



**Aspen Group, Inc.**  
**1660 South Albion Road, Suite 525**  
**Denver, CO 80222**  
**(303) 333-4224**

To The Shareholders of Aspen Group, Inc.:

We are pleased to invite you to attend the 2016 Annual Meeting of the Shareholders of Aspen Group, Inc., which will be held at 1:00 p.m. on November 17, 2016 at the Hotel Pennsylvania, 401 Seventh Avenue (at 33<sup>rd</sup> Street), Pennntop North Room, 18<sup>th</sup> Floor, New York, New York 10001, for the following purposes:

1. To elect members to our Board of Directors;
2. To approve an amendment to our Certificate of Incorporation to effect a proposed reverse stock split;
3. To ratify the appointment of our independent registered public accounting firm for fiscal year 2016-2017;
4. To ratify prior amendments increasing the amount of shares issuable under the 2012 Equity Incentive Plan to 25,300,000 shares;
5. To approve, on a non-binding basis, our repurchase of up to 3,000,000 shares of the Company's common stock at a price per share of less than \$0.20; and
6. For the transaction of such other matters as may properly come before the Annual Meeting.

Aspen's Board of Directors has fixed the close of business on September 30, 2016 as the record date for a determination of shareholders entitled to notice of, and to vote at, this Annual Meeting or any adjournment thereof.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to Be Held on November 17, 2016: This Proxy Statement and Form 10-K are available at: <https://www.proxyvote.com>

**If You Plan to Attend**

Please note that space limitations make it necessary to limit attendance to shareholders. Registration and seating will begin at 12:30 p.m. Shares can be voted at the meeting only if the holder is present in person or by valid proxy.

For admission to the meeting, each shareholder may be asked to present valid picture identification, such as a driver's license or passport, and prox outpe's Boaid proxy.

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**2016 ANNUAL MEETING OF SHAREHOLDERS**  
**PROXY STATEMENT**

**Why am I receiving these materials?**

These proxy materials are being sent to the holders of shares of the voting stock of Aspen Group, Inc., a Delaware corporation, which we refer to as “Aspen,” Aspen Group,” or the “Company,” in connection with the solicitation of proxies by our Board of Directors, which we refer to as the “Board,” for use at the 2016 Annual Meeting of Shareholders to be held at 1:00 p.m. on November 17, 2016 at the Hotel Pennsylvania, 401 Seventh Avenue (at 33<sup>rd</sup> Street), Penntop North Room, 18<sup>th</sup> Floor, New York, New York 10001. The proxy materials relating to the Annual Meeting are first being mailed to shareholders entitled to vote at the meeting on or about October 4, 2016. A copy of our Form 10-K for the year ended April 30, 2016 is being mailed concurrently with this Proxy Statement.

**Who is Entitled to Vote?**

Our Board has fixed the close of business on September 30, 2016 as the record date for a determination of shareholders entitled to notice of, and to vote at, this Annual Meeting or any adjournment thereof. On the record date, there were 137,958,145 shares of common stock outstanding, not including 200,000 treasury shares which are not entitled to vote. Each share of Aspen common stock represents one vote that may be voted on each matter that may come before the Annual Meeting. As of the record date, Aspen has no outstanding preferred stock.

**What is the difference between holding shares as a record holder and as a beneficial owner?**

If your shares are registered in your name with our transfer agent, Action Stock Transfer, you are the “record holder” of those shares. If you are a record holder, these proxy materials have been provided directly to you by Aspen.

If your shares are held in a stock brokerage account, a bank or other holder of record, you are considered the “beneficial owner” of those shares held in “street name.” If your shares are held in street name, these proxy materials have been forwarded to you by that organization. As the beneficial owner, you have the right to instruct this organization on how to vote your shares.

**Who May Attend the Meeting?**

Record holders and beneficial owners may attend the Annual Meeting. If your shares are held in street name, you will need to bring a copy of a brokerage statement or other documentation reflecting your stock ownership as of the record date. Please see below for instructions on how to vote at the Annual Meeting if your shares are held in street name.

**How Do I Vote?**

*Record Holder*

1. Vote by Internet. The website address for Internet voting is on your proxy card.
2. Vote by phone. Call 1 (800) 690-6903 and follow the instructions on your proxy card.
3. Vote by mail. Mark, date, sign and mail promptly the enclosed proxy card (a postage-paid envelope is provided for mailing in the United States).
4. Vote in person. Attend and vote at the Annual Meeting.

If you vote by Internet or phone, please DO NOT mail your proxy card.

*Beneficial Owner (Holding Shares in Street Name)*

1. Vote by Internet. The website address for Internet voting is on your vote instruction form.
2. Vote by mail. Mark, date, sign and mail promptly the enclosed vote instruction form (a postage-paid envelope is provided for mailing in the United States).
3. Vote in person. Obtain a valid legal proxy from the organization that holds your shares and attend and vote at the Annual Meeting.

### **What Constitutes a Quorum?**

To carry on the business of the Annual Meeting, we must have a quorum. A quorum is present when a majority of the outstanding shares of stock entitled to vote, as of the record date, are represented in person or by proxy. Shares owned by Aspen are not considered outstanding or considered to be present at the Annual Meeting. Broker non-votes (because there are routine matters presented at the Annual Meeting) and abstentions are counted as present for the purpose of determining the existence of a quorum.

### **What happens if Aspen is unable to obtain a Quorum?**

If a quorum is not present to transact business at the Annual Meeting or if we do not receive sufficient votes in favor of the proposals by the date of the Annual Meeting, the persons named as proxies may propose one or more adjournments of the Annual Meeting to permit solicitation of proxies.

### **Which Proposals are Considered “Routine” or “Non-Routine”?**

Proposals 1, 4 and 5 are non-routine and Proposals 2 and 3 are routine.

### **What is a broker non-vote?**

If your shares are held in street name, you must instruct the organization who holds your shares how to vote your shares. If you do not provide voting instructions, your shares will not be voted on any non-routine proposal. This vote is called a “broker non-vote.” Broker non-votes do not count as a vote “FOR” or “AGAINST” any of the Proposals.

If you are the shareholder of record, and you sign and return a proxy card without giving specific voting instructions, then the proxy holders will vote your shares in the manner recommended by our Board on all matters presented in this Proxy Statement and as the proxy holders may determine in their discretion with respect to any other matters properly presented for a vote at the meeting. If your shares are held in street name and you do not provide specific voting instructions to the organization that holds your shares, the organization may generally vote at its discretion on routine matters, but not on non-routine matters. If you sign your vote instruction form but do not provide instructions on how your broker should vote, your broker will vote your shares as recommended by our Board on any non-routine matter. See the note below and the following question and answer.

### **Important Rule Affecting Beneficial Owners Holding Shares In Street Name**

Brokers may no longer use discretionary authority to vote shares on the election of directors if they have not received instructions from their clients. Please submit your vote instruction form so your vote is counted.

### **How are abstentions treated?**

Abstentions only have an effect on the outcome of any matter being voted on that requires the approval based on our total voting stock outstanding. Thus, abstentions have no effect on any of the proposals except for Proposal 2.

**How Many Votes are Needed for Each Proposal to Pass, is Broker Discretionary Voting Allowed and what is the effect of an abstention?**

<b>Proposals</b>	<b>Vote Required</b>	<b>Broker Discretionary Vote Allowed</b>	<b>Effect of Abstentions on the Proposal</b>
(1) To elect the board of directors	Plurality	No	Not applicable
(2) To approve a reverse split*	Majority of the outstanding voting shares	Yes	Vote against
(3) To ratify the appointment of our independent registered public accounting firm for fiscal 2017	Majority of the votes cast	Yes	No effect**
(4) To ratify prior amendments to increase the amount of shares issuable under the 2012 Equity Incentive Plan to 25,300,000 shares.	Majority of the votes cast	No	No effect**
(5) To approve, on a non-binding basis, our repurchase of up to 300,000 shares of our common stock at a price per share of less than \$0.20	Majority of the votes cast	No	No effect**

\* Each reverse split ratio must be approved separately. The Company will only implement a a reverse split in a ratio approved by shareholders, if any.

\*\* Abstentions will reduce the number of affirmative votes received, but not the required percentage needed for the proposal to pass.

**What Are the Voting Procedures?**

In voting by proxy with regard to the election of directors, you may vote in favor of all nominees, withhold your votes as to all nominees, or withhold your votes as to specific nominees. With regard to the remaining proposals, you may vote in favor of each proposal or against each proposal, or in favor of some proposals and against others, or you may abstain from voting on any of these you may ai o aoy voi

**What Happens if Additional Matters are Presented at the Annual Meeting?**

Other than the items of business described in this Proxy Statement, we are not aware of any other business to be acted upon at the Annual Meeting. If you submit a signed proxy card, the persons named as proxy holders, Mr. Michael Mathews and Ms. Janet Gill, will have the discretion to vote your shares on any additional matters properly presented for a vote at the Annual Meeting. If for any reason any of our nominees is not available as a candidate for director, the persons named as proxy holders will vote your proxy for such other candidate or candidates as may be nominated by the Board.

**What if a quorum is not present at the Annual Meeting?**

If a quorum is not present at the scheduled time of the Annual Meeting, then Mr. Mathews, our Chairman of the Board, is authorized to adjourn the annual meeting until a quorum is present or represented.



· Our Bylaws include advance notice provisions that require shareholders desiring to recommend or nominate individuals to the Board or who wish to present a proposal at the 2017 Annual Meeting must do so in accordance with the terms of the advance notice provisions. For a shareholder proposal or a nomination that is not intended to be included in Aspen's Proxy Statement and proxy card under Rule 14a-8, our Corporate Secretary must receive the written proposal not later than the close of business on the 120th day (or June 6, 2017) nor earlier than the close of business on the 150th day prior to the anniversary of the date on which Aspen released its proxy materials to its shareholders for this year's Annual Meeting (or May 7, 2017); provided, however, that in the event that the date of the 2017 Annual Meeting is advanced more than 30 days prior to or delayed by more than 30 days after the anniversary of this year's Annual Meeting, for notice by the shareholder to be timely, such shareholder's written notice must be delivered to the secretary not later than the close of business on the 90th day prior to the 2017 Annual Meeting or the 10th day following the day on which public announcement of the date of such meeting is f

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**PROPOSAL 1. ELECTION OF DIRECTORS**

We currently have nine-seat Board of Directors, of which two seats are vacant. The terms of all of our current directors will expire at this Annual Meeting. The Board proposes the election of the following nominees as directors:

- |                 |                       |
|-----------------|-----------------------|
| Michael Mathews | Malcolm F. MacLean IV |
| Michael D'Anton | Sanford Rich          |
| Norman D. Dicks | John Scheibelhoffer   |
| C. James Jensen | Rick Solomon          |
| Andrew Kaplan   |                       |

Except for former Congressman Norman Dicks and Mr. Malcolm MacLean, all of the nominees listed above are currently directors of Aspen. Additionally, all of the nominees have been nominated and have agreed to serve if elected. The nine persons who receive the most votes cast will be elected and will serve as directors until the next Annual Meeting. If a nominee becomes unavailable for election before this Annual Meeting, the Board can name a substitute nominee and proxies will be voted for such substitute nominee unless an instruction to the contrary is written on the proxy card. Furthermore, we may appoint an additional person to our Board before the Annual Meeting. The principal occupation and certain other information concerning the nominees is set forth in the proxy statement.

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## DIRECTORS AND EXECUTIVE OFFICERS

The following table represents our Board of Directors as of the record date:

Name	Age	Position
Michael Mathews	54	Chairman of the Board
Michael D'Anton	59	Director
C. James Jensen	75	Director
Andrew Kaplan	50	Director
Sanford Rich	58	Director
John Scheibelhoffer	54	Director
Rick Solomon	55	Director

There are two vacancies in the Board of Directors caused by the resignation of David Pasi on August 29, 2016 and the resignation of Paul Schneier on September 14, 2016.

### Director Biographies

Michael Mathews has served as Aspen Group's Chief Executive Officer and a director since March 2012 and as Chief Executive Officer of Aspen University Inc. since May 2011. He served as Chief Executive Officer of interclick

Sanford Rich has served as a director of Aspen Group since March 2012. Since January 2016 Mr. Rich has served as the Executive Director of the New York City Board of Education Retirement System. From September 2012 to January 2016, Mr. Rich has served as the Chief of Negotiations and Restructuring for the Pension Benefit Guaranty Corporation (US. Government Agency). From October 2011 to September 2012, Mr. Rich served as Chief Executive Officer of In The Car LLC. Mr. Rich served as a director of interclick from August 28, 2007 until June 5, 2009 and as Audit Committee Chairman from August 2007 to June 2009 From February 2009 to December 2012 Mr. Rich was a Managing Director of Whitemarsh Capital Advisors, a broker-dealer. Since April 2006, Mr. Rich has served as a director and Audit Committee Chairman for InsPro Technologies (OTC Pink: ITCC). Mr. Rich was selected as a director for his 35 years of experience in the financial sector and his experience serving on the audit committees of public companies.

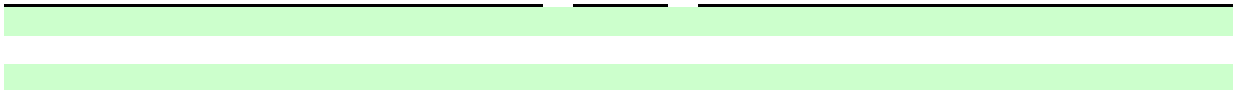
John Scheibelhoffer has served as a director of Aspen Group since March 2012 and of Aspen University for approximately seven years. Since 1996, Dr. Scheibelhoffer has been a physician and surgeon employed by ENT Allergy Associates. Dr. Scheibelhoffer was selected to serve as a director for his experience in running a successful surgery center and his knowledge of Aspen University from serving as a director.

Rick Solomon has served as a director of Aspen Group since March 10, 2014. From May 2009 until May 2014, Mr. Solomon served as a portfolio manager at Verition Fund, a multi-strategy, multi-manager investment platform. Mr. Solomon was selected as a director for his experience in the investment industry.

### Director Nominee Biographies

Norman D. Dicks, 75, was a member of the United States House of Representatives for approximately 36 years. He has served as Senior Policy Advisor to law firm Van Ness Feldman LLP since 2013, advising clients on a wide-range of public policy, strategic, and regulatory issues, particularly those in the environmental sector. Prior to joining the firm, Congressman Dicks represented Washington State's 6<sup>th</sup> Congressional District from 1977-2013, where he received a first-term appointment to the House Appropriations Committee, a committee he served on for his entire tenure in Congress. In addition, Congressman Dicks served on and chaired the Interior Appropriations Subcommittee where he made environmental issues a priority, and worked on issues affecting the National Parks, National Forests, and Native American issues. Congressman Dicks also became the chair of the Defense Appropriations Committee, and concluded his tenure in Congress as top-ranking Democratic Member on the Defense Appropriations Committee, and top-ranking Democrat on the House Appropriations Committee. From 1990 to 1998, Congressman Dicks served on the House Intelligence Committee and was awarded the CIA Director's Medal. Upon his retirement, Congressman Dicks received the Department of Defense Distinguished Public Service Medal, the highest honor bestowed upon a civilian, for his work on behalf of military members and their families.

Malcolm F. MacLean IV, 48 years old, served from 1977-2013. Upon —



Cheri St. Arnauld has been Aspen Group's Chief Academic Officer since March 6, 2014. From January 2012 until March 6, 2014, Dr. St. Arnauld was an educational consultant for the St. Arnauld Group. From August 2008 until January 2012, Dr. St. Arnauld was the Provost and Chief Academic Officer at Grand Canyon University.

Gerard Wendolowski has been Aspen Group's Chief Operating Officer since March 11, 2014. From May 2011 until March 11, 2014, Mr. Wendolowski served as Aspen University's Senior Vice President of Marketing and Business Development. From January 2008 until May 2011, Mr. Wendolowski served as the Vice President of Marketing at Atrinsic, Inc., a digital marketing firm.

### Family Relationships

There are no family relationships among our directors and/or executive officers.

### Board Responsibilities

The Board oversees, counsels, and directs management in the long-term interest of Aspen Group and its shareholders. The Board's responsibilities include establishing broad corporate policies and reviewing the overall performance of Aspen Group. The Board is not, however, involved in the operating details on a day-to-day basis.

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### Board Committees and Charters

The Board and its committees meet throughout the year and act by written consent from time to time as appropriate. The Board delegates various responsibilities and authority to its Board committees. Committees regularly report on their activities and actions to the Board. The Board currently has and appoints the members of the following committees:




**Director Nominee Independence**

Our Board has determined that, if elected, Congressman Dicks and Mr. MacLean will be independent in accordance with standards under the Nasdaq Listing Rules, including the independence standards for Compensation Committee members. The Company intends to appoint Congressman Dicks to the Compensation Committee. Mr. MacLean's committee assignments have not yet been determined.

**Committees of the Board of Directors****Audit Committee**

The Audit Committee, which currently consists of ~~epemmi~~



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In June 2013, Mr. Mathews loaned Aspen Group \$1 million and was issued a \$1 million Promissory Note due December 31, 2013 (which has been extended to May 5, 2018). The Promissory Note bears 10% interest per annum, payable monthly in arrears.

Mr. Mathews' son is employed by Aspen Group as its Product Manager and is paid a salary of \$75,000 per year. In addition, Mr. Mathews' brother is employed by Aspen Group as Director of Academic Support and is paid a salary of \$70,000 per year.

Effective May 29, 2014, Aspen Group entered into a consulting agreement with AEK Consulting LLC, or AEK, a company controlled by Mr. Andrew Kaplan, a director, pursuant to which AEK acts as a strategic advisor providing educational, business and financial advice services to Aspen Group. In exchange for its services, AEK was to be paid \$120,000, provided that Aspen Group achieves certain business objectives. In addition, AEK was issued 800,000 restricted stock units, vesting quarterly over 18 months subject to Aspen Group's achievement of certain business objectives and other conditions. None of the business objectives or conditions were met. In June 2015, the Company and AEK agreed to terminate the consulting agreement in consideration for the issuance of 300,000 restricted stock units. The 800,000 restricted stock units were cancelled.

In July 2014, Aspen Group issued 1,750,000 shares of common stock to Alpha Capital Anstalt, or Alpha, a then 5% shareholder, in consideration for its waiving certain price protection rights held by it and for providing legal counsel of Aspen Group with a proxy to vote Alpha's shares in favor increasing Aspen Group's authorized capital at the fiscal 2015 annual shareholders meeting. Additionally, on July 29, 2014 and September 4, 2014, Sophrosyne Capital LLC, then a 5% shareholder, invested \$380,000 and \$375,000, respectively, in Aspen Group's private placement on terms identical to other investors in the offering.

In September 2014, Leon G. Cooperman, a 5% shareholder of the Company, invested \$1,240,000 in a private placement on terms identical to others investors in the offering. Mr. Cooperman purchased 8,000,000 shares of common stock and 4,000,000 warrants. The warrants were exercisable at \$0.19 per share. In April 2015, the Company closed on an offering with its outstanding warrant holders whereby it agreed to reduce the exercise price of the outstanding warrants to \$0.155 if the warrant holder exercised early. Mr. Cooperman agreed and exercised 4,000,000 warrants.

On April 22, 2016, the Company issued 4,855,487 shares of common stock to two of its warrant holders, including George Melas-Kyriazi, a 5% shareholder, in exchange for their early exercise of warrants at a reduced exercise price of \$0.155 (originally \$0.19) per share. George Melas-Kyriazi exercised all of his warrants for 2,435,487 shares of common stock.

On August 31, 2016, the Company entered into a \$3 million revolving line of credit agreement ("LOC") with Mr. Cooperman. Under the LOC, Mr. Cooperman agreed to lend the Company up to a maximum of \$3 million on a revolving basis for up to three years. The Company paid Mr. Cooperman a facility fee of \$60,000 and issued Mr. Cooperman a revolving promissory note. In addition, the Company will pay to Mr. Cooperman interest monthly on the principal amount of the note outstanding at a rate of 12% per annum, and a commitment fee monthly on the undrawn portion of the note at a rate of 2% per annum. Upon issuance, the Company borrowed \$750,000 under the LOC. The Company also issued to Mr. Cooperman 750,000 five-year warrants exercisable at \$0.20 per share.



- (10) **Solomon.** Mr. Solomon is a director. Includes 1,315,790 shares underlying warrants and 137,500 vested stock options.
- (11) **Directors and Executive Officers as a group.** This amount includes ownership by executive officers who are not Named Executive Officers under the SEC's disclosure rules.
- (12) **Dicks.** Mr. Dicks is a director nominee. Address is 1050 Thomas Jefferson NW, 7<sup>th</sup> floor, Washington, DC 20007
- (13) **MacLean.** Mr. MacLean is a director nominee. Includes (i) 97,998 shares held jointly with spouse, (ii) 1,150,000 shares held by Starfish Partners LLC which Mr. MacLean indirectly controls, (iii) 3,000,000 shares held by Taurus Capital Partners LLC of which Mr. MacLean is the Managing Member, and (iv) 539,777 shares held as custodian for the benefit of Mr. MacLean's children. Does not include 88,000 shares held by Mr. MacLean's spouse, of which he disclaims beneficial ownership. Address is 11812 San Vicente Blvd., Suite 404, Los Angeles CA 90049.
- (14) **Cooperman.** Address is 810 7th Ave., 33rd floor, New York, NY 10019. Includes 750,000 shares underlying warrants.
- (15) **Melas-Kyriazi.** Includes 7,317,111 shares held by Alvin Fund LLC in which Mr. Melas-Kyriazi is the manager. Address is 215 W 98th New York, NY 10025.

**Fiscal 2016 Summary Compensation Table**

The following information is related to the compensation paid, distributed or accrued by us for fiscal 2016 and 2015 to all Chief Executive Officers (principal executive officers) serving during the lasipi

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(1)

(2)

(3)

(4)





## Named Executive Officer Employment Agreements

**Michael Mathews.** Effective May 16, 2013, Aspen Group and Mr. Mathews entered into a three-year Employment Agreement. In accordance with the Employment Agreement, Mr. Mathews will receive a base salary of \$250,000 per year; however, his base salary was \$100,000 per year until the Compensation Committee determined that Aspen Group's cash position permitted an increase to \$250,000 a year. As of September 2015, Mr. Mathews' base salary was raised to \$250,000 per year.

**Cheri St. Arnauld.** Effective March 1, 2014, Aspen Group and Dr. St. Arnauld entered into a three-year Employment Agreement. In accordance with the Employment Agreement, Dr. St. Arnauld received a base salary of \$120,000 on an annualized basis for the first six months of the Employment Agreement. After this six month period, Dr. St. Arnauld began receiving a base salary of \$240,000 per year.

**Gerard Wendolowski.** Effective November 11, 2014, Aspen Group and Mr. Wendolowski entered into a three-year Employment Agreement. Under the Employment Agreement, Mr. Wendolowski received a base salary of \$200,000 per year. Effective July 1, 2016, the Company increased Mr. Wendolowski's annual salary from \$200,000 to \$240,000.

## Bonuses

For each fiscal year during the term of the Named Executive Officers' Employment Agreements beginning May 1st and ending April 30th of the applicable fiscal year, the Named Executive Officers shall have the opportunity to earn a bonus up to 30%, 66% or 100% of his or her then base salary (the "Target Bonus") as follows:

When the Company achieves annual Adjusted EBITDA (as defined in their Employment Agreements) at certain threshold levels (each, an "EBITDA Threshold"), the Named Executive Officers shall receive an automatic cash bonus (the "Automatic Cash Bonus") equal to a percentage of his then base salary, and shall receive a grant of fully vested shares of the Company's common stock having an aggregate Fair Market Value (as such term is defined in Plan) equal to a percentage of the Named Executive Officer's then base salary (the "Automatic Equity Bonus"). In addition, the Named Executive Officers shall be eligible to receive an additional percentage of his then Base Salary as a cash bonus (the "Discretionary Cash Bonus") and an additional grant of fully vested shares of the Company's common stock having an aggregate Fair Market Value equal to a percentage of the Named Executive Officers' then base salary (the "Discretionary Equity Bonus") based on the Board's determination that the Named Executive Officer has achieved certain annual performance objectives established at the beginning of each fiscal year. There were no performance objectives set for 2016, but there will be objectives set for fiscal year 2017.

The EBITDA Thresholds and corresponding bonus levels are set forth in the table below. For the avoidance of doubt, the Named Executive Officers shall only be eligible to receive the bonuses associated with a single EBITDA Threshold; i.e. in the event the Company attains EBITDA Threshold (2), only the bonuses associated with EBITDA Threshold (2) below (and not the bonuses associated with EBITDA Threshold (1)) shall be applicable.

EBITDA Threshold	Automatic Cash Bonus	Automatic Equity Bonus	Discretionary Cash Bonus	Discretionary Equity Bonus
\$1,000,000 - \$1,999,999	7.5%	7.5%	Up to 7.5%	Up to 7.5%
\$2,000,000 - \$3,999,999	16.5%	16.5%	Up to 16.5%	Up to 16.5%
\$4,000,000 and over	25%	25%	Up to 25%	Up to 25%

Provided, however, that the earning of the Automatic Cash Bonus is subject to the Company's equity settlement

Each of the Named Executive Officers are entitled to receive discretionary bonuses under their Employment Agreements at the discretion of the Board.

**Termination Provisions**

Under their Employment Agreements, the Named Executive Officers are entitled to severance payments. All of the termination provisions are intended to comply with Section 409A of the Internal Revenue Code of 1986, or the Code, and the Regulations thereunder. In the event of dismissal without cause or resignation for Good Reason, Mr. Mathews will receive six months base salary and immediate vesting of unvested equity, Dr. St. Arnaud will receive three months base salary and Mr. Wendolowski will receive six months base salary. Immediately upon a change of control event, Mr. Mathews will receive 18 months base salary and immediate vesting of unvested equity and Dr. St. Arnaud and Mr. Wendolowski will each receive three months base salary. Change of control is defined in their Employment Agreements as Change of Control is defined under 409A of the Code. Generally, Good Reason is defined as a material diminution in the executives' authority, duties or responsibilities due to no fault of his own (unless he has agreed to such diminution); or (ii) any other action or inaction that constitutes a material breach by Aspen Group under the Employment Agreement; or (iii) generally a relocation of the principal place of employment to a location outside of New York.

**Outstanding Equity Awards at Fiscal Year-End**

Listed below is information with respect to unexercised options that have not vested, and equity incentive plan awards for each Named Executive Officer outstanding as of April 30, 2016: a)

**Outstanding Equity Awards At Fiscal Year-End**

Name (a)	Number of Securities Underlying Unexercised Options (#) Exercisable (b)	Number of Securities Underlying Unexercised Options (#) Unexercisable (c) u	9

- (1)
- (2)
- (3)
- (4)
- (5)





In addition, on September 13, 2016, the Company extended the expiration dates of options held by each of the persons in the table below, all of which were previously set to expire in 2017, until 2020. The options will vest annually in approximately equal increments over the new three-year terms. All options are exercisable at \$0.19 per share.

Option Holder	Number of Options
Michael D'Anton	100,000
Janet Gill	75,000
C. James Jensen	100,000
Michael Mathews	4,132,377
Sanford Rich	100,000
John Scheibelhoffer	100,000
Gerard Wendolowski	150,000

### Equity Compensation Plan Information

The following chart reflects the number of securities granted and the weighted average exercise price for our compensation plans as of April 30, 2016.

Name of Plan	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)(\$)	Number of securities remaining available for future issuance under compensation plans (excluding securities reflected in column (a)) (c)
<b>Equity compensation plans approved by security holders</b>			
2012 Equity Incentive Plan <sup>(1)</sup>	18,126,102	0.19	2,173,898
<b>Equity compensation plans not approved by security holders</b>			
None	—	—	—
<b>Total</b>	<b>18,126,102</b>	<b>0.19</b>	<b>2,173,898</b>

(1) Represents options outstanding under the Plan pursuant to 1995 S-464 securities granted to directors and executive officers.

On June 23, 2016, the Company amended the Plan to increase the number of authorized shares under the Plan by five million shares to a total of 25.3 million shares.

### Risk Assessment Regarding Compensation Policies and Practices as they Relate to Risk Management

Our compensation program for employees does not create incentives for excessive risk taking by our employees or involve risks that are reasonably likely to have a material adverse effect on us. Our compensation has the following risk-limiting characteristics:

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- .
- .
- .
- .







**Change in Number and Exercise Price of Employee and Equity Awards .** The Reverse Stock Split will reduce the number of shares of common stock available for issuance under our equity plans and agreements in proportion to the split ratio. Under the terms of our outstanding equity and option awards, the Reverse Stock Split will cause a reduction in the number of shares of common stock issuable upon exercise or vesting of such awards in proportion to the split ratio of the Reverse Stock Split and will cause a proportionate increase in the exercise price of such awards to the extent they are stock options. The number of shares authorized for future issuance under our equity plans and agreements will be rounded to the nearest whole share and no cash payment will be made in respect of such rounding. Warrant and other convertible security holders, if any, will also see a similar reduction of the number of shares such instruments are convertible into as stock option holders described above.

**Regulatory Effects .** Our common stock is currently registered under Section 12(g) of the Securities Exchange Act of 1934 (the

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As applicable, new share certificates evidencing new shares following the Reverse Stock Split that are issued in exchange for share certificates issued prior to the Reverse Stock Split representing old shares that are restricted shares will contain the same restrictive legend as on the old certificates. Also, for purposes of determining the term of the restrictive period applicable to the new shares after the Reverse Stock Split, the time period during which a shareholder has held their existing pre-Reverse Stock Split old shares will be included in the total holding period.

**Procedure for Implementing the Reverse Stock Split**

The Reverse Stock Split would become effective upon the filing of a Certificate of Amendment to our Certificate with the Secretary of State of the State of Delaware. The exact of the filing of the Certificate of Amendment that will effectuate the Reverse Stock Split will be determined by our Board based on its evaluation as to when such action will be the most advantageous to us and our shareholders. In addition, our Board reserves the right, notwithstanding shareholder approval and without further action by the shareholders, to elect not to proceed with the Reverse Stock Split if, at any time prior to filing the amendment to our Certificate, our Board, in its sole discretion as our Board may determine, to elect not to proceed with the our





## Accounting Matters

The par value per share of our common stock will remain unchanged at \$0.001 per share after the Reverse Stock Split. As a result, on the effective date of the Reverse Stock Split, the stated capital on our consolidated balance sheet attributable to common stock will be reduced and the additional paid-in-capital account will be increased by the amount by which the stated capital is reduced. Per share net income or loss will be increased because there will be fewer shares of our common stock outstanding. We do not anticipate that any other accounting consequences, including changes to the amount of stock-based compensation expense to be recognized in any period, will arise as a result of the Reverse Stock Split.

## Certain Federal Income Tax Consequences

*Each shareholder is advised to consult their own tax advisor as the following discussion may be limited, modified or not apply based on your own particular situation.*

The following is a summary of important tax considerations of the Reverse Stock Split. It addresses only shareholders who hold the pre-Reverse Stock Split shares and post- Reverse Stock Split shares as capital assets. It does not purport to be complete and does not address shareholders subject to special rules, such as financial institutions, tax-exempt organizations, insurance companies, dealers in securities, mutual funds, foreign shareholders, shareholders who hold the pre-Reverse Stock Split shares as part of a straddle, hedge, or conversion transaction, shareholders who hold the pre-Reverse Stock Split shares as qualified small business stock within the meaning of Section 1202 of the Code, shareholders who are subject to the alternative minimum tax provisions of the Code, and shareholders who acquired their pre-Reverse Stock Split shares pursuant to the exercise of employee stock options or otherwise as compensation. Current tax law may change, possibly even retroactively. This summary does not address tax considerations under state, local, foreign, and other laws. Furthermore, we have not obtained a ruling from the Internal Revenue Service or an opinion of legal or tax counsel with respect to the consequences of the Reverse Stock Split.

The Reverse Stock Split is intended to constitute a reorganization within the meaning of Section 368 of the Code. Assuming the Reverse Stock Split qualifies as reorganization, a shareholder generally will not recognize gain or loss on the Reverse Stock Split, except to the extent of cash, if any, received in lieu of a fractional share interest in the post- Reverse Stock Split shares. The aggregate tax basis of the post-Reverse Stock Split shares received will be equal to the aggregate tax basis of the pre-Reverse Stock Split shares exchanged (excluding any portion of the holder's basis allocated to fractional shares), and the holding period of the post-Reverse Stock Split shares received will include the holding period of the pre-Reverse Stock Split shares exchanged.

A holder of the pre-Reverse Stock Split shares who receives cash will generally recognize gain or loss equal to the difference between the portion of the tax basis of the pre- Reverse Stock Split shares allocated to the fractional share interest and the cash received. Such gain or loss will be a capital gain or loss and will be short term if the pre-Reverse Stock Split shares were held for one year or less and long term if held more than one year. No gain or loss will be recognized by us as a result of the Reverse Stock Split.

**PLEASE CONSULT YOUR OWN TAX ADVISOR REGARDING THE U.S. FEDERAL, STATE, LOCAL, AND FOREIGN INCOME AND OTHER TAX CONSEQUENCES OF THE REVERSE STOCK SPLIT IN YOUR PARTICULAR CIRCUMSTANCES UNDER THE INTERNAL REVENUE CODE AND THE LAWS OF ANY OTHER TAXING JURISDICTION.**

## No Appraisal Rights

Shareholders have no rights under the Delaware General Corporation Law or under our charter documents to exercise dissenters' rights of appraisal with respect to the Reverse Stock Split.

## Anti-Takeover Effects of the Reverse Stock Split

The overall effect of the Reverse Stock Split may be to render more difficult the accomplishment of mergers or the assumption of control by a principal shareholder and thus make the removal of management more difficult.

The effective increase in our authorized and unissued shares as a result of the Reverse Stock Split could potentially be used by our Board to thwart a takeover attempt. The over-all effects of this might be to discourage, or make it more difficult to engage in, a merger, tender offer or proxy contest, or the acquisition or assumption of control by a holder of a large block of our securities and the removal of incumbent management. The Reverse Stock Split could make the accomplishment of a merger or similar transaction more difficult, even if it is beneficial to shareholders. Our Board might use the additional shares to resist or frustrate a third-party transaction, favored by a majority of the independent shareholders that would provide an above-market premium, by issuing additional shares to frustrate the takeover effort.

As discussed above, the reasons for the Reverse Stock Split is to increase the ability of institutions to purchase our common stock and stimulate the interest in our common stock by analysts and brokers as well as accelerate the possibility of obtaining a Nasdaq listing. This Reverse Stock Split is not the result of management's knowledge of an effort to accumulate the Company's securities or to obtain control of the Company by means of a merger, tender offer, solicitation or otherwise. Additionally, the Reverse Stock Split is not being conducted in an effort to take the Company private.

Neither our Certificate nor our Bylaws presently contain any provisions having anti-takeover effects and the Reverse Stock Split Proposal is not a plan by our Board to adopt a series of amendments to our Certificate or Bylaws to institute an anti-takeover provision. We do not have any plans or proposals to adopt other provisions or enter into other arrangements that may have material anti-takeover consequences.

#### **Plans for Newly Available Shares**

The Company presently has no specific plans, nor has it entered into any arrangements or understandings regarding the shares of common stock that will be newly available for issuance upon effectiveness of the Reverse Stock Split. However, our management anticipates that we may raise capital to fund future operations through private or public equity offerings. Any future equity financing may be dilutive to existing shareholders.

**The Board recommends a vote “For” each of the reverse stock split ratios under this proposal.**

### **PROPOSAL 3. RATIFICATION OF THE APPOINTMENT OF OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL YEAR 2017**

Our Board has appointed Salberg & Company, PA, or Salberg, to serve as our independent registered public accounting firm for the fiscal year ending April 30, 2017. Salberg has been Aspen's independent registered public accounting firm since 2012. Selection of Aspen's independent registered public accounting firm is not required to be submitted to a vote of the shareholders of Aspen for ratification. However, Aspen is submitting this matter to the shareholders as a matter of good corporate governance. Even if the appointment is ratified, the Board may, in its discretion, appoint a different independent registered public accounting firm at any time during the year if they determine that such a change would be in the best interests of Aspen and its shareholders. If the appointment is not ratified, the Board will consider its options.

A representative of Salberg is not expected to be present at the Annual Meeting.

#### **The Board recommends a vote "For" this proposal.**

The Audit Committee, which currently consists of Sanford Rich, Chairman, C. James Jensen, and Rick Solomon, reviews Aspen's financial reporting process on behalf of the Board and administers our engagement of the independent registered public accounting firm. The Audit Committee meets with the independent registered public accounting firm, with and without management present, to discuss the results of its examinations, the evaluations of our internal controls, and the overall quality of our financial reporting. Management has the primary responsibility for the financial statements and the reporting process, including the system of internal controls.

The Audit Committee has met and held discussions with management and Salberg. Management represented to the Audit Committee that our financial statements were prepared in accordance with generally accepted accounting principles and the Audit Committee has reviewed and discussed the financial statements with management and Salberg. The Audit Committee reviewed with Salberg its judgments as to the quality, not just the acceptability, of our accounting principles and such other matters as are required to be discussed with the Audit Committee under auditing standards generally accepted in the United States.

#### **Audit Committee Report**

The Audit Committee has:

- reviewed and discussed the audited financial statements with management;
- met privately with the independent registered public accounting firm and discussed matters required by Statement on Auditing Standard No. 16, Communications with Audit Committees, as adopted by the Public Company Accounting Oversight Board, which we refer to as the "PCAOB";
- received the written disclosures and the letter from the independent registered public accounting firm, as required by the applicable requirements of the PCAOB regarding the independent registered public accounting firm's communications with the Audit Committee concerning independence, and has discussed its independence with Aspen; and
- in reliance on the review and discussions referred to above, the Audit Committee recommended to the Board that the audited financial statements be included in the Annual Report on Form 10-K for the fiscal year ended April 30, 2016 filed with the SEC.

This report is submitted by the Audit Committee.\*

Sanford Rich, Chairman  
C. James Jensen

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\* Rick Solomon became a member of the Audit Committee on September 21, 2016 and did not participate in the preparation of this report.

The above Audit Committee Report is not deemed to be “soliciting mP

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## **PROPOSAL 4. RATIFICATION OF AMENDMENTS TO INCREASE SHARES ISSUABLE UNDER THE 2012 EQUITY INCENTIVE PLAN**

Our Board has adopted a resolution declaring it advisable and in the best interests of Aspen and its shareholders that prior increases in the number of shares authorized under the Plan, and the awards granted under those share increases, be ratified and approved by shareholders.

The Plan is a broad-based plan in which all employees, consultants, officers, directors and director advisors of Aspen and its subsidiaries are eligible to participate. The purpose of the Plan is to further the growth and development of Aspen by providing, through ownership of stock of Aspen and other equity-based awards, an incentive to its officers and other key employees and consultants who are in a position to contribute materially to the prosperity of Aspen, to increase such persons' interests in Aspen's welfare, by encouraging them to continue their services to Aspen, and by enabling Aspen to attract individuals of outstanding ability to become employees, consultants, officers, directors and director advisors of Aspen.

Our shareholders have previously approved and ratified adoption of the Plan, as described further below. However, as discussed above, we would like to eventually apply for listing on Nasdaq, although we currently do not meet their listing requirements. Nasdaq requires that all companies with a security listed on the exchange obtain shareholder approval of all equity compensation plans and arrangements, including any increases in the authorized shares under previously approved equity incentive plans and previously granted equity awards made possible by those increases. Consequently, we have decided to obtain shareholder approval of these increases and prior awards at this time in order to reduce the steps required in the future when, and if, we become eligible for listing.

In the following paragraphs we provide a summary of the terms of the Plan. The following summary is qualified in its entirety by the provisions of the Plan which is attached at [Annex B](#) to this Proxy Statement.

### **Background**

In March 2012, we established the Plan. Initially, we were authorized to issue up to 2,500,000 stock rights, which has been increased by our Board from time to time. As of the record date, there were 25,300,000 stock rights authorized under the Plan. As of the record date, there were approximately 2,878,898 stock rights available for issuance under the Plan. In September 2014, our shareholders ratified and approved the adoption of the Plan and amendments to the Plan to increasing the authorized shares to 16,300,000. In November 2015 and June 2016, our Board increase the authorized shares under the Plan to 20,300,000 and 25,300,000, respectively.

### **Administration**

The Plan may be administered by the entire Board or by the Compensation Committee (if delegated by our Board), which we refer to as the "Administrator". The Board may delegate the powers to grant stock rights to the extent permitted by the laws of the Company's state of incorporation.

### **Eligibility**

Awards granted under the Plan may be restricted stock, restricted stock units, options and SARs which are awarded to employees, consultants, officers, directors and director advisors, who, in the opinion of the Administrator, have contributed, or are expected to contribute, materially to our success. In addition, incentive stock options ("ISOs") as defined in the Internal Revenue Code of 1986 (the "Code"), may be granted to individuals who are officers or other employees and contribute to our success. The identification of individuals entitled to receive awards, the terms of the awards, and the number of shares subject to individual awards, are determined by the Administrator, in its sole discretion.

### **Limitation on Awards**

The exercise price of options or SARs granted under the Plan shall not be less than the fair market value of the underlying common stock at the time of grant. In the case of ISOs, the exercise price may not be less than 110% of the fair market value in the case of 10% shareholders. ISOs shall expire no later than five years after the date of grant. The option price may be paid in United States dollars by check or wire transfer or, at the discretion of the Administrator, by delivery of shares of our common stock having fair market value equal as of the date of exercise to the cash exercise price, or a combination thereof.





### *Non-Qualified Stock Options*

The recipient does not recognize any taxable income as a result of a grant of a non-qualified stock option. Upon exercise of a non-qualified stock option, the recipient will recognize ordinary income in an amount equal to the difference between the fair market value of the shares on the date of exercise and the exercise price. When the shares are sold, any difference between the sale price and the fair market value of the shares on the date of exercise will generally be treated as long term or short term capital gain or loss, depending on whether the stock was held for more than one year.

Upon the exercise of a non-qualified stock option, Aspen will be entitled to a corresponding income tax deduction in the tax year in which the option was exercised.

### *Stock Appreciation Rights*

A recipient does not recognize any taxable income upon the receipt of an SAR. Upon the exercise of an SAR, the recipient will recognize ordinary income in an amount equal to the excess of the fair market value of the underlying shares of common stock on the exercise date over the exercise price.

Upon the exercise of an SAR, Aspen will be entitled to a corresponding income tax deduction in the tax year in which the SAR was exercised.

### Transfer

Except for ISOs, all stock rights are transferable subject to compliance with the securities laws and the Plan. ISOs are only transferable by will or by the laws of descent and distribution.

### **New Plan Benefits**

Because future grants of awards under the Plan are subject to the discretion of the Board and the Committee, the future awards that may be granted to participants cannot be determined at this time. There are no grants that have been previously made which are contingent upon receiving shareholder approval of the grant.

**The Board recommends a vote “For” this proposal.**











This Plan is intended to comply in all respects with Rule 16b-3 (“Rule 16b-3”) and its successor rules as promulgated under Section 16(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) for participants who are subject to Section 16 of the Exchange Act. To the extent any provision of the Plan or action by the Plan administrators fails to so comply, it shall be deemed null and void to the extent permitted by law and deemed advisable by the Plan administrators. Provided, however, such exercise of discretion by the Plan administrators shall not interfere with the contract rights of any grantee. In the event that any interpretation or construction of the Plan is required, it shall be interpreted and construed in order to ensure, to the maximum extent permissible by law, that such grantee does not violate the short-swing profit provisions of Section 16(b) of the Exchange Act and that any exemption available under Rule 16b-3 or other rule is available.

2. Administration of the Plan.

(a) The Plan may be administered by the entire Board or by the Compensation Committee. Once appointed, the Compensation Committee shall continue to serve until otherwise directed by the Board. A majority of the members of the Compensation Committee shall constitute a quorum, and all determinations of the Compensation Committee shall be made by the majority of its members present at a meeting. Any determination of the Compensation Committee under the Plan may be made without notice or meeting of the Compensation Committee by a writing signed by all of the Compensation Committee members. Subject to ratification of the grant of each Stock Right by the Board (but only if so required by applicable state law), and subject to the terms of the Plan, the Compensation Committee shall have the authority to (i) determine the employees of the Company and Related Corporations (from among the class of employees eligible under Section 3 to receive ISOs) to whom ISOs may be granted, and to determine (from among the class of individuals and entities eligible under Section 3 to receive Non-Qualified Options, Restricted Stock, RSUs and SARs) to whom Non-Qualified Options, Restricted Stock, RSUs and SARs may be granted; (ii) determine when Stock Rights may be granted; (iii) determine the exercise prices of Stock Rights other than Restricted Stock and RSUs, which shall not be less than the Fair Market Value; (iv) determine whether each Option granted shall be an ISO or a Non-Qualified Option; (v) determine when Stock Rights shall become exercisable, the duration of the exercise period and when each Stock Right shall vest; (vi) determine whether restrictions such as repurchase options are to be imposed on shares subject to or issued in connection with Stock Rights, and the nature of such restrictions, if any, and (vii) interpret the Plan and promulgate and rescind rules and regulations relating to it. The interpretation and construction by the Compensation Committee of any provisions of the Plan or of any Stock Right granted under it shall be final, binding and conclusive unless otherwise determined by the Board. The Compensation Committee may from time to time adopt such rules and regulations for carrying out the Plan as it may deem best.

No members of the Compensation Committee or the Board shall be liable for any action or determination made in good faith with respect to the Plan or any Stock Right granted under it. No member of the Compensation Committee or the Board shall be liable for any act or omission of any other member of the Compensation Committee or the Board or for any act or omission on his own part, including but not limited to the exercise of any power and discretion given to him under the Plan, except those resulting from his own gross negligence or willful misconduct.

(b) The Compensation Committee may select one of its members as its chairman and shall hold meetings at such time and places as it may determine. All references in this Plan to the Compensation Committee shall mean the Board if no Compensation Committee has been appointed. From time to time the Board may increase the size of the Compensation Committee and appoint additional members thereof, remove members (with or without cause) and appoint new members in substitution therefor, fill vacancies however caused or remove all members of the Compensation Committee and thereafter directly administer the Plan.

(c) Stock Rights may be granted to members of the Board, whether such grants are in their capacity as directors, Officers or consultants. All grants of Stock Rights to members of the Board shall in all other respects be made in accordance with the provisions of this Plan applicable to other eligible persons. Members of the Board who are either (i) eligible for Stock Rights pursuant to the Plan or (ii) have been granted Stock Rights may vote on any matters affecting the administration of the Plan or the grant of any Stock Rights pursuant to the Plan.



(c) A SAR entitles the holder to receive, as designated by the Board or Compensation Committee, cash or shares of Common Stock, value equal to (or otherwise based on) the excess of: (a) the Fair Market Value of a specified number of shares of Common Stock at the time of exercise over (b) an exercise price established by the Board or Compensation Committee. The exercise price of each SAR granted under this Plan shall be established by the Compensation Committee or shall be determined by a method established by the Board or Compensation Committee at the time the SAR is granted, provided the exercise price shall not be less than 100% of the Fair Market Value of a share of Common Stock on the date of the grant of the SAR, or such higher price as is established by the Board or Compensation Committee. A SAR shall be exercisable in accordance with such terms and conditions and during such periods as may be established by the Board or Compensation Committee. Shares of Common Stock acquired pursuant to the exercise of a SAR shall be subject to such conditions, restrictions and contingencies as the Board or Compensation Committee may establish in the applicable SAR agreement or document, if any. The Board or Compensation Committee, in its discretion, may impose such conditions, restrictions and contingencies with respect to shares of Common Stock acquired pursuant to the exercise of each SAR as the Board or Compensation Committee determines to be desirable. A SAR under the Plan shall be subject to such terms and conditions, not inconsistent with the Plan, as the Board or Compensation Committee shall, in its discretion, prescribe. The terms and conditions of any SAR to any grantee shall be determined by the Board or Compensation Committee.

(d)

(e)

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(a)

(b)







(b) Except for ISOs, all Stock Rights are transferable subject to compliance with applicable securities laws and Section 6 of this Plan.

13. Terms and Conditions of Stock Rights. Stock Rights shall be evidenced by instruments (which need not be identical) in such forms as the Board or Compensation Committee may from time to time approve. Such instruments shall conform to the terms and conditions set forth in Sections 5 through 12 hereof and may contain such other provisions as the Board or Compensation Committee deems advisable which are not inconsistent with the Plan. In granting any Stock Rights, the Board or Compensation Committee may specify that Stock Rights shall be subject to the restrictions set forth herein with respect to ISOs, or to such other termination and cancellation provisions as the Board or Compensation Committee may determine. The Board or Compensation Committee may from time to time confer authority and responsibility on one or more of its own members and/or one or more Officers of the Company to execute and deliver such instruments. The proper Officers of the Company are authorized and directed to take any and all action necessary or advisable from time to time to carry out the terms of such instruments.

14. Adjustments Upon Certain Events.

(a) Subject to any required action by the shareholders of the Company, the number of shares of Common Stock covered by each outstanding Stock Right, and the number of shares of Common Stock which have been authorized for issuance under the Plan but as to which no Stock Rights have yet been granted or which have been returned to the Plan upon cancellation or expiration of a Stock Right, as well as the price per share of Common Stock (or cash, as applicable) covered by each such outstanding Option or SAR, shall be proportionately adjusted for any increases or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of Common Stock, or any other increase or decrease in the number of issued shares of Common Stock effected without receipt of consideration by the Company; provided, however, that conversion of any convertible securities of the Company or the voluntary cancellation whether by virtue of a cashless exercise of a derivative security of the Company or otherwise shall not be deemed to have been "effected without receipt of consideration." Such adjustment shall be made by the Board or Compensation Committee, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares of Common Stock subject to a Stock Right. No adjustments shall be made for dividends or other distributions paid in cash or in property other than securities of the Company.

(b) In the event of the proposed dissolution or liquidation of the Company, the Board or Compensation Committee shall notify each participant as soon as practicable prior to the effective date of such proposed transaction. To the extent it has not been previously exercised, a Stock Right will terminate immediately prior to the consummation of such proposed action.

(c) In the event of a merger of the Company with or into another corporation, or a Change of Control, each outstanding Stock Right shall be assumed (as defined below) or an equivalent option or right substituted by the successor corporation or a parent or subsidiary of the successor corporation. In the event that the successor corporation refuses to assume or substitute for the Stock Rights, the participants shall fully vest in and have the right to exercise their Stock Rights as to which it would not otherwise be vested or exercisable. If a Stock Right becomes fully vested and exercisable in lieu of assumption or substitution in the event of a merger or sale of assets, the Board or Compensation Committee shall notify the participant in writing or electronically that the Stock Right shall be fully vested and exercisable for a period of at least 15 days from the date of such notice, and any Options or SARs shall terminate one minute prior to the closing of the merger or sale of assets.

For the purposes of this Section 14(c), the Stock Right shall be considered "assumed" if, following the merger or Change of Control, the option or right confers the right to purchase or receive, for each share of Common Stock subject to the Stock Right immediately prior to the merger or Change of Control, the consideration (whether stock, cash, or other securities or property) received in the merger or Change of Control by holders of Common Stock for each share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the merger or Change of Control is not solely common stock of the successor corporation or its parent, the Board or Compensation Committee may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of the Stock Right, for each share of Common Stock subject to the Stock Right, to be solely common stock of the successor corporation or its parent equal in Fair Market Value to the per share consideration received by holders of Common Stock in the merger or Change of Control.



17. Conversion of ISOs into Non-Qualif<sup>r</sup> ;

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23.

24. (a)

(1)

(2)







The shareholder(s) hereby appoints **Michael Mathews and Janet Gill**, or either of them, as proxies, each with the power to appoint his substitute, and hereby authorizes them to represent and to vote, as designated on the reverse side of this ballot, all of the shares of voting stock of ASPEN GROUP, INC. that the shareholder(s) is/are entitled to vote at the Annual Meeting of Shareholder(s) to be held at 1:00 p.m., New York time on November 17, 2016, at the Hotel Pennsylvania, 401 Seventh Avenue (at 33<sup>rd</sup> Street), Penntop North Room, 18<sup>th</sup> Floor, New York, New York 10001, and any adjournment or postponement thereof.

**This proxy, when properly executed, will be voted in the manner directed herein. If no such direction is made, this proxy will be voted in accordance with the Board of Director's recommendations. If any other business is presented at the meeting, this proxy will be voted by the above-named proxies at the direction of the Board of Directors. At the present time, the Board of Directors knows of no other business to be presented at the meeting.**

**The Board of Directors recommends you vote FOR the following Nominees:**

1. To elect members to Aspen Group's Board of Directors.

Michael Mathews	FOR	WITHHELD	Malcom MacLean	FOR	WITHHELD
Michael D'Anton	FOR	WITHHELD	Sanford Rich	FOR	WITHHELD
Norman D. Dicks	FOR	WITHHELD	John Scheibelhoffer	FOR	WITHHELD
C. James Jensen	FOR	WITHHELD	Rick Solomon	FOR	WITHHELD
Andrew Kaplan	FOR	WITHHELD			

**The Board of Directors recommends you vote FOR each of the following Proposals (you may vote for any or all three of the proposed reverse split ratios in Proposal 2):**

2. To approve the amendment to Aspen's Certificate of Incorporation to:

effect a reverse split of our common stock at an exchange ratio of 1 for 10. FOR AGAINST ABSTAIN

effect a reverse split of our common stock at an exchange ratio of 1 for 15. FOR AGAINST ABSTAIN

effect a reverse split of our common stock at an exchange ratio between 1 for 10 and 1 for 15. FOR AGAINST ABSTAIN

3. To ratify the appointment of Aspen Group's independent registered public accounting firm for fiscal 2017. FOR AGAINST ABSTAIN

4. To ratify prior amendments to increase the amount of shares issuable under the 2012 Equity Incentive Plan to 25,300,000 shares. FOR AGAINST ABSTAIN

5. To approve, on a non-binding basis, our repurchase of up to 3,000,000 shares of the Company's common stock at a price per share of less than \$0.20. FOR AGAINST ABSTAIN

**Control ID:**

**Proxy ID:**

**Password:**