

Up Front Income, Infinitely Deep

An addition to the LifeVantage Compensation Plan

Replace Your Income Quickly. Seriously.

The Infinite Fast Start Bonus (IFSB) is a revolutionary bonus program that distinguishes LifeVantage as an industry leader and innovator. Getting bigger checks in your pocket quickly, this bonus is an incredible enhancement to the existing compensation plan.

Compensation, Infinitely Deep.

The LifeVantage Infinite Fast Start Bonus (IFSB) continues through your entire organization, infinitely deep, for as long as you are a qualified LifeVantage Independent Distributor! And the really exciting part is what happens beyond the people you've personally enrolled in LifeVantage.

How it works:

1. Qualify for the Infinite Fast Start Bonus by purchasing the Vantage Pack. The \$600 Vantage Pack contains \$535 in product, 400 Personal Volume (PV) and pays \$135 Infinite Fast Start Bonus. Maintain 200 PV monthly AutoShip to maximize earnings.

What's a Vantage Pack?

Products (\$535 Wholesale Value)
6 bottles of Protandim
2 (10 pack) Protandim Samples
2 TrueScience Bottles
3 (10 pack) TrueScience Samples

Business Materials

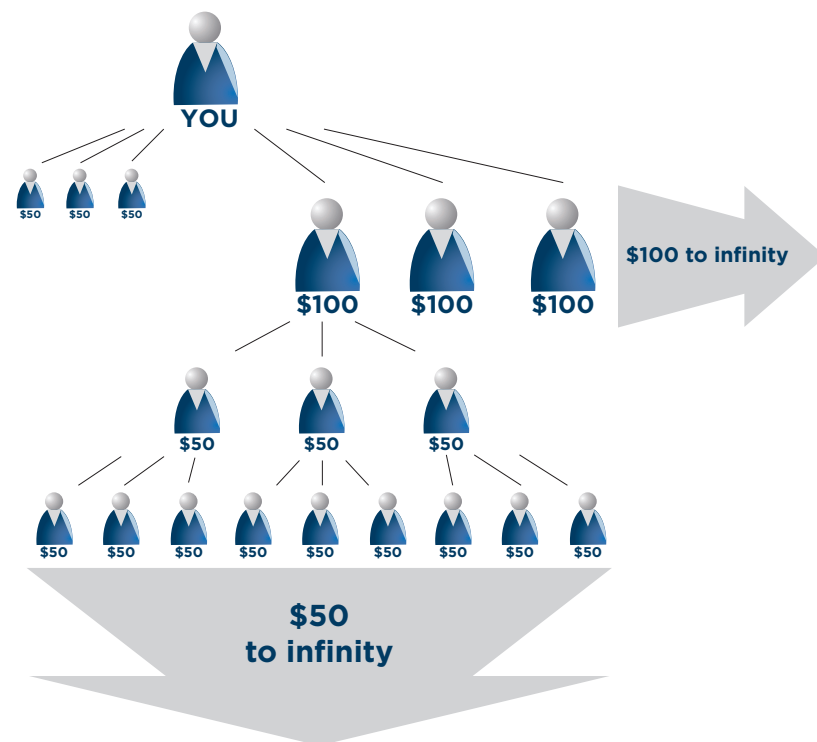
1 Starter Kit
1 (10 pack) Prosper Magazine
1 (25 pack) Tear-off Sheets
1 LifeVantage Decal

2. Personally enroll new distributors who purchase the Vantage Pack, you will receive a \$50 Infinite Fast Start Bonus (IFSB) on your first 3 people—that's \$150 total. In addition to the \$150 from the IFSB, you will also receive \$160 for each enrollment from the original Fast Start Bonus—that's a total of \$630 and your Vantage Pack has paid for itself.

3. From your 4th enrollment on, and their purchase of the Vantage Pack, you will receive \$100 for each additional personal enrollment. You will also begin receiving the IFSB on the first three distributors they enroll, and the first three distributors they enroll, infinitely deep!

Remember the IFSB compensation pattern, as depicted in the illustration on the right, can continue with each successive personal enrollment with purchase of the Vantage Pack.

4. Additional \$35 bonuses are awarded to you after your 5th and 10th enrollments. Please see the Detailed PowerPoint slides for full details.



Example:

The following is an illustration of potential commissions paid over time on Vantage Packs purchased under any of your personally enrolled distributors starting with your 4th and everyone one thereafter**

$3 \times \$50 = \150
 $9 \times \$50 = \450
 $27 \times \$50 = \1350
 $81 \times \$50 = \4050
 $243 \times \$50 = \$12,150$
 $729 \times \$50 = \$36,450$
 $2187 \times \$50 = \$109,350$

**THE LIFEVANTAGE COMPENSATION PLAN IS NEW AND UNIQUE. ANY CHARTS, ILLUSTRATIONS AND STATED EXAMPLES OF INCOME UNDER THE PLAN ARE POTENTIAL IN NATURE AND NOT BASED UPON THE ACTUAL PERFORMANCE OF ANY INDIVIDUAL."



Infinite Fast Start Bonus

Personally Enrolled,



Also earn \$50, and \$35 bonuses infinitely deep on qualified Vantage Pack purchases in your organization.

Purchase a Vantage Pack & qualify to earn an override on all qualified Vantage Packs within your organization

to infinity!

Fast Start Bonus

Paid Weekly	30% to Enroller w/PV between 100-199
	40% to Enroller w/ Business Pack and 200 PV minimum AutoShip*

Fast Start Bonus Pool

5% Receive 1 share for every 5 personal enrollments at 100 PV.

Royalty Commission / dynamically compressed

				PREMIER				ELITE			MASTER			
Paid Monthly	Paid As Rank		Distributor	Pro 1	Pro 2	Pro 3	Pro 4	Pro 5	Pro 6	Pro 7	Pro 8	Pro 9	Pro 10	
	Minimum Monthly PV**		100	100	100	100	200	200	200	200	200	200	200	200
	Minimum Monthly OV		N/A	1,000	2,500	5,000	10,000	20,000	50,000	100,000	200,000	500,000	1,000,000	
	Minimum Leg Req.		N/A	1	1	2	2	2	2	3	3	3	3	
	Maximum % per Leg		N/A	N/A	N/A	80%	80%	70%	70%	60/30***	60/30***	60/30***	40%	
	1st		2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	
	2nd		5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	
	3rd			9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	
	4th				5%	5%	5%	5%	5%	5%	5%	5%	5%	
	5th					5%	5%	5%	5%	5%	5%	5%	5%	
6th						5%	5%	5%	5%	5%	5%	5%		
7th							5%	5%	5%	5%	5%	5%		
8th								5%	5%	5%	5%	5%		
9th									2%	2%	2%	2%		

Enroller Gen 1 Gen 2 Gen 3 Gen 4 Gen 5

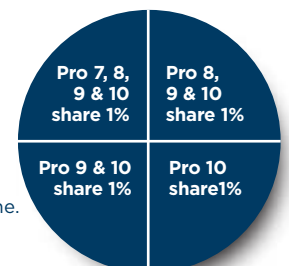
30% Generational Matching Bonus****



Earn 10% match on the Unilevel Check of your personal enrollments. Earn additional 5% down 4 enrollment generations of personal enrollments. You must enroll 1 person per month with 100 PV in order to earn the Matching Bonus, through Pro 6.

4% Elite Pool

4% of total commissionable sales paid to qualified Pro 7 through Pro 10 Distributors.



*In order to qualify for the 40% Fast Start Bonus, you must purchase the Vantage Pack. This can be done at the time of enrollment or via upgrade at a later date.

**At least 30 PV must be Personal Volume. The remaining can come from your personally enrolled Preferred Customer's volume.

***10% of the OV requirement must come from the equivalent of a third leg.

****In order to earn a full generational match, you must maintain a minimum autoship of 200 PV. At least 30 PV must be Personal Volume. The remaining can come from your personally enrolled Preferred Customer's volume. If your AutoShip is less than 200 PV, you will earn half of the Matching Bonus.

DETAILED SUMMARY

Personal Rebate

- Distributors/Preferred Customers receive 10% rebate on an order in excess of 200 PV.
- Remaining PV is paid up through Royalty Commission.
 - IE: For an order of 250 PV, the purchaser receives 10% rebate on 50 PV (\$5), the remaining 45 PV is paid out through Royalty Commissions.
- Personal Rebates are paid monthly along with the Royalty Commissions.

Fast Start Bonus

- 30-day Fast Start period.
 - If enroller's PV is between 100-199 PV within the previous seven weeks, they will earn 30% on the PV on any new enrollee.
 - If the enroller purchased a Vantage Pack and has monthly PV of 200 or more within the previous 7 weeks, they will earn 40% on the PV of any new enrollees.
 - Fast Start period is from the application date until the last day of the calendar month.
 - Fast Start period will pay FS bonus on a maximum of 1000 PV.
 - Orders in excess of 1000 PV will pay out Royalty Commission.
 - Spot orders or autoship orders occurring in the month following the application date will pay out according to the Royalty Commission plan.
 - Spot orders or autoship orders occurring in the month following the application date will pay out according to the Royalty Commission plan.
 - In order to qualify for 40% FS, a distributor must enroll, or upgrade to a Vantage Pack.

Infinite Fast Start Bonus

Qualification:

- In order to qualify for the IFSB, a distributor must have purchased a Vantage Pack.
- IFSB is only paid out on the purchase of a Vantage Pack.
- In order to earn IFSB on an ongoing basis, a distributor must maintain 200 PV in order to earn the full amount. If a distributor maintains monthly PV of 100 – 199, they will earn 50% of the IFSB bonus.

How it works:

- Enroll a distributor on a Vantage Pack and receive the \$50 enroller bonus. Once a distributor enrolls their 4th qualified distributor, they will receive an additional \$50, for a total of \$100 (this amount is in addition to the 40% of the PV amount included in the Vantage Pack).

- Receive an additional \$50 on the first three qualified enrollments, infinitely deep, under your fourth personal enrollment and beyond.
- Receive \$35 on the fourth qualified enrollment under your first three personal enrollments. Receive an additional \$35 on their first three enrollments, infinitely deep.
 - In order to receive this bonus, a distributor must qualify with five personal Vantage Pack enrollments.
- Receive \$35 on the fourth qualified enrollment under your fourth personal enrollment and beyond. Receive an additional \$35 on their first three enrollments, infinitely deep.
 - In order to receive this bonus, a distributor must qualify with ten personal Vantage Pack enrollments.

Fast Start Pool

- FS Pool is paid monthly.
- FS Pool consists of 5% of all Fast Start volume.
- For every five Distributors or Preferred Customers with a minimum of 30 PV each with a cumulative amount of at least 500 PV, a qualified Distributor will receive one share in the FS Pool.
 - Qualifying enrollments must all occur within the same calendar month.
 - A qualifying distributor may not use their own credit card on the accounts of their qualifying enrollments.

Royalty Commission

- Paid monthly; calculated on the 15th of each month.
- Nine dynamically compressed levels.
- See qualification requirements in the Royalty Commission description.

Generational Matching Bonus

- Paid monthly.
- Does not compress.
- Earn 10% on the Royalty Commission check of all personal enrollments.
- Earn an additional 5% on the Royalty Commission check of each personal enrollee, down four generations.
 - Qualifications: Must personally enroll at least 1 person per month (distributor or PC), with a minimum of 100 PV.
 - Must have an active 200 PV.
 - A monthly autoship of 100 PV – 199 PV will qualify for a 5% match on personal enrollees, and 2.5% on the additional four generations.

Elite Pool

1. 4% of global CV is paid each month to qualified Elite Pro 7, 8, 9, and 10s.
 - a. 1% is equally divided between all Elite Pro 7,8,9,10s.
 - b. 1% is equally divided between all Elite Pro 8,9,10s.
 - c. 1% is equally divided between all Elite Pro 9 and 10s.
 - d. 1% is equally divided between all Elite Pro 10s.

Business Centers

1. Receive 2nd Business Center at Pro 4 and 3rd Business Center at Premier Pro 6.
 - a. Business Centers earn Royalty Commissions.
 - b. Business Centers may qualify to participate in the Leadership Pool.
 - c. FS Bonus is not paid out on a BC.
 - d. A BC does not count as one of the five qualifying enrollments for the FS Pool.
 - e. Original enroller earns matching bonus on all three Business Centers (10%, 5% and 5% respectively).
 - f. The distributor must contact Customer Service in order to activate a 2nd or 3rd Business Center. A BC must be activated with an autoship.

Preferred Customers

1. Preferred Customers volume pays Fast Start in their first calendar month of enrollment, and Royalty Commission during all following months.
2. Preferred Customers may be placed within the organization and will contribute to the OV.
3. Preferred Customers volume will count towards the enrollers' monthly PV requirement (with the exception of 30 PV).
4. Preferred Customers volume will not be paid to the enroller in the form of a rebate in the event that it exceeds 200 PV*.

*Personal Rebate is paid to the distributor when their PERSONAL PURCHASES are in excess of 200 PV.



OWNERSHIP CIRCLE

True Prosperity. Not Quite Complete without Ownership.

LifeVantage is pleased to present you the opportunity to become part of an elite circle of dedicated corporate owners. Ownership puts you in the driver's seat of a company whose potential is clearly stated in its flagship product's singular position and three impressive patents.

The exclusive LifeVantage Ownership Circle is comprised of members who have proven themselves through persistent effort and leadership. As a member of the Ownership Circle, you have the potential to earn up to 20,000 options to purchase LifeVantage stock. Once granted, your stock options will be Non-Qualified Stock Options ("NSO") with an exercise price per share equal to the closing price of the Common Stock of LifeVantage on the date of grant and vest immediately. The stock option grants will have a term of 10 years from the date of grant, subject to your continued service to the Company.

Admission to the Ownership Circle begins at a Paid Rank Distributor Level of Pro 5 and a monthly commissionable volume (CV) of \$20,000 (the "Minimum Distributor Eligibility Level"). A distributor must reach and maintain the Minimum Distributor Eligibility Level for a period of three consecutive months (the "Eligibility Period") in order to be eligible for an initial stock option grant. At each incremental rank a distributor is eligible to earn additional options to purchase LifeVantage stock—with a maximum cumulative award of options to purchase 20,000 shares of LifeVantage stock!

PAID RANK DISTRIBUTOR LEVEL	MONTHLY SALES VOLUME	STOCK OPTION AWARD	CUMULATIVE STOCK OPTION AWARD
PRO 5	\$20,000	500	500
PRO 6	\$50,000	1,000	1,500
PRO 7	\$100,000	1,500	3,000
PRO 8	\$200,000	2,000	5,000
PRO 9	\$500,000	5,000	10,000
PRO 10	\$1,000,000	10,000	20,000

This opportunity for Pro 5 and higher distributors is available for a **Limited Time Only**.

Don't look back in coming years with regret at what you might have been. **Take action. Engage** in the steps necessary to become a founding member of the LifeVantage Ownership Circle.





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October 16, 2009

To: All Distributors of LifeVantage Corporation

RE: LifeVantage Corporation 2009 Distributor Stock Option Plan

Dear Distributors,

In July 2009, the Board of Directors of LifeVantage Corporation (the "Company") approved a Distributor Stock Option Pool ("DSOP") under the Company's 2007 Long Term Incentive Plan (the "Plan"), to provide long term incentives to independent distributors for achieving top distributor levels within the Company. Under the DSOP, the Compensation Committee (or a subcommittee thereof) of the Company's Board of Directors will approve grants of stock options to purchase shares of the Company's common stock to distributors who achieve the performance levels as described below. The DSOP and any grants made thereunder are in all cases subject to the discretion of the Company's Board of Directors.

Once granted, the stock options will be Non-Qualified Stock Options, will have an exercise price per share equal to the closing price of the Common Stock of the Company on the date of grant, shall vest immediately, and shall have a term of ten (10) years from the date of grant, subject to a distributor's continued service to the Company.

The starting level for distributor eligibility under the DSOP is a Paid Rank Distributor Level of Pro-5 (the "Minimum Distributor Eligibility Level"). A distributor will have to reach and maintain the Minimum Distributor Eligibility Level for a period of three (3) consecutive months (the "Eligibility Period") in order to be eligible for an initial stock option grant. Please note that account owners may not use their own credit card for volume purchases on any other accounts within their organization and there may be no personal qualifying volume returns for a period of 90 days.

Enclosed below is an outline of the stock option awards based on the distributorship level.

Paid Rank Distributor Level	Monthly Sales Volume	Stock Option Award (# Shares)	Cumulative Stock Option Award (# Shares)
Pro 5	\$20,000	500	500
Pro 6	\$50,000	1,000	1,500
Pro 7	\$100,000	1,500	3,000
Pro 8	\$200,000	2,000	5,000
Pro 9	\$500,000	5,000	10,000
Pro 10	\$1,000,000	10,000	20,000

The Stock Option Plan Administrator for the DSOP will be Ioana C. Hone, head of Investor Relations. Please do not hesitate to contact Ms. Hone with any questions you may have by calling (858) 312-8016 or via email at ihone@lifevantage.com.
