work will last, or the compensation therefor.

14. Non-Competition and Non-Solicitation.

(a) **Non-solicitation of employees and consultants.** During your employment and for a period of two years after your employment terminates, you will not directly or indirectly solicit or induce, or attempt to solicit or induce, any employee or consultant of the Company to quit their employment or cease rendering services to the Company, unless you are specifically authorized to do so by the Company.

(b) **Non-solicitation of Customers.** To the extent permitted under applicable law, and in order to protect the Confidential Information and preserve the Company's relationships with its prospects and customers, you agree that for a period of two (2) years after your employment with the Company ends for any reason, you will not directly or indirectly solicit any business consisting of nutritional supplements or any other product or service of the Company at the time of your termination with any prospect or customer of the Company.

(c) **Non-Competition.** You shall not, for a period of one (1) year after your employment with the Company ends for any reason, engage in, advise or consult with, or accept employment with any company, business or any entity, or contribute your knowledge to any work or activity that involves a product, process, provision of services or distribution channel (network marketing) as offered by the company, the development and/or sales of nutritional supplements, or any other product or service of the Company which is competitive with and the same as or similar to a product, process, or provision of services or distribution channel (network marketing) on which you worked or with respect to which you had access to confidential information while with the Company. Following expiration of said one-year period, you shall continue to be obligated under the confidentiality provisions of this Agreement and of your proprietary information and inventions agreement not to disclose and/or use confidential information so long as it shall remain proprietary or protectable as confidential or trade secret information. You acknowledge that this restraint is reasonable as to time and geographic limits and is necessary to protect the Company's confidential information, and that it will not unduly restrict your ability to secure suitable employment after leaving the Company.

(d) **Modification By Court.** If any court or arbitrator determines that any post-employment restrictive covenant is unreasonable in any respect, you agree that the Court may modify any unreasonable terms and enforce the agreement as modified.

(e) **Extension of Non-Compete.** For any period of time in which you are found to be in violation of any of the above non-compete or non-solicitation agreements, that

period of time shall be added on to the length of the restriction or period of protection for the Company.

(f) **Notice to Subsequent Employers.** You agree that the Company may provide notice of your obligations under any provision of this Agreement to any company or future employer of yours should the Company consider it necessary for the enforcement of those obligations.

15. ***Covenants.*** As a condition of this Agreement and to your receipt of any post-employment benefits, you agree that you will fully and timely comply with all of the covenants set forth in this subsection (which shall survive your termination of employment and termination or expiration of this Agreement):

(i) You will fully comply with all obligations under the Confidentiality Agreement and further agree that the provisions of the Confidentiality Agreement shall survive any termination or expiration of this Agreement or termination of your employment or any subsequent service relationship with the Company;

(ii) Within five (5) days of the Termination Date, you shall return to the Company all Company confidential information including, but not limited to, intellectual property, etc., and you shall not retain any copies, facsimiles or summaries of any Company proprietary information;

(iii) You will not at any time make (or direct anyone to make) any disparaging statements (oral or written) about the Company, or any of its affiliated entities, officers, directors, employees, stockholders, representatives or agents, or any of the Company's products or services or work-in-progress, that are harmful to their businesses, business reputations or personal reputations;

(iv) You agree that during the period of your employment with the Company and thereafter, you will not utilize any trade secrets of the Company in order to solicit, either on behalf of yourself or any other person or entity, the business of any client or customer of the Company, whether past, present or prospective. The Company considers the following, without limitation, to be its trade secrets: Financial information, administrative and business records, analysis, studies, governmental licenses, employee records (including but not limited to counts and goals), prices, discounts, financials, electronic and written files of Company policies, procedures, training, and forms, written or electronic work product that was authored, developed, edited, reviewed or received from or on behalf of the Company during period of employment, Company developed technology, software, or computer programs, process manuals, products, business and marketing plans and/or projections, Company sales and marketing data, Company technical information, Company strategic plans, Company financials, vendor affiliations, proprietary information, technical data, trade secrets, know-how, copyrights, patents, trademarks, intellectual property, and all documentation related to or including any of the foregoing; and

(v) You agree that, upon the Company's request and without any payment therefore, you shall reasonably cooperate with the Company (and be available as

necessary) after the Termination Date in connection with any matters involving events that occurred during your period of employment with the Company.

(b) You also agree that you will fully and timely comply with all of the covenants set forth in this subsection (which shall survive your termination of employment and termination or expiration of this Agreement):

(i) You will fully pay off any outstanding amounts owed to the Company no later than their applicable due date or within thirty days of your Termination Date (if no other due date has been previously established);

(ii) Within five (5) days of the Termination Date, you shall return to the Company all Company property including, but not limited to, computers, cell phones, pagers, keys, business cards, etc.;

(iii) Within thirty (30) days of the Termination Date, you will submit any outstanding expense reports to the Company on or prior to the Termination Date; and

(iv) As of the Termination Date, you will no longer represent that you are an officer, director or employee of the Company and you will immediately discontinue using your Company mailing address, telephone, facsimile machines, voice mail and e-mail;

(c) You agree that you will strictly adhere to and obey all Company rules, policies, procedures, regulations and guidelines, including but not limited to those contained in the Company's employee handbook, as well any others that the Company may establish including without limitation any policy the Company adopts on the recoupment of compensation.

16. ***Offset.*** Any severance or other payments or benefits made to you under this Agreement may be reduced, in the Company's discretion, by any amounts you owe to the Company provided that any such offsets do not violate Code Section 409A.

17. ***Notice.*** Any notice that the Company is required to or may desire to give you shall be given by personal delivery, recognized overnight courier service, email, telecopy or registered or certified mail, return receipt requested, addressed to you at your address of record with the Company, or at such other place as you may from time to time designate in writing. Any notice that you are required or may desire to give to the Company hereunder shall be given by personal delivery, recognized overnight courier service, email, telecopy or by registered or certified mail, return receipt requested, addressed to the Company's General Counsel at its principal office, or at such other office as the Company may from time to time designate in writing. The date of actual delivery of any notice under this Section 17 shall be deemed to be the date of delivery thereof.

18. ***Waiver; Severability.*** No provision of this Agreement may be amended or waived unless such amendment or waiver is agreed to by you and the Company in writing and such amendment or waiver expressly references this Section 18. No waiver by you or the Company of the breach of any condition or provision of this Agreement will be deemed a waiver of a

similar or dissimilar provision or condition at the same or any prior or subsequent time. Except as expressly provided herein to the contrary, failure or delay on the part of either party hereto to enforce any right, power, or privilege hereunder will not be deemed to constitute a waiver thereof. In the event any portion of this Agreement is determined to be invalid or unenforceable for any reason, the remaining portions shall be unaffected thereby and will remain in full force and effect to the fullest extent permitted by law.

19. ***Voluntary Agreement.*** You acknowledge that you have been advised to review this Agreement with your own legal counsel and other advisors of your choosing and that prior to entering into this Agreement, you have had the opportunity to review this Agreement with your attorney and other advisors and have not asked (or relied upon) the Company or its counsel to represent you or your counsel in this matter. You further represent that you have carefully read and understand the scope and effect of the provisions of this Agreement and that you are fully aware of the legal and binding effect of this Agreement. This Agreement is executed voluntarily by you and without any duress or undue influence on the part or behalf of the Company.

20. ***Key-Man Insurance.*** The Company shall have the right to insure your life for the sole benefit of the Company, in such amounts, and with such terms, as it may determine. All premiums payable thereon shall be the obligation of the Company. You shall have no interest in any such policy, but you agree to cooperate with the Company in taking out such insurance by submitting to physical examinations, supplying all information required by the insurance company, and executing all necessary documents, provided that no financial obligation is imposed on you by any such documents.

ACKNOWLEDGED AND AGREED:

This 26th day of March, 2014. This 26th day of March, 2014.

LIFEVANTAGE CORPORATION

/s/ Garry Mauro /s/ Douglas C. Robinson
By: Garry Mauro Douglas C. Robinson
Title: Chairman of the Board of Directors

FIRST AMENDMENT TO LEASE

This First Amendment to Lease (hereinafter "First Amendment") is entered into as of the 24th day of March 2014, by and between SANDY PARK II L.L.C., a Utah limited liability company (hereinafter "Landlord"), and LIFEVANTAGE CORPORATION, a Colorado corporation (hereinafter "Tenant").

RECITALS

WHEREAS, Landlord and Tenant entered into that certain Lease dated September 20, 2012 (hereinafter "Lease"), for the third (3rd) and fourth (4th) floors, consisting of 44,353 square feet of gross rentable area, of the Sandy Park Office Complex (hereinafter "Building") in Sandy City, Utah; and

WHEREAS, Landlord and Tenant desire to modify the Lease as follows:

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and other good and valuable consideration, it is covenanted and agreed between the parties that the Lease be modified and amended as follows:

1. Landlord shall install, at Landlord's sole cost and expense, a commercial standby generator at the Building, and Tenant shall be entitled to the exclusive use of up to eighty (80) kilowatts of such generator.

2. From and after mutual execution of this First Amendment, Section 1.01 (L) of the Lease, BASE MONTHLY RENT, shall be amended and restated as follows:

"Eighty-Seven Thousand Seven Hundred Ninety-Eight and 55/100 Dollars ($87,798.55)."

3. From and after mutual execution of this First Amendment, Section 1.01 (M) of the Lease, ESCALATIONS IN BASE MONTHLY RENT, shall be amended and restated as follows:

"Escalation Commencement	Monthly Payment
Commencing the 1st day of the 13th month after the Rental Commencement Date	$91,494.65
Commencing the 1st day of the 25th month after the Rental Commencement Date	$95,190.74
Commencing the 1st day of the 37th month after the Rental Commencement Date	$98,886.84

Commencing the 1st day of the 49th month after the Rental Commencement Date	$102,582.93
Commencing the 1st day of the 61st month after the Rental Commencement Date	$106,279.03
Commencing the 1st day of the 73rd month after the Rental Commencement Date	$109,975.18
Commencing the 1st day of the 85th month after the Rental Commencement Date	$113,671.28
Commencing the 1st day of the 97th month after the Rental Commencement Date	$117,367.31
Commencing the 1st day of the 109th month after the Rental Commencement Date"	$121,063.41

4. Except as specifically modified, altered, or changed by this First Amendment; the Lease and any amendments or extensions shall remain unchanged and in full force and effect throughout the Rental Term. Capitalized terms used in this First Amendment that are not defined herein shall have the meanings ascribed to them in the Lease.

[Signature Pages to Follow]

IN WITNESS THEREOF, the parties hereto have executed this First Amendment as of the date and year first above written.

LANDLORD: **SANDY PARK II L.L.C., a Utah limited liability company**

By: WOODBURY STRATEGIC PARTNERS FUND, L.P., a Delaware limited partnership, Its Manager

By: WSP TRUFFLES L.L.C., a Delaware limited liability company, Its General Partner

By: WOODBURY STRATEGIC PARTNERS MANAGEMENT L.L.C., a Utah limited liability company, Its Manager

By: WOODBURY CORPORATION, a Utah corporation, Its Manager

By: /s/ O. Randall Woodbury

O. Randall Woodbury, President

By: /s/ Jeffrey K. Woodbury

Jeffrey K. Woodbury, Vice President

TENANT: **LIFEVANTAGE CORPORATION, a Colorado corporation**

By: /s/ Doug Robinson

Doug Robinson, President and Chief Executive Officer

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Douglas C. Robinson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of LifeVantage Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2014

/s/ *Douglas C. Robinson*

Douglas C. Robinson
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, David S. Colbert, certify that:

1. I have reviewed this quarterly report on Form 10-Q of LifeVantage Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2014

/s/ *David S. Colbert*

David S. Colbert
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the filing of this quarterly report on Form 10-Q of LifeVantage Corporation (the "Company") for the period ended March 31, 2014, with the Securities and Exchange Commission on the date hereof (the "report"), I, Douglas C. Robinson, Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1) The report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the report or as a separate disclosure document.

Date: May 6, 2014

/s/ *Douglas C. Robinson*

Douglas C. Robinson
President and Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the filing of this quarterly report on Form 10-Q of LifeVantage Corporation (the "Company") for the period ended March 31, 2014, with the Securities and Exchange Commission on the date hereof (the "report"), I, David S. Colbert, Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1) The report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the report or as a separate disclosure document.

Date: May 6, 2014

/s/ *David S. Colbert*

David S. Colbert
Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.