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Lifevantage Corp  
Form PRE 14A  
September 01, 2015  
SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934

(Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement  
 Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))  
 Definitive Proxy Statement  
 Definitive Additional Materials  
 Soliciting Material Pursuant to §240.14a-12

LIFEVANTAGE CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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LifeVantage Corporation  
9785 S. Monroe Street, Suite 300  
Sandy, Utah 84070

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

October 15, 2015

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Dear Shareholder:

You are cordially invited to attend the fiscal year 2016 Annual Meeting of Shareholders of LifeVantage Corporation, a Colorado corporation. The meeting will be held at the Hilton Garden Inn, 277 West Segoe Lily Drive, Sandy UT 84070 on Thursday, October 15, 2015 at 12:00 noon, Mountain Time, for the following purposes:

1. To elect five directors to hold office for a one-year term expiring at our fiscal year 2017 Annual Meeting of Shareholders or until their respective successors are elected and qualified;
2. To advise on a non-binding resolution on the Company's compensation of its named executive officers;
3. To approve an amendment to the Company's amended and restated articles of incorporation to authorize a reverse stock split of the Company's common stock (the "Reverse Stock Split");
4. To ratify the appointment of EKS&H LLLP as our independent registered public accounting firm for our fiscal year ending June 30, 2016; and
5. To conduct any other business properly brought before the meeting.

These items of business are more fully described in the Proxy Statement accompanying this Notice.

Our board of directors recommends that you vote FOR proposals 1, 2, 3 and 4.

Our board of directors would like to highlight the importance of Proposal 3. As further described in the Proxy Statement accompanying this Notice, our board of directors unanimously authorized the Reverse Stock Split with the primary intent of increasing the price of our common stock in order to continue to meet the Nasdaq Capital Market's price criteria for continued listing. Our board of directors believes that, in addition to increasing the price of our common stock, the Reverse Stock Split would also make our common stock more attractive to a broader range of institutional and other investors. Accordingly, for these and other reasons discussed in the Proxy Statement, we believe that effecting the Reverse Stock Split is in the Company's and our stockholders' best interests and urge you to vote FOR this proposal.

You are cordially invited to attend the meeting in person. Whether or not you expect to attend the meeting, we encourage you to submit your proxy as soon as possible (i) by accessing the Internet site, scanning the QR code located on the proxy card enclosed with your proxy materials, or by calling the toll-free number described in the proxy materials; or (ii) by signing, dating and returning the paper proxy card as promptly as possible in order to ensure your representation at the meeting. Even if you have voted by proxy, you may still vote in person if you attend the meeting. Please note, however, that if your shares of record are held by a broker, bank or other nominee and you wish to vote at the meeting, you must obtain a proxy issued in your name from that record holder.

Sandy, Utah  
September 11, 2015

By Order of our Board of Directors  
/s/ Garry Mauro  
Garry Mauro  
Chairman

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON OCTOBER 15, 2015:

This notice, the accompanying proxy statement, and annual report to shareholders are available at <http://investor.lifevantage.com/sec.cfm>.



TABLE OF CONTENTS

	Page
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS	<u>2</u>
INFORMATION CONCERNING VOTING AND SOLICITATION OF PROXY	<u>4</u>
General	<u>4</u>
Our Fiscal Year	<u>4</u>
Why am I receiving these materials?	<u>4</u>
Where and when is the annual meeting?	<u>4</u>
What am I voting on?	<u>4</u>
Who can vote at the annual meeting?	<u>4</u>
How do I vote?	<u>5</u>
How many votes do I have?	<u>5</u>
How are votes counted?	<u>5</u>
What are broker non-votes?	<u>5</u>
How many votes are needed to approve each proposal?	<u>5</u>
What does it mean if I receive more than one proxy card or Notice of Availability?	<u>6</u>
Can I change my vote after submitting my proxy?	<u>6</u>
What if I return a proxy card but do not make specific choices?	<u>6</u>
What is the quorum requirement?	<u>6</u>
Who is paying for this proxy solicitation?	<u>7</u>
When are shareholder proposals due for next year's annual meeting?	<u>7</u>
How can I find out the results of the voting at the annual meeting?	<u>7</u>
PROPOSAL 1 - ELECTION OF DIRECTORS	<u>8</u>
PROPOSAL 2 - ADVISORY VOTE AS TO OUR EXECUTIVE COMPENSATION	<u>11</u>
PROPOSAL 3 - APPROVAL OF AN AMENDMENT TO OUR AMENDED AND RESTATED ARTICLES OF INCORPORATION TO EFFECT A REVERSE STOCK SPLIT OF OUR COMMON STOCK	<u>12</u>
PROPOSAL 4 - RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM	<u>18</u>
CORPORATE GOVERNANCE	<u>19</u>
EXECUTIVE OFFICERS	<u>25</u>
EXECUTIVE COMPENSATION	<u>27</u>
AUDIT RELATED MATTERS	<u>46</u>
SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT	<u>47</u>
CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS	<u>49</u>
CODE OF ETHICS	<u>49</u>
SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE	<u>49</u>
HOUSEHOLDING OF PROXY MATERIALS	<u>49</u>
ANNUAL REPORT ON FORM 10-K	<u>50</u>
OTHER MATTERS	<u>50</u>
ANNEX A: Amendment to the Amended and Restated Articles of Incorporation	<u>51</u>

LifeVantage Corporation  
9785 S. Monroe Street, Suite 300  
Sandy, Utah 84070

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

October 15, 2015

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INFORMATION CONCERNING VOTING AND SOLICITATION OF PROXY

General

This proxy statement is furnished to shareholders of LifeVantage Corporation, a Colorado corporation, sometimes referred to as “we,” “us,” “our,” the “Company” or “LifeVantage,” in connection with the solicitation of proxies for use at the fiscal 2016 Annual Meeting of Shareholders of LifeVantage to be held on October 15, 2015, at 12:00 noon, Mountain Time, at the Hilton Garden Inn, 277 West Sego Lily Drive, Sandy UT 84070, for the purposes set forth in the Notice of Meeting. This solicitation of proxies is made on behalf of our board of directors.

Our Fiscal Year

Our fiscal year ends on June 30 of each year. In this proxy statement, when we refer to our fiscal year, we mean the twelve-month period ending on June 30 of the stated year. For example, “fiscal 2016” refers to the twelve-month period from July 1, 2015 through June 30, 2016.

Why am I receiving these materials?

We sent you this proxy statement and the enclosed proxy card because our board of directors is soliciting your proxy to vote your shares at the fiscal 2016 Annual Meeting of Shareholders on the matters to be considered at that meeting. We intend to mail this proxy statement and the accompanying proxy card on or about September 11, 2015 to all our shareholders of record as of the record date entitled to vote at the annual meeting.

Where and when is the annual meeting?

The fiscal 2016 Annual Meeting of Shareholders of LifeVantage will take place on Thursday, October 15, 2015 at 12:00 noon local time (Mountain Time) at the Hilton Garden Inn, 277 West Sego Lily Drive, Sandy UT 84070.

What am I voting on?

The following matters are scheduled to be voted on by shareholders at the annual meeting:

- the election of five directors to our board of directors;
- a non-binding resolution on the Company's compensation of its named executive officers;
- an amendment to the Company's amended and restated articles of incorporation to authorize a reverse stock split of the Company's common stock (the “Reverse Stock Split”); and
- the ratification of the selection of the appointment of EKS&H LLLP as our independent registered accounting firm for our fiscal year ending June 30, 2016.

Who can vote at the annual meeting?

Only shareholders of record at the close of business on August 31, 2015, which date we refer to as the “record date,” will be entitled to vote at the annual meeting. As of the record date, we had approximately 97,777,215 shares of common stock outstanding and entitled to vote.

Shareholders of Record: Shares Registered in Your Name

If on the record date your shares were registered directly in your name with our transfer agent, Computershare Trust Company, Inc., then you are a shareholder of record. As a shareholder of record, you may vote by proxy or vote in person at the meeting. Whether or not you plan to attend the meeting, we encourage you to submit your proxy as soon as possible (i) by accessing the Internet site or by calling the toll-free number described in the proxy materials; or (ii) by signing, dating and returning the enclosed proxy to ensure your vote is counted.

**Beneficial Owner: Shares Registered in the Name of a Broker, Bank or Other Nominee**

If on the record date your shares were not held in your name, but rather in an account at a brokerage firm, bank, dealer, or other similar organization, then you are the beneficial owner of shares held in “street name” and these proxy materials are being forwarded to you by that organization. The organization holding your account is considered to be the shareholder of record for purposes of voting at the annual meeting. As a beneficial owner, you have the right to direct your broker or other agent on how to vote the shares in your account. You are also invited to attend the annual meeting provided that you bring with you proof of your beneficial ownership of shares, such as a brokerage account statement. However, if you are not the shareholder of record, you may not vote your shares in person at the meeting unless you request and obtain a valid proxy from your broker or other agent.

How do I vote?

**Shareholder of Record: Shares Registered in Your Name**

If you are a shareholder of record, you may vote by proxy using the enclosed proxy card or in person at the annual meeting.

• **Voting Your Proxy By Mail.** To vote using the proxy card, simply complete, sign and date the enclosed proxy card and return it promptly in the pre-addressed, postage-paid envelope provided to you.

• **Voting on the Internet.** To vote on the Internet access <http://www.proxyvote.com> and follow the on-screen instructions or scan the QR code with your smart phone.

• **Voting by Telephone.** To vote by phone call toll free 1-800-690-6903 from any touch-telephone and follow the instructions.

• **Voting in Person.** To vote in person, come to the annual meeting and we will give you a ballot when you arrive. Whether or not you plan to attend the meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the meeting and vote in person if you have already voted by proxy. See “Can I change my vote after submitting my proxy?” below.

**Beneficial Owner: Shares Registered in the Name of a Broker, Bank or Other Nominee**

If you are a beneficial owner of shares registered in the name of a brokerage firm, bank, dealer, or other similar organization, you should have received a proxy card and voting instructions with these proxy materials from that organization rather than from us. Simply complete and mail the proxy card to ensure that your vote is counted. You may not vote your shares in person at the meeting unless you request and obtain a valid proxy from your broker or other agent.

How many votes do I have?

On each matter to be voted upon, you have one vote for each share of common stock you own as of the record date.

How are votes counted?

Votes will be counted by the inspector of election appointed for the meeting. Each proposal (other than the election of directors) will be approved if the votes cast "FOR" the proposal exceed the votes cast "AGAINST" the proposal. With respect to the election of directors, the five nominees receiving the highest number of “FOR” votes will be elected. Because neither abstentions nor broker non-votes are considered cast with respect to a proposal, abstentions and broker non-votes have no effect and will not be counted towards the vote total for any proposal.

What are broker non-votes?

When a broker indicates on its proxy that it does not have authority to vote certain shares held in “street name” on particular proposals, the shares not voted are called “broker non-votes.” Broker non-votes occur when brokers do not have discretionary voting authority on certain “non-routine” proposals under the rules of the NASDAQ Stock Market (NASDAQ) and the beneficial owner has not instructed the broker how to vote on these proposals. The ratification of the selection of our independent registered public accounting firm is the only proposal at the annual meeting that is considered a “routine” matter under the rules and interpretations of NASDAQ.

How many votes are needed to approve each proposal?

• Directors are elected by a plurality of the votes properly cast in person or by proxy. Cumulative voting is not permitted. The five nominees receiving the highest number of "FOR" votes will be elected. Properly executed





proxies marked "WITHHOLD" and broker non-votes with respect to this proposal will not be voted and accordingly will have no effect on the outcome of this proposal.

The non-binding advisory resolution on the Company's compensation of its named executive officers will be approved by our shareholders if the votes cast "FOR" the proposal exceed the votes cast "AGAINST" the proposal. Properly executed proxies marked "ABSTAIN" and broker non-votes with respect to this proposal will not be voted and accordingly will have no effect on the outcome of this proposal.

The amendment to the Company's amended and restated articles of incorporation to authorize a reverse stock split of the Company's common stock will be approved by our shareholders if the votes cast "FOR" the proposal exceed the votes cast "AGAINST" the proposal. Properly executed proxies marked "ABSTAIN" and broker non-votes with respect to this proposal will not be voted and accordingly will have no effect on the outcome of this proposal.

The ratification of the selection of EKS&H LLLP as our independent registered public accounting firm for the fiscal year ending June 30, 2016 will be approved by our shareholders if the votes cast "FOR" the proposal exceed the votes cast "AGAINST" the proposal. Properly executed proxies marked "ABSTAIN" and broker non-votes with respect to this proposal will not be voted and accordingly will have no effect on the outcome of this proposal. A broker or other nominee will generally have discretionary authority to vote on this proposal because it is considered a routine matter, and therefore we do not expect broker non-votes with respect to this proposal.

What does it mean if I receive more than one proxy card?

If you receive more than one proxy card, your shares are likely registered in more than one name or are registered in different accounts. If you vote by mail, please complete, sign and return each proxy card. Or, if you vote by Internet or telephone, vote once for each proxy card you received.

Can I change my vote after submitting my proxy?

Yes. You can revoke your proxy at any time before it is voted. If you are the record holder of your shares, you may revoke your proxy in any one of three ways:

• You may submit another properly completed proxy card with a later date;

• You may send a written notice that you are revoking your proxy to our Corporate Secretary at LifeVantage Corporation, Attn: Corporate Secretary, 9785 S. Monroe Street, Suite 300, Sandy, Utah 84070; or

• You may attend the annual meeting and vote in person. Simply attending the meeting will not, by itself, revoke your proxy.

If your shares are held by your broker, bank or other nominee as a nominee or agent, you should follow the instructions provided by your broker or bank to revoke your proxy.

What if I return a proxy card but do not make specific choices?

If you return a signed and dated proxy card without marking any voting selections or without marking your voting selection as to a particular proposal, your shares will be voted "FOR" the election of all five nominees for director and "FOR" Proposal 2, Proposal 3 and Proposal 4, in each case, to the extent your proxy card does not indicate otherwise. If any other matter is properly presented at the meeting, your proxy (one of the individuals named on your proxy card) will vote your shares using his or her best judgment.

What is the quorum requirement?

A quorum of shareholders is necessary to hold a valid meeting. A quorum will be present if a majority of the shares outstanding as of the record date are represented by shareholders present at the meeting in person or by proxy. As of the record date we had approximately 97,777,215 shares of common stock outstanding and entitled to vote. Thus, at least 48,768,608 shares of common stock must be represented by shareholders present at the meeting in person or by proxy to constitute a quorum.

Persons returning executed proxy cards will be counted as present for purposes of establishing a quorum even if they abstain from voting on any or all proposals. Shares held by brokers who vote such shares on any proposal will be counted as present for purposes of establishing a quorum, and broker non-votes on other proposals will not affect the presence of a quorum.



Who is paying for this proxy solicitation?

We will pay the entire cost of soliciting proxies. In addition to these mailed proxy material and the use of the Internet, our directors and employees may also solicit proxies in person, by telephone, or by other means of communication. Directors and employees will not be paid any additional compensation for soliciting proxies. We have also engaged Morrow & Co., LLC ("Morrow") to assist with the solicitation of proxies. We have agreed to pay Morrow a fee of \$5,000 plus reimbursement of expenses for their services. We will also reimburse brokerage firms, banks and other agents for the cost of forwarding solicitation materials to beneficial owners.

When are shareholder proposals due for next year's annual meeting?

Shareholder Proposals for Inclusion in Next Year's Proxy Statement.

Shareholders may submit proposals on matters appropriate for shareholder action at meetings of our shareholders in accordance with Rule 14a-8 promulgated under the Securities Exchange Act of 1934, or the Exchange Act. To be eligible for inclusion in the proxy statement relating to our fiscal 2017 Annual Meeting of Shareholders, shareholder proposals must be submitted in writing to LifeVantage Corporation, Attention: Corporate Secretary at 9785 South Monroe Street, Suite 300, Sandy, Utah 84070 and must be received by us no later than May 14, 2016 and must otherwise satisfy the conditions established by the Securities and Exchange Commission, or SEC, for shareholder proposals to be included in the proxy statement for that meeting. In addition, our bylaws include other requirements for the submission of proposals and the nomination of candidates for director.

Shareholder Proposals for Presentation at Next Year's Annual Meeting.

If a shareholder wishes to present a proposal, including a director nomination, at our fiscal 2017 Annual Meeting of Shareholders and the proposal is not intended to be included in our proxy statement relating to that meeting, the shareholder must give advance notice in writing to LifeVantage Corporation, Attention: Corporate Secretary at 9785 South Monroe Street, Suite 300, Sandy, Utah 84070 not less than 90 days, or June 13, 2016, nor more than 120 days, or May 14, 2016, prior to the first anniversary of the date on which we first mailed our proxy materials for the fiscal 2016 Annual Meeting, except that if the fiscal 2017 Annual Meeting date is changed by more than 30 days from the anniversary date of the fiscal 2016 Annual Meeting, such notice must be delivered not earlier than 120 days prior to the fiscal 2016 Annual Meeting date and not later than the close of business on the later of the 90th day prior to the fiscal 2016 Annual Meeting date or the 10th day following the day on which we first publicly announce the fiscal 2017 Annual Meeting date. If a shareholder fails to give timely notice of a proposal, the shareholder will not be permitted to present the proposal to the shareholders for a vote at our fiscal 2017 Annual Meeting. In addition, our bylaws include other requirements for the submission of proposals and the nomination of candidates for director.

How can I find out the results of the voting at the annual meeting?

Preliminary voting results will be announced at the annual meeting. We expect to report final voting results in a current report on Form 8-K that we will file with the SEC within four business days after the annual meeting. You can obtain a copy of the Form 8-K, once it is filed, on our website at [investor.lifevantage.com/sec.cfm](http://investor.lifevantage.com/sec.cfm), by calling the SEC at (800) SEC-0330 for the location of the nearest public reference room, or through the EDGAR system at [www.sec.gov](http://www.sec.gov). Our website does not constitute part of this proxy statement.

**IT IS THE INTENTION OF THE AGENTS DESIGNATED IN THE ENCLOSED PROXY CARD TO VOTE "FOR" THE ELECTION OF EACH NOMINEE FOR DIRECTOR IDENTIFIED IN PROPOSAL 1 (UNLESS AUTHORITY IS WITHHELD BY THE SHAREHOLDER GRANTING THE PROXY) AND "FOR" EACH OF PROPOSAL 2, PROPOSAL 3 AND PROPOSAL 4. IF ANY NOMINEE BECOMES UNAVAILABLE TO SERVE FOR ANY REASON, THE PROXY WILL BE VOTED FOR A SUBSTITUTE NOMINEE OR NOMINEES TO BE SELECTED BY THE COMPANY'S BOARD OF DIRECTORS, UNLESS THE SHAREHOLDER WITHHOLDS AUTHORITY TO VOTE FOR THE ELECTION OF DIRECTORS.**

**PROPOSAL 1 - ELECTION OF DIRECTORS**

Our board of directors currently consists of the following five individuals: Mr. Michael A. Beindorff, Mr. David S. Manovich, Mr. Garry Mauro, Mr. George E. Metzger and Mr. Richard Okumoto. Each of these five individuals will be standing for election at our fiscal 2016 Annual Meeting of Shareholders. Each director elected will hold office until the next annual meeting of shareholders and until his successor is elected and qualified, or, if sooner, until the director's death, resignation or removal.

We encourage nominees for director to attend the annual meeting. All of the nominees for election as a director at last year's annual meeting of shareholders attended that meeting.

If any nominee becomes unavailable for election as a result of an unexpected occurrence, shares represented by a duly executed proxy will be voted to fill any vacancy so arising in accordance with the discretionary authority of the persons named in the proxy, unless contrary instructions are given. Each person nominated for election has agreed to serve if elected. Our management has no reason to believe that any nominee will be unable to serve.

The following information is furnished with respect to each of the director nominees for election at the annual meeting:

Name	Age	Position with Company
Mr. Michael A. Beindorff	63	Director
Mr. David S. Manovich	63	Director
Mr. Garry Mauro	67	Director
Mr. George E. Metzger	68	Director
Mr. Richard Okumoto	63	Director

**MR. MICHAEL A. BEINDORFF.** Mr. Beindorff has been an independent member of our board of directors since January 2012. Mr. Beindorff brings more than thirty years of experience in general management, operations, sales and marketing with a strong track record of building and leading disciplined organizational teams, driving rapid, profitable growth and delivering results across a variety of business environments. He currently serves as Principal and President of the Far Niente Group, a management consultancy focused on helping clients build effective business models, strong differentiated brands, viable product lines and sustainable businesses while maximizing return on investment, a position he has held since 2008. From 2004 to 2008 he served as Chief Operating Officer of Exclusive Resorts, a private club for luxury travel experiences, where he helped build a strong leadership team and a profitable, sustainable business. From 2002 to 2004 he served as Principal & President of the Greentree Group, a management consultancy focused on helping clients build strong brands and effective business models. From 1999 to 2002 he served first as President & COO and then as Chairman & Chief Executive Officer of PlanetRx.com, an internet pharmacy and on-line health portal. From 1995 to 1999 he served as Executive Vice President of Marketing, Operations & Product Management for VISA. From 1978 to 1995 he held various positions leading global advertising, marketing and brand management for The Coca-Cola Company and Rhodes Furniture. Mr. Beindorff received his Bachelor of Science in Business Administration from the University of Alabama and his Masters of Business Administration from the Gouzietta Business School at Emory University. Mr. Beindorff's broad background building and leading organizations, and experience in building strong sales and marketing, and branding initiatives brings to our board of directors expertise in operations and oversight as well as strong leadership and initiative.

**MR. DAVID S. MANOVICH.** Mr. Manovich has been a member of our board of directors since January 2012. In addition, from February 2015 through May 2015, Mr. Manovich served as our Executive Vice Chairman on an interim basis. Except for the period of his interim service as Executive Vice Chairman, Mr. Manovich has been and currently is an independent member of our board of directors. Following his interim service, our board of directors determined Mr. Manovich resumed being an independent member of our board of directors. Mr. Manovich has extensive experience in finance management and oversight, executive sales and marketing operations as well as distribution management and development. He currently serves as Managing Partner of D&S Investments, a private investment entity focused on portfolio management for long term capital appreciation, a position he has held since 2006. From 2001 to 2006 Mr. Manovich was retired. From 1999 to 2001, he served as Chief Operating Officer and Senior Vice President of @Road Inc., a start-up wireless data services company. From 1998 to 1999, he served as a Partner of Union Atlantic, LC, an investment and venture capital merchant banking company. From 1997 to 1998, he served as

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Executive Vice President at Apple Computer where he was responsible for worldwide sales and support. From 1996 to 1997, he served as Vice President of Sales for Fujitsu P.C. where he was responsible for sales and channel development for the U.S., Canada, Central and Southern America and Caribbean markets. From 1985 to 1996, he served in various positions at Apple Computer, including as Vice President of U.S. consumer division, Director of Business Markets and Country Manager for the UK/Ireland as well as Regional & District Sales Manager in the U.S. From 1983 to 1985, he served as District Manager and franchise owner of Entre Computer. He served as Controller of the Federal Home Loan Bank of Seattle in 1983. Mr. Manovich began his career at Deloitte, Haskins & Sells, where he served as a Certified Public Accountant from 1979

to 1983. Mr. Manovich received his Bachelor of Science in Business Administration with an emphasis on Marketing and Management from the University of Montana and his Masters of Business Administration with an emphasis on Finance from the University of Montana. Mr. Manovich's financial and accounting capabilities as well as his sales and marketing experience brings to our board of directors experience in executive oversight, expertise in financial modeling and insight, as well as leadership in operations.

**MR. GARRY MAURO.** Mr. Mauro has been an independent member of our board of directors since April 2008 and has served as the chairman of the board of directors since November 2013. Mr. Mauro has worked for over 30 years at the local, state and national levels on behalf of both private and public sector entities. From 1983 to 1999, he served as Commissioner of the Texas General Land Office overseeing the management of more than 20 million acres of state land, 18,000 oil and gas wells, and the state's benefit program for Veterans. During his tenure as Commissioner, he also chaired the Veterans Land board of directors, the School Land board of directors, the Parks and Wildlife board of directors for Lease, the Texas Department of Corrections board of directors for Lease, the University board of directors for Lease, the Coastal Coordination Council and the Texas Alternative Fuels Council and co-chaired the Sustainable Energy Development Council. He has received numerous honors and awards for his civic and philanthropic contributions in environmental, political and business arenas, including the "Man of the Year Award" from the Texas League of Women Voters and the "Rising Star of Texas Award" from Texas Business Magazine. In 1998, he was the Texas Democratic Party nominee for Governor. Mr. Mauro's broad range of expertise brings to our board of directors experience in management and operations as well as strong leadership and oversight.

**MR. GEORGE E. METZGER.** Mr. Metzger has been an independent member of our board of directors since January 2012. Mr. Metzger has more than thirty years of experience in executive compensation, human resources, benefits and labor relations as well as workforce planning. In December 2007, Mr. Metzger retired from Textron Inc., a company with international operations in multiple industries. Mr. Metzger worked in various capacities while at Textron beginning in 1985, and most recently served as Vice President of Human Resources and Benefits from 2000 until December 2007. In this role he was responsible for Textron's networked integrated human resource delivery system, including account based healthcare plans, retirement plan redesign and reward structure. From 1976 to 1985, he worked for Rockwell International, most recently as Director Human Resources. He worked at Clark Equipment Company from 1969 to 1976, where he served as Director Labor Relations at the time of his departure. From June 2008 until March 2014, Mr. Metzger served on the board of directors of WorkWell Systems, Inc., a privately held physical medicine and workers' compensation solutions company. Mr. Metzger received his Bachelor of Science in Business Administration from Trine University. Mr. Metzger's extensive experience with executive compensation, labor relations and benefits brings to our board of directors experience in human resources oversight and workforce planning and development.

**MR. RICHARD OKUMOTO.** Mr. Okumoto has been an independent member of our board of directors since November 2012. Mr. Okumoto has over thirty years of corporate finance, operations, and strategy development experience in rapid growth technology companies in Silicon Valley. Mr. Okumoto is currently an adjunct professor in the Lucas Graduate School of Business MBA program at San Jose State University; a position he has held since 2008. He has been a principal with the consulting firm of Miller-Okumoto, Inc. since 2007. From 2008 to 2010 Mr. Okumoto was the audit committee chairman and a member of the compensation committee for Logic Vision, Inc., a publicly traded electronic design automation company. From 2007 to 2009 Mr. Okumoto was the chief financial officer of Advanced Micro-Fabrication Equipment, Inc., a global micro-fabrication equipment company. From 2003 to 2006 Mr. Okumoto was the chief financial officer of Photon Dynamics, Inc., a publicly held manufacturer of flat panel display test equipment. From 1998 to 2001 Mr. Okumoto was the chief executive officer of TMT, Inc., a manufacturer of test equipment for the global semiconductor industry, and the Vice-President and General Manager for the Analog, Linear, and RF test equipment division of the acquiring company, Credence Systems Corporation, a manufacturer of test equipment for the global semiconductor industry. From 1993 to 1998 Mr. Okumoto was the executive vice president and chief financial officer of Credence Systems Corporation. From 1990 to 1993 Mr. Okumoto was the Corporate Controller at Novellus Systems, Inc., a supplier of wafer fabrication equipment and services. From 1974 to 1990 Mr. Okumoto held finance and operations roles at such companies as: Fairchild Semiconductor Corporation, Measorex Corporation (Honeywell), Commodore Business Machines, Inc., Basyx, Inc.,

and Digital Research Corporation. Mr. Okumoto also serves on the board of directors of Vantage Technology Corporation, a privately held micro-analytical metrology tool company. Mr. Okumoto received his Bachelor of Science in Business Administration with an emphasis in Accounting from San Jose State University and his Master of Arts in Communication and Leadership from Gonzaga University. Mr. Okumoto holds a Registered Financial Consultant designation: RFC®. Mr. Okumoto brings to our board of directors extensive business background in finance and accounting, general management, and business strategy as a public company chief financial officer and audit committee chairman, as a chief executive officer and division general manager, and practitioner and academic of business strategy.

**Required Vote**

Directors are elected by a plurality of the votes properly cast in person or by proxy. Cumulative voting is not permitted. The five nominees receiving the highest number of "FOR" votes will be elected.

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF EACH OF THE DIRECTOR NOMINEES ABOVE.**

10

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**PROPOSAL 2 - ADVISORY VOTE AS TO OUR EXECUTIVE COMPENSATION**

In accordance with SEC rules, we are requesting stockholders to approve, on an advisory and non-binding basis, the compensation of our named executive officers as disclosed in this proxy statement. This is commonly referred to as a “Say-On-Pay” proposal.

The vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers and the philosophy, policies and practices described in this proxy statement. Stockholders may express their views on the design and effectiveness of our executive compensation programs by voting on this proposal. As described in the Compensation Discussion and Analysis of this proxy statement, our executive compensation program is designed to attract, retain and motivate talented executives capable of providing the leadership, vision and execution necessary to achieve our business objectives and create long-term shareholder value and to ensure that total compensation is fair, reasonable and competitive. Please read the “Compensation Discussion and Analysis,” the accompanying compensation tables and narrative discussion for additional details about our executive compensation program, including information about the fiscal year 2015 compensation of our named executive officers.

Accordingly, in accordance with Section 14A of the Securities Exchange Act of 1934, as amended, we are asking our stockholders to vote “FOR” the following resolution:

**RESOLVED**, that the stockholders hereby approve the compensation of the Company’s named executive officers, as disclosed pursuant to the disclosure rules of the Securities and Exchange Commission, including the compensation tables and related narrative discussion in this proxy statement under the caption “Compensation Discussion and Analysis.”

This Say-On-Pay vote is advisory, and therefore not binding on our compensation committee or our board of directors. However, our board of directors and our compensation committee value the opinions of our stockholders and will consider the voting results for this proposal in making future compensation decisions. We hold such advisory votes on the compensation of our named executive officers every three years and will hold another advisory vote at our annual meeting of shareholders held in fiscal year 2019.

**Required Vote**

The non-binding advisory resolution will be approved by our stockholders if the votes cast "FOR" the proposal exceed the votes cast "AGAINST" the proposal.

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE “FOR” APPROVAL OF THE ADVISORY RESOLUTION APPROVING THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.**

### PROPOSAL 3

#### APPROVAL OF AN AMENDMENT TO OUR AMENDED AND RESTATED ARTICLES OF INCORPORATION TO EFFECT A REVERSE STOCK SPLIT OF OUR COMMON STOCK

Our board of directors (“Board”) has adopted and is submitting for stockholder approval an amendment to our Amended and Restated Articles of Incorporation to effect a reverse stock split at a ratio that is not less than 3:1 nor greater than 8:1, with the final ratio to be selected by our Board in its discretion following stockholder approval. Pursuant to the law of our state of incorporation, Colorado, our Board must recommend, and communicate the basis for its determination, any amendment to our Amended and Restated Articles of Incorporation, and submit the amendment to stockholders for their approval. Proposal 3 will be approved if the votes cast “FOR” the proposal exceed the votes cast “AGAINST” the proposal.

The proposed amendment to our Amended and Restated Articles of Incorporation includes a range of exchange ratios for the reverse stock split because it is not possible to predict market conditions at the time the reverse split would be implemented, if applicable. If shareholders approve this proposal at the annual meeting, the Board will be authorized to implement a reverse stock split at a ratio within the range, or to abandon the reverse stock split as determined in the discretion of the Board. This authorization will remain effective until the first anniversary of the annual meeting, or, if shorter, until the Company regains compliance with the NASDAQ Capital Market (“NASDAQ”) listing requirements as further described below, including any extensions granted by NASDAQ to regain compliance, or the Company is delisted. The Board will set the ratio for the reverse stock split or abandon the reverse stock split as it determines is advisable and in the best interests of the Company considering relevant market conditions at the time the reverse stock split is to be implemented or abandoned. No further action on the part of the shareholders would be required to either effect a reverse stock split or abandon it.

The form of the proposed amendment to our Amended and Restated Articles of Incorporation to effect the reverse stock split is attached to this Proxy Statement as Annex A. The amendment will effect a reverse stock split of our common stock at a ratio that is not less than 3:1 nor greater than 8:1, with the final ratio to be selected by our Board in its discretion following stockholder approval. Our Board, in its discretion, may elect to effect any one (but not more than one) of the reverse split ratios within that range upon receipt of stockholder approval, or none of them if our Board determines in its discretion not to proceed with the reverse stock split. We believe that the availability of alternative reverse split ratios will provide the Company with the flexibility to implement the reverse stock split in a manner designed to maximize the anticipated benefits for us and our stockholders. In determining which reverse stock split ratio to implement, if any, following the receipt of stockholder approval, our Board may consider, among other things, factors such as: ==

- the historical trading price and trading volume of our common stock;
- the then prevailing trading price and trading volume of our common stock and the anticipated impact of the reverse stock split on the trading market for our common stock;
- our ability to continue our listing on NASDAQ; and
- prevailing general market and economic conditions.

To avoid the existence of fractional shares of our common stock, any fraction that results will be rounded up to the next whole number of shares of post-reverse split common stock.

As of August 31, 2015, we had approximately 97,777,215 shares of common stock issued and outstanding. Based on the number of shares of common stock currently issued and outstanding, immediately following the completion of the reverse stock split, and, for illustrative purposes only, assuming a 5:1 reverse stock split, we would have approximately 19,507,443 shares of common stock issued and outstanding (without giving effect to the treatment of fractional shares). The actual number of shares outstanding after giving effect to the reverse stock split will depend on the reverse split ratio that is ultimately selected by our Board. We do not expect the reverse stock split itself to have any economic effect on our stockholders, debt holders or holders of options, restricted stock or stock units.

There are no plans, arrangements or understandings of the Company or between the Company and any other person relating to the issuance of any newly authorized shares of stock if the reverse stock split is approved by shareholders and implemented by the Board under such authority.

Purpose of the Reverse Stock Split

Our board of directors authorized the reverse split of our common stock with the primary intent of increasing the price of our common stock in order to continue to meet NASDAQ's price criteria for continued listing. Our common stock is publicly traded and listed on NASDAQ under the symbol "LFVN." Our Board believes that, in addition to increasing the price of our common stock, the reverse stock split would also make our common stock more attractive to a broader range of institutional and other

12

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investors. Accordingly, for these and other reasons discussed below, we believe that effecting the reverse stock split is in the Company's and our stockholders' best interests.

On April 1, 2015, we received a written notice from NASDAQ that the Company has not been in compliance with the minimum bid price requirement set forth in NASDAQ Listing Rule 5550(a)(2) for a period of 30 consecutive business days. NASDAQ Listing Rule 5550(a)(2) requires listed securities to maintain a minimum closing bid price of \$1.00 per share, and NASDAQ Listing Rule 5810(c)(3)(A) provides that a failure to meet the minimum closing bid price requirement exists if the deficiency continues for a period of 30 consecutive business days.

In accordance with NASDAQ Listing Rule 5810(c)(3)(A), we are provided a compliance period of 180 calendar days from the date of the Notice, or until September 28, 2015, to regain compliance with the minimum closing bid price requirement. If we do not regain compliance during the compliance period ending September 28, 2015, we may be afforded a second 180 calendar day period to regain compliance. To qualify for the second compliance period, we must (i) meet the continued listing requirement for market value of publicly-held shares and all other initial listing standards for the NASDAQ Capital Market, with the exception of the minimum closing bid price requirement and (ii) notify NASDAQ of our intent to cure the deficiency. We can achieve compliance with the minimum closing bid price requirement if, during either compliance period, the minimum closing bid price per share of our common stock is at least \$1.00 for a minimum of ten consecutive business days. We anticipate that our shares of common stock will continue to be listed and traded on the NASDAQ Capital Market during the compliance period(s).

If we are unable to comply with NASDAQ's continued listing standards, including its minimum closing bid price requirements, our common stock may be suspended from trading on and/or delisted from NASDAQ. The delisting of our common stock from NASDAQ is likely to reduce the trading volume and liquidity in our common stock and may lead to further decreases in the trading price of our common stock. The delisting of our common stock may also materially impair our stockholders' ability to buy and sell shares of our common stock. In addition, the delisting of our common stock could significantly impair our ability to raise capital if we required additional capital to meet our business needs. Our Board has determined that an amendment to our Amended and Restated Articles of Incorporation to effect a reverse stock split with the intent of raising the price per share of the Company's common stock is necessary in connection with the continued listing of our common stock on NASDAQ, and is in the best interests of our stockholders.

In addition to initially creating a higher price per share, we also believe that the reverse stock split will make our common stock more attractive to a broader range of institutional investors, professional investors and other members of the investing public, many of whom have internal policies and practices that either prohibit them from investing in low-priced stocks or tend to discourage individual brokers from recommending low-priced stocks to their customers. In addition, some of those policies and practices may function to make the processing of trades in low-priced stocks economically unattractive to brokers. Moreover, because brokers' commissions on low-priced stocks generally represent a higher percentage of the stock price than commissions on higher-priced stocks, the current average price per share of common stock can result in individual stockholders paying transaction costs representing a higher percentage of their total share value than would be the case if the share price were substantially higher.

Reducing the number of outstanding shares of our common stock through the reverse stock split is intended, absent other factors, to increase the per share market price of our common stock. However, other factors, such as our financial results, market conditions and the market perception of our business (including the market's perception of and reaction to a proposal for or the implementation of a reverse stock split) may adversely affect the market price of our common stock. As a result, there can be no assurance that the reverse stock split, if completed, will result in the intended benefits described above, that the market price of our common stock will increase significantly following the reverse stock split or that the market price of our common stock will not decrease in the future. Further, because the reverse stock split will reduce the number of shares of common stock available in the public market, the trading market for, and/or overall valuation of, the common stock may be harmed, particularly if the stock price does not increase to the level necessary for continued listing on NASDAQ.

Effects of the Reverse Stock Split

General

If the reverse stock split is approved and implemented, the principal effect will be to proportionately decrease the number of outstanding shares of our common stock based on the reverse stock split ratio selected by our Board. Our common stock is currently registered under Section 12(b) of the Securities Exchange Act of 1934, or the Exchange Act, and we are subject to the periodic reporting and other requirements of the Exchange Act. The reverse stock split will not affect the registration of our common stock under the Exchange Act or the listing of our common stock on NASDAQ. Following the reverse stock split, our common stock will continue to be listed on NASDAQ under the symbol "LFVN," although it will be considered a new listing with a new CUSIP number.

Proportionate voting rights and other rights of the holders of our common stock will not be affected by the reverse stock split. For example, a holder of 2% of the voting power of the outstanding shares of our common stock immediately prior to the effectiveness

of the reverse stock split will generally continue to hold 2% of the voting power of the outstanding shares of our common stock after the reverse stock split. The number of stockholders of record will not be affected by the reverse stock split. If approved and implemented, the reverse stock split may result in some stockholders owning “odd lots” of fewer than 100 shares of our common stock. Odd lot shares may be more difficult to sell, and brokerage commissions and other costs of transactions in odd lots are generally somewhat higher than the costs of transactions in “round lots” of even multiples of 100 shares. Our Board believes, however, that these potential adverse effects are outweighed by the potential benefits of the reverse stock split.

#### Effectiveness of Reverse Stock Split

The reverse stock split, if approved by our stockholders, would become effective upon the filing and effectiveness (the “Effective Time”) of the Proposal 3 Articles of Amendment with the Colorado Secretary of State. Our Board must use one of the approved ratios or it can choose not to do a reverse stock split at all. However, the exact timing of the filing of the Proposal 3 Articles of Amendment will be determined by our Board based on its evaluation as to when such action will be the most advantageous to our Company and our stockholders, and our Board will have discretion as to when to file the Proposal 3 Articles of Amendment with the Colorado Secretary of State. In addition, our Board reserves the right, notwithstanding stockholder approval and without further action by the stockholders, to elect not to proceed with the reverse stock split if, at any time prior to filing the Proposal 3 Articles of Amendment, our Board, in its sole discretion, determines that it is no longer in our Company’s best interests and the best interests of our stockholders to proceed with the reverse stock split.

#### Effect on the Company’s Long-Term Incentive Plans

As of June 30, 2015, we had approximately 2.1 million shares subject to outstanding awards under our 2007 Long-Term Incentive Plan (the “2007 LTIP”), under which we are no longer granting awards, and approximately 1.2 million shares subject to outstanding awards under our 2010 Long-Term Incentive Plan (the “2010 LTIP”). In the event the reverse stock split is approved, then the number and class of shares issued under the 2007 LTIP and 2010 LTIP and subject to each award, along with any exercise prices, as well as the number and class of shares available for issuance under the 2007 LTIP and 2010 LTIP, shall each be equitably and proportionately adjusted by the compensation committee of the Board.

Under our 2007 LTIP and 2010 LTIP (collectively, the “Stock Plans”), our Board or the compensation committee of our Board has sole discretion to determine the appropriate adjustment to the awards granted thereunder in the event of a stock split. Should the reverse stock split be effected, our Board has approved proportionate adjustments to the number of shares outstanding and available for issuance under our Stock Plans and proportionate adjustments to the exercise price, grant price or purchase price and other appropriate terms relating to any awards under the 2007 LTIP and 2010 LTIP. Our Board or the compensation committee of our Board will determine the treatment of fractional shares subject to stock options, unvested restricted stock and stock units under the 2007 LTIP and 2010 LTIP.

Accordingly, if the reverse stock split is approved by our stockholders, upon the filing of the Proposal 3 Articles of Amendment with the Colorado Secretary of State, the number of all outstanding equity awards, the number of shares available for issuance and the exercise price, grant price or purchase price and other appropriate terms relating to any award under the 2007 LTIP and 2010 LTIP will be proportionately adjusted using the split ratio selected by our Board (subject to the treatment of fractional shares to be determined by our Board or the compensation committee of our Board). For example, if a 5:1 reverse stock split is effected, the 4,580,923 shares that remain available for issuance under the 2010 LTIP as of June 30, 2015, would be adjusted to 916,185 shares, subject to increase as and when awards made under the 2010 LTIP expire or are forfeited and are returned per the terms of the 2010 LTIP. In addition, the exercise price per share under each stock option would be increased by 5 times, such that upon an exercise, the aggregate exercise price payable by the optionee to the Company would remain the same. For illustrative purposes only, an outstanding stock option for 1,000 shares of common stock, exercisable at \$1.00 per share, would be adjusted as a result of a 5:1 reverse split ratio into an option exercisable for 200 shares of common stock at an exercise price of \$5.00 per share. Our Board has also authorized the Company to effect any other changes necessary, desirable or appropriate to give effect to the reverse stock split, including any applicable technical, conforming changes to the 2007 LTIP and 2010 LTIP.

#### Effect on Outstanding Warrants to Purchase Common Stock

As of June 30, 2015, we had outstanding warrants that are exercisable for an aggregate of 0.6 million shares of common stock. In the event the reverse stock split is approved, the number of shares issuable upon exercise and the exercise prices of such warrants will be equitably and appropriately adjusted by the Board in a manner similar to the 2010 LTIP example described above.

Effect on Authorized but Unissued Shares of Common Stock and Preferred Stock

Currently, we are authorized to issue up to a total of 300,000,000 shares, comprising 250,000,000 shares of common stock, of which 97,777,215 shares were issued and outstanding as of August 31, 2015, and 50,000,000 shares of preferred stock, of which no shares were issued and outstanding as of August 31, 2015. We do not currently intend to reduce the number of authorized shares of our common stock or preferred stock as a result of the reverse stock split.

#### Effect on Par Value

The proposed amendment to our Amended and Restated Articles of Incorporation will not affect the par value of our common stock, which will remain at \$0.001, or the par value of our preferred stock, which will remain at \$0.001.

#### Reduction in Stated Capital

As a result of the reverse stock split, upon the Effective Time, the stated capital on our balance sheet attributable to our common stock, which consists of the par value per share of our common stock multiplied by the aggregate number of shares of our common stock issued and outstanding, will be reduced in proportion to the size of the reverse stock split. Correspondingly, our additional paid-in capital account, which consists of the difference between our stated capital and the aggregate amount paid to us upon issuance of all currently outstanding shares of our common stock, shall be credited with the amount by which the stated capital is reduced. Our stockholders' equity, in the aggregate, will remain unchanged.

#### No Going Private Transaction

Notwithstanding the decrease in the number of outstanding shares following the proposed reverse stock split, our Board does not intend for this transaction to be the first step in a "going private transaction" within the meaning of Rule 13e-3 of the Exchange Act.

#### Book-Entry Shares

If the reverse stock split is effected, stockholders who hold uncertificated shares (i.e. shares held in book-entry form and not represented by a physical stock certificate), either as direct or beneficial owners, will have their holdings electronically adjusted by our transfer agent through a direct registration system (and, for beneficial owners, by their brokers or banks that hold in "street name" for their benefit, as the case may be) to give effect to the reverse stock split.

#### Exchange of Stock Certificates

If the reverse stock split is effected, stockholders holding certificated shares (i.e. shares represented by one or more physical stock certificates) will be required to exchange their Old Certificate(s) for new certificate(s) (the "New Certificate(s)") representing the appropriate number of shares of our common stock resulting from the reverse stock split. Stockholders of record upon the Effective Time will be furnished the necessary materials and instructions for the surrender and exchange of their Old Certificate(s) at the appropriate time by our transfer agent. Stockholders will not have to pay any transfer fee or other fee in connection with such exchange. As soon as practicable after the Effective Time, our transfer agent will send a transmittal letter to each stockholder advising such holder of the procedure for surrendering Old Certificate(s) in exchange for New Certificate(s). From and after the Effective Time, any Old Certificate(s) representing pre-split shares which are submitted for transfer, whether pursuant to a sale, other disposition or otherwise, will be exchanged for New Certificate(s).

**YOU SHOULD NOT SEND YOUR OLD CERTIFICATES NOW. YOU SHOULD SEND THEM ONLY AFTER YOU RECEIVE THE LETTER OF TRANSMITTAL FROM OUR TRANSFER AGENT.**

As soon as practicable after the surrender to the transfer agent of any Old Certificate(s), together with a properly completed and duly executed transmittal letter and any other documents the transfer agent may specify, the transfer agent will deliver to the person in whose name such Old Certificate(s) had been issued a New Certificate registered in the name of such person.

Until surrendered as contemplated herein, a stockholder's Old Certificate(s) shall be deemed at and after the Effective Time to represent the number of full shares of our common stock resulting from the reverse stock split. Until stockholders have returned their properly completed and duly executed transmittal letter and surrendered their Old Certificate(s) for exchange, stockholders will not be entitled to receive any other distributions, if any, that may be declared and payable to holders of record following the reverse stock split.

Any stockholder whose Old Certificate(s) have been lost, destroyed or stolen will be entitled to a New Certificate only after complying with the requirements that we and the transfer agent customarily apply in connection with lost, stolen or destroyed certificates.

No service charges, brokerage commissions or transfer taxes shall be payable by any holder of any Old Certificate(s), except that if any New Certificate is to be issued in a name other than that in which the Old Certificate(s) are registered, it will be a condition of such issuance that (1) the person requesting such issuance must pay to us any applicable transfer taxes or establish to our satisfaction that such taxes have been paid or are not payable, (2) the



transfer complies with all applicable federal and state securities laws, and (3) the surrendered certificate is properly endorsed and otherwise in proper form for transfer.

Fractional Shares

15

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We do not currently intend to issue fractional shares in connection with the reverse stock split. Therefore, we do not expect to issue certificates representing fractional shares. Any fraction that results will be rounded up to the next whole number of shares of post-reverse stock split common stock. For example, if a shareholder holds 101 shares of common stock and the board of directors effects a 5:1 reverse stock split, that shareholder would hold 21 shares following the reverse split, rather than 20.2 shares.

#### No Appraisal Rights

Under the Colorado Business Corporation Act, our stockholders are not entitled to dissenter's rights or appraisal rights with respect to the reverse stock split described in this Proposal 3, and we will not independently provide our stockholders with any such rights.

#### Certain Material U.S. Federal Income Tax Consequences of the Reverse Stock Split

The following summary describes certain material U.S. federal income tax consequences of the reverse stock split to holders of our common stock, but does not purport to be a complete analysis of all potential tax effects. This summary is based upon currently existing provisions of the Internal Revenue Code of 1986, as amended (the "Code"), Treasury regulations promulgated thereunder, current administrative rulings and judicial decisions, all of which are subject to change or differing interpretation, possibly with retroactive effect, resulting in U.S. federal income tax consequences that may differ from those discussed below. This discussion only addresses U.S. Holders (as defined below) who hold our common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all aspects of federal income taxation that may be relevant to such holders in light of their particular circumstances or to holders that may be subject to special tax rules, including, without limitation: (i) holders subject to the alternative minimum tax; (ii) banks, insurance companies, or other financial institutions; (iii) tax-exempt organizations; (iv) dealers in securities or commodities; (v) regulated investment companies or real estate investment trusts; (vi) partnerships (or other flow-through entities for U.S. federal income tax purposes and their partners or members); (vii) traders in securities that elect to use a mark-to-market method of accounting for their securities holdings; (viii) U.S. Holders (as defined below) whose "functional currency" is not the U.S. dollar; (ix) persons holding our common stock as a position in a hedging transaction, "straddle," "conversion transaction" or other risk reduction transaction; (x) persons who acquire shares of our common stock in connection with employment or other performance of services; or (xi) U.S. expatriates. In addition, this summary does not address the tax consequences arising under the laws of any foreign, state or local jurisdiction and U.S. federal tax consequences other than federal income taxation. If a partnership (or any pass-through entity for U.S. federal income tax purposes) holds shares of our common stock, the tax treatment of a holder that is a partner in the partnership or member in such other pass-through entity generally will depend upon the status of the partner or member and the activities of the partnership or pass-through entity. Partnerships and other pass-through entities holding our common stock, and any person who is a partner or member of such entities should consult their own tax advisors regarding the tax consequences of the reverse stock split.

We have not sought, and will not seek, an opinion of counsel or a ruling from the Internal Revenue Service ("IRS") regarding the U.S. federal income tax consequences of the reverse stock split and there can be no assurance the IRS will not challenge the statements and conclusions set forth below or that a court would not sustain any such challenge. **EACH HOLDER OF COMMON STOCK SHOULD CONSULT SUCH HOLDER'S TAX ADVISOR WITH RESPECT TO THE PARTICULAR TAX CONSEQUENCES OF THE REVERSE STOCK SPLIT TO SUCH HOLDER.**

For purposes of the discussion below, a "U.S. Holder" is a beneficial owner of shares of our common stock that for U.S. federal income tax purposes is: (1) an individual citizen or resident of the United States; (2) a corporation (including any entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state or political subdivision thereof; (3) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (4) a trust, the administration of which is subject to the primary supervision of a U.S. court and as to which one or more U.S. persons have the authority to control all substantial decisions of the trust, or that has a valid election in effect to be treated as a U.S. person.

A "Non-U.S. Holder" is a beneficial owner (other than a partnership) of shares of our common stock who is not a U.S. Holder.

U.S. Holders

The reverse stock split should constitute a “recapitalization” for U.S. federal income tax purposes. As a result, a U.S. Holder generally should not recognize gain or loss upon the reverse stock split. A U.S. Holder’s aggregate tax basis in the shares of our common stock received pursuant to the reverse stock split should equal the aggregate tax basis of the shares of our common stock surrendered, and such U.S. Holder’s holding period in the shares of our common stock received should include the holding period in the shares of our common stock surrendered. Holders of shares of our common stock acquired on different dates and at different prices should consult their tax advisors regarding the allocation of the tax basis and holding period of such shares.

Non-U.S. Holders

Generally, a Non-U.S. Holder should not recognize any gain or loss upon the reverse stock split.

Approval Required

Proposal 3 will be approved if the votes cast “FOR” the proposal exceed the votes cast “AGAINST” the proposal.

Recommendation of the Board of Directors

OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE AMENDMENT TO OUR AMENDED AND RESTATED ARTICLES OF INCORPORATION TO EFFECT A REVERSE STOCK SPLIT OF OUR COMMON STOCK.

**PROPOSAL 4 - RATIFICATION OF SELECTION OF  
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The audit committee of our board of directors has selected EKS&H LLLP as our independent registered public accounting firm for the fiscal year ending June 30, 2016, and has further directed that the selection of such firm be submitted to our shareholders for ratification.

Shareholder ratification of the selection of our independent registered public accounting firm is not required.

However, the audit committee is submitting this proposal to our shareholders as a matter of good corporate governance. If our shareholders do not vote on an advisory basis in favor of the ratification of the selection of EKS&H LLLP as our independent registered public accounting firm for the fiscal year ending June 30, 2016, the audit committee will review its future selection of an independent registered public accounting firm. Regardless of whether the selection is ratified, the audit committee in its discretion may, without resubmitting the matter for shareholders to approve or ratify, appoint a different independent registered public accounting firm at any time during the year if it determines that such a change would be in the best interests of our company and our shareholders.

We expect representatives of EKS&H LLLP to be present at the annual meeting and they will have the opportunity to make a statement at the annual meeting if they so desire. We also expect such representatives to be available to respond to appropriate questions.

The aggregate fees for professional services rendered for us by EKS&H LLLP are described in the Audit Committee Report included in the Audit Related Matters section of this proxy statement.

**Required Vote**

The ratification of the selection of EKS&H LLLP as our independent registered public accounting firm for the fiscal year ending June 30, 2016 will be approved by our shareholders if the votes cast "FOR" the proposal exceed the votes cast "AGAINST" the proposal.

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR RATIFICATION OF THE SELECTION OF EKS&H LLLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM.**

## CORPORATE GOVERNANCE

### Director Independence

NASDAQ Stock Market Rules, or NASDAQ Rules, require that a majority of the members of our board of directors qualify as "independent," as affirmatively determined by our board of directors. Our board of directors has determined that each of Messrs. Beindorff, Manovich, Mauro, Metzger and Okumoto is an "independent director" under NASDAQ Rules.

### Board Leadership Structure and Role in Risk Oversight

The leadership of our board of directors is currently structured such that the chair of our board of directors and chief executive officer positions are separated. Mr. Mauro, an independent director, has served as chair of our board of directors since November 2013. We believe having an independent chair of our board of directors has provided our board of directors with consistent, experienced and independent leadership that enhances the effectiveness of our board of directors. Our corporate governance guidelines do not require our board of directors to choose an independent chair or to separate the roles of chair and chief executive officer, but our board of directors believes this leadership structure is the appropriate structure for our company at this time, and plans to keep the roles separated in fiscal 2016. Pursuant to our corporate governance guidelines, our board of directors may choose its chair in any manner that it deems to be in the best interests of our company. If, in the future, the chair of our board of directors is not an independent director, our board of directors may designate an independent director to serve as a lead independent director.

Our board of directors is responsible for oversight of risks facing our company, while our management is responsible for day-to-day management of risk. Our board of directors directly administers its risk oversight function. In addition, the risk oversight function is also administered through the standing committees of our board of directors, which oversee risks inherent in their respective areas of responsibility, reporting to our board of directors regularly and involving our board of directors as necessary. For example, the audit committee oversees our financial exposure and financial reporting related risks, and the compensation committee oversees risks related to our compensation programs and practices. Our board of directors directly oversees our strategic and business risk, including geographic, product development and regulatory risks, through regular interactions with our management and, from time-to-time, input from independent advisors. We believe our board's leadership structure supports its role in risk oversight, with our President and Chief Executive Officer, our Chief Financial Officer, and our Chief Operating Officer responsible for assessing and managing risks facing our company on a day-to-day basis and the chair and other members of our board of directors providing oversight of such risk management.

### Meetings of Our Board of Directors and Committees

During the last fiscal year, our board of directors held 15 meetings and acted by unanimous written consent once. Each director who currently serves on our board of directors attended at least 75% of the aggregate of (1) the total number of meetings of our board of directors (held during the period for which he has been a director) and (2) the total number of meetings held by all committees of our board of directors on which he served (held during the periods that he served).

### Committees of Our Board of Directors

Our board of directors has (1) an audit committee, (2) a nominating and corporate governance committee, (3) a compensation committee, and (4) a strategic planning committee.

### Audit Committee

The audit committee was established by our board of directors in accordance with Section 3(a)(58)(A) of the Exchange Act. The current members of our audit committee are Messrs. Beindorff, Mauro and Okumoto, with Mr. Okumoto serving as chair. Our board of directors has determined that all three members of the audit committee qualify as "independent" under NASDAQ Rules. Our board of directors has also determined that each member of the audit committee meets the financial literacy and sophistication requirements set forth in the NASDAQ Rules and that Mr. Okumoto qualifies as "audit committee financial expert," as that term is defined by SEC rules. Our board of directors made a qualitative assessment of Mr. Okumoto's level of knowledge and experience based on a number of factors, including his formal education, his past experience as a public company chief financial officer, and his experience reviewing and analyzing company financial statements as an investor and audit committee chair of a public

company, and his other prior professional experience. The audit committee met five times during our last fiscal year. The audit committee operates under a written charter adopted by our board of directors that is available on our website at <http://investor.lifevantage.com/governance.cfm>. Our website does not constitute part of this proxy statement. The audit committee was established to:

19

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- a. assist board oversight of (i) the integrity of our financial statements, (ii) our compliance with legal and regulatory requirements, (iii) the qualifications and independence of our independent registered public accounting firm, and (iv) the performance of our internal audit function and independent registered public accounting firm;
- b. prepare an audit committee report as required by the SEC to be included in our annual proxy statement;
- c. evaluate the performance of and assesses the qualifications and independence of our independent registered public accounting firm;
- d. determine and approve the engagement of our independent registered public accounting firm;
- e. determine whether to retain or terminate our existing independent registered public accounting firm or to appoint and engage a new independent registered public accounting firm;
- f. review and approve the retention of our independent registered public accounting firm to perform any proposed permissible non-audit services;
- g. monitor the rotation of partners of our independent registered public accounting firm on the audit engagement team as required by law;
- h. confer with management and our independent registered public accounting firm regarding the effectiveness of internal controls over financial reporting;
- i. review and approve all related-party transactions;
- j. establish procedures, as required under applicable law, for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters and the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters; and
- k. review our annual audited financial statements and quarterly financial statements with management and our independent registered public accounting firm, including reviewing disclosures under the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in our periodic reports.

#### Nominating and Corporate Governance Committee

The current members of the nominating and corporate governance committee are Messrs. Beindorff, Manovich and Metzger, with Mr. Manovich serving as chair. Our board of directors has determined that all three members of the nominating and governance committee qualify as "independent" under NASDAQ Rules. As long as our common stock remains publicly traded, each member of the nominating and corporate governance committee will (1) qualify as an "independent" director as defined under applicable NASDAQ Rules and (2) qualify as a "non-employee director" under Rule 16b-3(b)(3)(i) promulgated under the Exchange Act. The nominating and corporate governance committee met three times during our last fiscal year.

The nominating and corporate governance committee operates under a written charter adopted by our board of directors that is available on our website at <http://investor.lifevantage.com/governance.cfm>. Our website does not constitute part of this proxy statement.

The purpose of the nominating and corporate governance committee is to (1) identify individuals qualified to serve as members of our board of directors, (2) recommend nominees for election as directors, (3) develop and recommend to our board of directors corporate governance guidelines, and (4) provide oversight with respect to the evaluation of our board of directors, management, corporate governance and ethical conduct. In the process of performing its duties, the committee has engaged and may engage in the future, third-party board governance experts to evaluate board composition, analyze board contributions and review board activities and practices.

The nominating and corporate governance committee has the following authority and responsibilities:

- a. identify and evaluate individuals qualified to serve as members of our board of directors (including individuals nominated by shareholders in proposals made in writing to our Secretary that are timely received and that contain sufficient background information concerning the nominee to enable proper judgment to be made as to the nominee's qualifications and are otherwise in compliance with applicable laws) and establish a process for recruiting suitable candidates to our board of directors, including identifying the characteristics and skills required by our board of directors and those existing on our board of directors;





- b. identify and recommend for our board of directors' selection nominees for election as directors at the meeting of shareholders at which directors are to be elected;
- c. recommend to our board of directors the appointment of directors to committees of our board of directors and, as appropriate, recommend rotation or removal of directors from such committees;
- d. cause to be prepared and recommend to our board of directors the adoption of corporate governance guidelines, and periodically review and assess the guidelines and recommend changes for approval by our board of directors;
- e. cause to be prepared and recommend to our board of directors the adoption of a code of ethics and a code of conduct, and from time to time review and assess the codes, and recommend changes for approval by our board of directors;
- f. provide minutes of meetings of the committee to our board of directors, and to report regularly to our board of directors with respect to significant actions and determinations made by the committee;
- g. at least annually, to review and reassess the charter of the committee and, if appropriate, recommend changes to our board of directors; and
- h. make recommendations to our board of directors regarding issues of management succession.

#### Compensation Committee; Interlocks and Insider Participation

The current members of the compensation committee are Messrs. Manovich, Metzger and Mauro, with Mr. Metzger serving as chair. Our board of directors has determined that all three members of the compensation committee qualify as "independent" under NASDAQ Rules. Mr. Manovich was a member of the compensation committee during fiscal 2015 until he was appointed as our interim Executive Vice Chairman on February 2, 2015. Concurrently with his appointment, he was removed from the compensation committee. Mr. Manovich remained our interim Executive Vice Chairman through May 17, 2015, and he was reappointed to the compensation committee by our board of directors on July 28, 2015. Except for Mr. Manovich's period of service as our interim Executive Vice Chairman, none of the members of our compensation committee have at any time been an officer or employee of ours or any of our subsidiaries. There are no interlocking relationships between any of our executive officers and compensation committee members, on the one hand, and the executive officers and compensation committee members of any other companies, on the other hand, nor have any such interlocking relationships existed in the past. As long as our common stock remains publicly traded, each member of the compensation committee will (1) qualify as an "independent" director as defined under applicable NASDAQ Rules and (2) qualify as a "non-employee director" under Rule 16b-3(b)(3)(i) promulgated under the Exchange Act. During our last fiscal year, the compensation committee met three times.

The compensation committee operates under a written charter adopted by our board of directors that is available on our website at <http://investor.lifevantage.com/governance.cfm>. Our website does not constitute part of this proxy statement. The charter of the compensation committee provides that the compensation committee has the overall responsibility of our board of directors relating to compensation for our executive officers and independent directors. The compensation committee has the following authority and responsibilities:

- a. assist our board of directors in developing and evaluating potential candidates for executive positions and to oversee the development of executive succession plans;
- b. review and approve on an annual basis the corporate goals and objectives with respect to compensation for our Chief Executive Officer. The committee evaluates at least once a year our Chief Executive Officer's performance in light of these established goals and objectives and based upon these evaluations recommends to the independent members of our board of directors our Chief Executive Officer's annual compensation, including base salary, annual and long-term incentive compensation. The Chief Executive Officer is not present during any meeting of the committee during which it will vote upon or deliberate the compensation of the Chief Executive Officer;
- c. review, approve and recommend to our board of directors on an annual basis the evaluation process and compensation structure for our other executive officers. The committee evaluates the performance of our executive officers and reviews, approves and recommends to our board of directors the annual compensation, including base salary, annual and long-term incentive compensation, for such executive officers, which is based on a proposal for such amounts submitted to the committee by our Chief Executive Officer;



- d. review and approve the initial compensation, including salary, and incentive compensation, for newly hired employees who are proposed to be executive officers of our company (other than a proposed newly hired Chief Executive Officer). The committee shall consider the proposals for compensation of such proposed newly hired executive officers submitted to the committee by our Chief Executive Officer. The committee may approve the compensation of newly hired employees who are proposed to be executive officers of our company (other than a proposed newly hired Chief Executive Officer) without further approval by our board of directors;
- e. provide oversight of management's decisions concerning the performance and compensation of our other officers, employees, consultants and advisors. The committee may delegate its authority on these matters with regard to non-officer employees and consultants to our officers and other appropriate supervisory personnel;
- f. review and approve on an annual basis management's recommendations for the salary range of non-officer employees by pay grade, percent merit increases and annual incentive pools;
- g. review our incentive compensation and other stock-based plans and recommend changes in such plans to our board of directors as needed. The committee has and exercises all the authority of our board of directors with respect to the administration of such plans;
- h. select, retain and terminate such compensation consultants, outside counsel and other advisors as it deems necessary or appropriate in its sole discretion. The committee may invite such consultants and advisors to attend its meetings or to meet with any members of the committee. The committee has sole authority to approve the fees and retention terms relating to such consultants and advisors;
- i. except with respect to the responsibilities set forth above regarding the compensation of our Chief Executive Officer, the committee may delegate its authority granted under its charter to a subcommittee of the committee (consisting either of a subset of members of the committee or, after giving due consideration to whether the eligibility criteria described above with respect to committee members and whether such other board of directors members satisfy such criteria, any members of our board of directors);
- j. review executive officer compensation for compliance with Section 16 of the Exchange Act and Section 162(m) of the Code, and other applicable laws, rules and regulations;
- k. review and approve non-routine employment agreements, severance arrangements and change in control agreements and provisions when, and if, appropriate, as well as any special supplemental benefits;
- l. review and recommend to our board of directors the compensation of independent directors, including annual and long-term incentive compensation; and
- m. perform any other activities consistent with its charter, our certificate of incorporation and by-laws, applicable NASDAQ Rules and any other applicable law, as the committee or our board of directors deems appropriate.

#### Other Committees

In addition to the committees described above, we also have a strategic planning committee. The current members of the strategic planning committee are Messrs. Beindorff, Metzger and Okumoto, with Mr. Beindorff serving as chair. The strategic planning committee meets on an ad hoc basis as our board of directors deems necessary to review and advise our board of directors with respect to matters assigned by our board of directors to this committee from time to time.

#### Director Nominations

##### Criteria for Board Membership

In selecting candidates for appointment or election to our board of directors, the nominating and corporate governance committee considers the appropriate balance of experience, skills and characteristics required of our board of directors, and seeks to insure that at least a majority of the directors are independent under NASDAQ Rules, that members of the audit committee meet the financial literacy and sophistication requirements under NASDAQ Rules and that at least one member of the audit committee qualifies as an "audit committee financial expert" under SEC rules. Nominees for director are selected on the basis of their depth and breadth of experience, wisdom, integrity, ability to make independent analytical inquiries, willingness to devote adequate time to board duties, the interplay of the nominee's experience and skills with those of other directors and the extent to which the nominee would be a desirable addition to our board of directors and any of its committees. Other than the foregoing, there are no stated minimum criteria for director nominees, although the nominating and corporate governance committee may also consider such

other factors as it may deem are in the best interests of our company and our

22

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shareholders. The nominating and corporate governance committee does not have a policy regarding board diversity, but it takes diversity of professional experience and perspective into account in identifying and selecting director nominees.

#### Shareholder Recommendations

The nominating and corporate governance committee will consider qualified candidates for director suggested by shareholders by applying the criteria for board membership described above. If a shareholder submits a director recommendation, the nominating and corporate governance committee will conduct an initial evaluation of the proposed nominee and, if it determines the proposed nominee may be qualified, the nominating and corporate governance committee will follow the evaluation process described below. If the nominating and corporate governance committee determines the proposed nominee would be a valuable addition to our board of directors, based on the criteria for board membership described above and after following the evaluation process described below, it will recommend such person's nomination to our board of directors.

Separately, our bylaws contain provisions that address the process by which a shareholder may nominate an individual to stand for election to our board of directors at our annual meeting of shareholders. Such nominations may be made only if the shareholder has given timely written notice to our Corporate Secretary containing the information required by our bylaws, including as to each person whom the shareholder proposes to nominate for election as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act, including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected, and as to the shareholder giving the notice and the beneficial owner, if any, on whose behalf the nomination is made, the name and address of such shareholder, as they appear on our books, and of such beneficial owner and the class and number of shares of our company which are owned beneficially and of record by such shareholder and such beneficial owner. To be timely, the notice given by a shareholder must be received at our principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary of the date on which we first mailed proxy materials for the preceding year's annual meeting, except that if the date of the annual meeting is changed by more than 30 days from the anniversary date of the previous year's meeting, such notice must be delivered not earlier than 120 days prior to such annual meeting and not later than the close of business on the later of 90th day prior to such annual meeting or the 10th day following the day on which we first publicly announce the date of such meeting.

#### Process for Identifying and Evaluating Nominees

Generally, before recommending to the board a slate of nominees for director, the nominating and corporate governance committee will consider each incumbent director's performance on our board of directors and willingness to continue in service. In the ordinary course, absent special circumstances or a material change in the criteria for board membership, the nominating and corporate governance committee will recommend for nomination incumbent directors with skills and experience that are relevant to our business and who are willing to continue in service. If the nominating and corporate governance committee determines to seek one or more new director candidates who would add particularly desired skills, experience or attributes to our board, if an incumbent director is not willing to stand for re-election, or if a vacancy on our board of directors occurs between annual shareholder meetings and our board of directors determines to fill such vacancy, the nominating and corporate governance committee will generally identify the desired skills and experience of a new nominee based on the criteria for board membership described above and any specific needs of our board of directors at the time. Under ordinary circumstances, the nominating and corporate governance committee will then seek suggestions from other members of our board of directors and our senior management as to individuals meeting such criteria. Potential nominees will be selected based on input from members of our board of directors, our senior management and, if the nominating and corporate governance committee deems appropriate, a third-party search firm. The nominating and corporate governance committee will evaluate each potential nominee's qualifications and check relevant references; in addition, such individuals will be interviewed by at least one member of the nominating and corporate governance committee. Under ordinary circumstances, following this process, the nominating and corporate governance committee will determine whether to recommend to our board of directors that a potential nominee be presented as a nominee for election by the shareholders or be appointed to fill a vacancy on our board of directors, as the case may be. Generally, our board of directors nominates for election at our

annual shareholder meetings the individuals recommended by the nominating and corporate governance committee.

**Shareholder Communications With the Board of Directors**

Shareholders interested in communicating with our board of directors, a board committee, the independent directors or an individual director may do so by sending an email to our Corporate Secretary at [Investor@lifevantage.com](mailto:Investor@lifevantage.com) or writing to our board of directors, LifeVantage Corporation, 9785 South Monroe Street, Suite 300, Sandy, Utah 84070, Attention: Corporate Secretary. Communications should specify the addressee(s) and the general topic of the communication. Our Corporate Secretary will review and sort communications before forwarding them to the addressee(s). If no particular director is named,

letters will be forwarded, depending on the subject matter, to the chairman of our board of directors or the appropriate committee, as applicable.

**No Family Relationships**

There are no family relationships between any of our officers and directors.

24

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## EXECUTIVE OFFICERS

The following table sets forth the names, ages and titles of our executive officers as of August 31, 2015, the record date for our fiscal year 2016 Annual Meeting of Shareholders.

Name	Age	Position with Company
Mr. Darren Jensen	46	President and Chief Executive Officer
Mr. Mark Jaggi	40	Chief Financial Officer and Treasurer
Mr. Robert Urban	55	Chief Operating Officer
Mr. Justin Rose	47	Chief Sales Officer
Mr. Ryan Thompson	44	Senior Vice President of Business Development
Ms. Michelle Oborn-Virchow	34	Vice President of Human Resources

Each officer serves at the discretion of our board of directors and holds office until his or her successor is appointed or until his or her earlier resignation or removal.

**MR. DARREN JENSEN.** Mr. Jensen was appointed as our President and Chief Executive Officer in May 2015. From June 2014 to May 2015, Mr Jensen served as the President-Americas and from September 2012 to June 2014 as the Chief Sales Officer at Jeunesse Global, a privately held direct selling anti-aging and skin care company. Prior to joining Jeunesse Global, Mr. Jensen served from 2011 to June 2012 as the Chief Sales Officer of Ampegy, a privately held direct selling company in the energy industry. Prior to that, he was the Executive Vice President and Corporate General Manager at Agel Enterprises, a nutritional supplements direct selling company, where he was also a Co-Founder of the Agel Cares Foundation. From 2003 to 2005, Mr. Jensen was the Director of International Business Development at USANA Inc. Mr Jensen served as a Brand Manager at Amway Global from 1995 to 1997. Mr. Jensen began his direct selling career at Nu Skin Enterprises in Provo, where he served as an International Marketing Specialist from 1990-1995. Mr. Jensen received a bachelor of arts degree from Brigham Young University.

**MR. MARK JAGGI.** Mr. Jaggi was appointed our Chief Financial Officer and Treasurer in August 2015. From March 2012 to August 2015, Mr. Jaggi was the Executive Vice President, Treasurer and Chief Financial Officer of Twinlab Consolidated Holdings Inc., a publicly traded nutritional supplements and natural products company. Prior to joining Twinlab Consolidated Holdings Mr. Jaggi was with Summit Industries, a manufacturer and marketer of pharmaceutical and non-regulated liquid and cream solutions, as its President and Chief Executive Officer from 2009 until March 2012 and as its Chief Financial Officer from 2007 to 2009. Prior to Summit Industries, Mr. Jaggi served as Director of Finance at O'Sullivan Industries from 2005 to 2007 and held positions of increasing responsibility at Ford Motor Company from 1998 to 2005. Mr. Jaggi holds a bachelor's degree in Finance from the University of Utah and an MBA from Duke University.

**MR. ROBERT URBAN.** Mr. Urban was appointed as our Chief Operating Officer in May 2012. Between May 2008 and May 2012, Mr. Urban held various positions with WorkWell Systems, Inc., a privately held physical medicine and workers' compensation solutions company, including President, Chief Executive Officer and Chief Operating Officer. From September 2006 to May 2008, Mr. Urban was Chief Operating Officer and Vice President of Engineering for Home Technologies, Inc. Mr. Urban earned a bachelor's degree in Mechanical Engineering from Gonzaga University and a master's degree in Business Administration from University of Washington.

**MR. JUSTIN ROSE.** Mr. Rose was appointed as our Chief Sales Officer in July 2015. From December 2010 through January 2014, Mr. Rose served as the Regional Vice President Sales and from January 2014 through June 2015 as the Senior Vice President of Sales and Field Development at Shaklee Corporation, a manufacturer and distributor of natural nutritional supplements and beauty and household products. Prior to joining Shaklee Corporation, from April 2003 through December 2010, Mr. Rose was President of North America and South Pacific at Nu Skin Enterprises and prior to that he was the General Manager - North America from 2000 to 2003. Mr. Rose was Director of Business Marketing & Director of Sales at USANA Inc. from 1999 to 2000. From 1994 to 1996, Mr. Rose was Director of Marketing and Sales at Aveda. Mr. Rose began his career as Marketing Services Manager at Nu Skin Enterprises 1989 to 1994. Mr. Rose earned a bachelor's degree in International Relations, Business Management from Brigham Young University.

**MR. RYAN THOMPSON.** Mr. Thompson has been with our company since February 2009 and currently serves as our Senior Vice President of Business Development. He was appointed our Vice President of Sales in February 2009,

became Senior Vice President in August 2010 and became Senior Vice President of Business Development in March 2015. Prior to joining our company, Mr. Thompson was a co-founder of Zrii, LLC, an international network marketing company, where he served as Vice President of Sales from March 2007 until February 2009. In 2006, he served as Vice President of Marketing for CoreVital LLC, and from 1995 through 2006 he filled various roles at direct selling companies Nu Skin Enterprises, Inc. and

Tahitian Noni International (now known as Morinda Bioactives) including National Sales Director, Director of Competitive Intelligence, and Director of Latin America Business Development. Mr. Thompson studied Psychology and holds a bachelor's degree from Brigham Young University.

MS. MICHELLE OBORN-VIRCHOW. Ms. Oborn-Virchow became our Vice President of Human Resources in July 2012, prior to which she served as our Director of Human Resources since February 2009. From May 2008 until February 2009, Ms. Oborn-Virchow was the Human Resources Manager at Zrii LLC, an international network marketing company. Ms. Oborn-Virchow earned a bachelor's degree in Political Science from the University of Utah and holds a Senior Professional in Human Resources Certification from the Human Resource Certification Institute.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### Executive Summary

In this section, we describe the material components of compensation that were paid or awarded to, or earned by, our “named executive officers,” in fiscal 2015. We provide an overview of the information set forth in the Summary Compensation Table and other compensation tables contained in this proxy statement and we address actions taken regarding executive compensation after the end of fiscal 2015 that could affect a fair understanding of a named executive officer's compensation during fiscal 2015.

Our named executive officers, or our NEOs, for fiscal 2015 and their principal positions are:

NEO	Position
Darren Jensen	President and Chief Executive Officer <sup>(1)</sup>
Robert M. Urban	Chief Operating Officer
Douglas C. Robinson	Former President and Chief Executive Officer <sup>(2)</sup>
David S. Manovich	Former Interim Executive Vice Chairman <sup>(3)</sup>
David S. Colbert	Former Chief Financial Officer and Treasurer <sup>(4)</sup>
Robert H. Cutler	Former General Counsel and Corporate Secretary <sup>(5)</sup>
David N. Phelps	Former Chief Sales Officer <sup>(6)</sup>
Shawn M. Talbott	Former Chief Science Officer <sup>(7)</sup>

(1) Mr. Jensen was appointed as our President and Chief Executive Officer effective May 18, 2015.

(2) Mr. Robinson resigned from his employment with the Company effective February 2, 2015.

(3) Mr. Manovich served as Interim Executive Vice Chairman (the Company’s principal executive officer) from February 2, 2015 through May 17, 2015.

(4) Mr. Colbert’s employment with the Company was terminated effective July 3, 2015.

(5) The Company determined to eliminate the position of General Counsel as part of its executive management team, and Mr. Cutler’s employment with the Company was terminated effective May 8, 2015.

(6) Mr. Phelps’ employment with the Company was terminated effective July 16, 2015.

(7) Mr. Talbott resigned from his employment with the Company effective July 1, 2015.

This section is divided into three parts:

Part I-Compensation Principles and Processes. In this part we describe the important principles, processes and tools that help us determine compensation for our NEOs.

Part II-Compensation Components. In this part we discuss the three material components of NEO compensation -base salary, annual and long-term incentive opportunities - and actual compensation paid or awarded to, or earned by, our NEOs in fiscal 2015.

Part III-Other Matters. In this part we discuss other compensation practices that affect how we compensate our NEOs and actions taken regarding executive compensation after the end of fiscal 2015.

#### PART I. COMPENSATION PRINCIPLES AND PROCESSES

##### Our Compensation Principles and Objectives

Our executive compensation program is designed to be fair, reasonable and competitive and to attract, retain and motivate talented executives capable of achieving our business objective of creating long-term shareholder value. We actively seek to foster a pay-for-performance environment that encourages our executive officers to enhance shareholder value. To this end, we seek to establish a compensation program linked directly to the delivery of long-term returns to our shareholders, the achievement of short- and long-term strategic business objectives, individual performance, and the demonstration of competencies that are aligned with our culture and values.

To ensure that our compensation programs support our business objectives, we observe several core compensation principles and objectives. We believe our executive compensation program should:

- manage the distribution of gains between our NEOs and our shareholders;
- reward company and individual performance;
- maintain an appropriate balance between base salary and annual and long-term incentive opportunities;
- be externally competitive and internally equitable; and
- give us the flexibility to attract, retain and motivate talented executives.

#### Compensation Committee

Our compensation principles and objectives are sustained, in part, by our board of directors and the independent oversight of NEO compensation by its compensation committee. The compensation committee is responsible for overseeing our compensation policies, plans and programs, and reviewing and recommending to our board of directors the base salary, annual and long-term incentives, perquisites, severance arrangements and other related benefits paid to our directors and executive officers, including our NEOs.

The compensation committee has the authority and responsibility to review and recommend to the board of directors on an annual basis the corporate goals and objectives with respect to compensation for our Chief Executive Officer, or CEO. The compensation committee evaluates at least annually the performance of our CEO in light of these established goals and objectives. The compensation committee, based upon its evaluations, makes a recommendation regarding our CEO's annual compensation to the independent members of our board of directors for its approval. Our CEO is not present during any meeting of the compensation committee during which it votes upon or deliberates regarding the compensation of our CEO.

The compensation committee also has the authority and responsibility to review and recommend to our board of directors on an annual basis the evaluation process and compensation structure for our executive officers, including our NEOs, other than our CEO. The compensation committee evaluates the performance of these executive officers and reviews and recommends to our board of directors the compensation, including base salary and annual and long-term incentive compensation, for such executive officers. The compensation committee's recommendation in this regard is based, in part, on amounts proposed by our CEO.

Our compensation committee includes two directors who are "independent outside directors," as defined under Section 162(m) of the Internal Revenue Code, and each member is independent under NASDAQ Rules. A complete description of the authority and responsibility of our compensation committee is set forth in its charter, which is available on our website at <http://investor.lifevantage.com/governance.cfm> and in print upon request. Our website does not constitute part of this proxy statement.

To assist it with fulfilling its responsibility for making NEO compensation decisions consistent with the principles and objectives discussed above, the compensation committee utilizes a variety of tools, as described below.

#### Compensation Consultant

For fiscal year 2015, the compensation committee engaged Barney & Barney as an independent compensation consultant. Specifically, Barney & Barney was engaged to review and refine our peer group of companies and assess, relative to our peer group, total compensation of our executives, compensation of our board of directors and to develop long-term incentive grant guidelines and strategies for all employees. The compensation committee had previously engaged Barney & Barney in fiscal years 2011, 2012, 2013 and 2014 to provide similar services.

The compensation committee has the exclusive right to select, retain and terminate Barney & Barney as well as to approve any fees, terms or other conditions of its compensation advisory services. Barney & Barney and its lead compensation consultant report directly to the compensation committee, but when directed to do so by the compensation committee, work cooperatively with our executive officers to develop analyses and proposals for presentations to the compensation committee. The compensation committee will review Barney & Barney's performance on at least an annual basis and will determine whether to continue that relationship.

The compensation committee concluded that Barney & Barney is independent and that its work in advising the compensation committee does not raise any conflict of interest. In making such determination, the compensation committee considered, among other things, (i) the provision of other services to us by Barney & Barney; (ii) the amount of fees received by Barney & Barney from us, as a percentage of Barney & Barney's total revenue; (iii)

Barney & Barney's policies and procedures that are designed to prevent conflicts of interest; (iv) any business or personal relationship of Barney & Barney with

28

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members of the compensation committee; (v) any of our stock owned by Barney & Barney; and (vi) any business or personal relationship of Barney & Barney with our executive officers.

#### CEO Recommendations

As discussed above, the compensation committee relies upon our CEO for compensation recommendations for the NEOs other than himself. Our CEO and the compensation committee discuss our CEO's assessment of the NEOs and any other factors the CEO believes may be relevant for the compensation committee's consideration.

#### FY2015 Peer Group

Prior to the start of the fiscal year 2015, the compensation committee engaged Barney & Barney to review and refine our peer group for market assessments for fiscal year 2015 (our "FY2015 Peer Group"). Barney & Barney considered industry, company size and location as selection criteria in identifying appropriate peer companies. Our compensation committee uses the peer group to establish a framework for evaluating our NEO compensation practices. Based on recommendations made by Barney & Barney, the compensation committee approved revisions to our previously selected peer group. Our FY2015 Peer Group consists of the following companies: