

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 12, 2023**

ASPEN GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware
*(State or Other Jurisdiction
of Incorporation)*

001-38175
*(Commission
File Number)*

27-1933597
*(I.R.S. Employer
Identification No.)*

276 Fifth Avenue, Suite 505, New York, NY 10001
(Address of Principal Executive Office) (Zip Code)

(646) 448-5144
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act: None

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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Item 1.01 Entry into a Material Definitive Agreement.

On May 12, 2023, Aspen Group, Inc. (the "Company") entered into a Securities Purchase Agreement with JGB Management Inc., ("JGB") pursuant to which that day the Company sold to JGB a total of approximately \$12.4 million in the aggregate principle amount of 15% Senior Secured Debentures ("Debentures") and five-year warrants to purchase a total of 2,214,114 shares of its common stock at an exercise price of \$0.01 per share (the "Warrants"), for total gross proceeds of approximately \$11 million, representing an 11% original issue discount on the Debentures, before deducting offering fees and expenses. Approximately \$5 million of the proceeds from the offering were used to repay the outstanding borrowings under the Company's prior credit facility dated November 5, 2018, and after paying fees and expenses associated with this offering, the remaining proceeds will be used for working capital needs. The Company also reimbursed the investors for certain expenses incurred in connection with the offering totaling \$90,000.

The 2023 Debentures bear cash interest from May 12, 2023 at an annual rate of 15% payable monthly. The Debentures will mature on May 12, 2026 unless earlier redeemed. The Debentures are subject to monthly redemptions beginning in November 2023. The Company may prepay the Debentures after one year, or any time after May 12, 2024 at a 105% premium. The interest rate on the Debentures is subject to increase to 20% upon the occurrence of an event of default.

The obligations under the Debentures are secured by the assets of the Company pursuant to a Security Agreement, and are guaranteed by the Company's subsidiaries pursuant to a Subsidiary Guarantee.

The investors also received Warrants, which have a five-year term and contain anti-dilution protection. The warrants are subject to a 4.99% beneficial ownership limitation, subject to potential increase to up to 9.99% with 61 days' notice.

The Debentures contain affirmative and negative covenants, including affirmative covenants which require the Company to maintain \$2 million of restricted cash; maintain at least \$20 million of accounts receivable, and maintain enumerated quarterly revenue and quarterly Adjusted EBITDA amounts, among other requirements.

In connection with the Debentures, the holders of Convertible Promissory Notes previously issued by the Company on March 14, 2022 agreed to subordinate their security interests therein to the security interests granted to the holders of the Debentures pursuant to a Subordination Agreement with each such holder.

The foregoing descriptions of the Securities Purchase Agreement, Debentures, Warrants, Security Agreement, Subsidiary Guarantee and Subordination Agreements do not purport to be complete and are qualified in their entirety by the full text of each such document, forms of which are filed as Exhibits 10.1 through 10.6, respectively, to this Current Report on Form 8-K.

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

The information with respect to the Debentures set forth in Item 1.01 above is incorporated by reference in this Item 2.03.

Item 3.02 Unregistered Sales of Equity Securities.

The information with respect to the Debentures and the Warrants set forth in Item 1.01 above is incorporated by reference in this Item 3.02. The transaction was exempt from registration under the Securities Act of 1933 pursuant to Section 4(a)(2) thereof and Rule 506(b) promulgated thereunder.

Item 7.01 Regulation FD Disclosure.

On May 16, 2023, the Company issued a press release announcing the transaction described above. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K. The information in this Item 7.01 (including Exhibit 99.1) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities under such section, and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933, or the Exchange Act.

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Item 9.01 Financial Statements and Exhibits.**(d) Exhibits**

Exhibit #	Exhibit Description	Incorporated by Reference			Filed or Furnished Herewith
		Form	Date	Number	
10.1	Securities Purchase Agreement*				Filed
10.2	Form of 15% Original Issue Discount Senior Secured Debenture*				Filed
10.3	Form of Warrant*				Filed
10.4	Security Agreement*				Filed
10.5	Subsidiary Guarantee*				Filed
10.6	Form of Subordination Agreement*				Filed
99.1	Press Release date May 16, 2023				Furnished
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)				

* Certain schedules and other attachments have been omitted. The Company undertakes to furnish the omitted schedules and attachments to the Securities and Exchange Commission upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ASPEN GROUP, INC.

Date: May 16, 2023

By: /s/ Michael Mathews

Name: Michael Mathews

Title: Chief Executive Officer

SECURITIES PURCHASE AGREEMENT

THIS SECURITIES PURCHASE AGREEMENT (this "*Agreement*") is dated as of May 12, 2023, between Aspen Group, Inc., a Delaware corporation (the "*Company*"), and each purchaser identified on the signature pages hereto (each, including its successors and assigns, a "*Purchaser*" and collectively, the "*Purchasers*") and JGB Collateral, LLC, a Delaware limited liability company, as collateral agent for the Purchasers (the "*Agent*").

WHEREAS, subject to the terms and conditions set forth in this Agreement and pursuant to *Section 4(a)(2)* of the Securities Act, and *Rule 506* promulgated thereunder, the Company desires to issue and sell to each Purchaser, and each Purchaser, severally and not jointly, desires to purchase from the Company, securities of the Company as more fully described in this Agreement.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and each Purchaser agree as follows:

ARTICLE I DEFINITIONS

1.1 **Definitions.** In addition to the terms defined elsewhere in this Agreement: (a) capitalized terms that are not otherwise defined herein have the meanings given to such terms in the Debentures (as defined herein), and (b) the following terms have the meanings set forth in this *Section 1.1*:

"*Account Control Agreement(s)*" means any agreement entered into by and among Agent, Company or any Subsidiary and a third -party bank or other institution (including a securities intermediary) in which Company or any Subsidiary maintains a deposit account or an account holding investment property and which grants Agent a perfected first priority security interest in the subject account or accounts.

"*Action*" shall have the meaning assigned to such term in *Section 3.1(f)*.

"*Affiliate*" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under *Rule 405* under the Securities Act.

"*Agent*" shall have the meaning assigned to such term in the preamble hereof.

"*Agent Indemnitee*" shall have the meaning assigned to such term in *Section 5.22(a)*.

"*Agreement*" shall have the meaning assigned to such term in the preamble hereof.

"*Board of Directors*" means the board of directors of the Company.

"Business Day" means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close; provided, however, for clarification, commercial banks shall not be deemed to be authorized or required by law to remain closed due to "stay at home", "shelter-in-place", "non-essential employee" or any other similar orders or restrictions or the closure of any physical branch locations at the direction of any governmental authority so long as the electronic funds transfer systems (including for wire transfers) of commercial banks in the State of New York generally are open for use by customers on such day.

"Closing" means the closing of the purchase and sale of the Debentures pursuant to *Section 2.1*.

"Closing Date" means the Business Day on which all of the Transaction Documents have been executed and delivered by the applicable parties thereto, and all conditions precedent set forth in *Section 2.3* have been satisfied or waived.

"Collateral" shall have the meaning assigned to such term in the Security Agreement.

"Commission" means the Securities and Exchange Commission.

"Common Stock" means the common stock of the Company, par value \$0.001 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

"Common Stock Equivalents" means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

"Company" shall have the meaning assigned to such term in the preamble hereof.

"Company Counsel" means Nason, Yeager, Gerson, Harris & Fumero, P.A., 3001 PGA Blvd., Suite 305, Palm Beach Gardens, Florida 33410.

"Debentures" means the 15.00% Original Issue Discount Senior Secured Debentures due, subject to the terms therein, May 13, 2026, issued by the Company to the Purchasers hereunder, in the form of *Exhibit A* attached hereto.

"Disclosure Schedules" means the Disclosure Schedules delivered by the Company concurrently with the execution and delivery of this Agreement.

"Disqualification Event" shall have the meaning assigned to such term in *Section 3.1(x)*.

“*Domestic Subsidiary*” means any Subsidiary that is incorporated or organized under the laws of any state of the United States or the District of Columbia.

“*Educational Institution*” shall have the meaning assigned to such term in the Debentures.

“*Educational Law*” shall have the meaning assigned to such term in the Debentures.

“*Evaluation Date*” shall have the meaning assigned to such term in *Section 3.1(z)*.

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended.

“*GAAP*” shall have the meaning assigned to such term in *Section 3.1(h)*.

“*Governmental Authority*” shall have the meaning assigned to such term in the Debentures.

“*Haynes and Boone*” means Haynes and Boone, LLP, with offices located at 30 Rockefeller Plaza, 26th Floor, New York, NY 10112.

“*Indebtedness*” shall have the meaning assigned to such term in the Debentures.

“*Intellectual Property Rights*” shall have the meaning assigned to such term in *Section 3.1(n)*.

“*Intellectual Property Security Agreement*” means that certain Intellectual Property Security Agreement, dated as of the date hereof, among the Company, the Domestic Subsidiaries, the Purchasers and the Agent in the form of *Exhibit F* attached hereto.

“*Issuer Covered Person(s)*” shall have the meaning assigned to such term in *Section 3.1(x)*.

“*Lien*” shall have the meaning assigned to such term in the Debentures.

“*Material Adverse Effect*” shall have the meaning assigned to such term in *Section 3.1(a)*.

“*Maximum Rate*” shall have the meaning assigned to such term in *Section 5.16*.

“*Money Laundering Laws*” shall have the meaning assigned to such term in *Section 3.1(v)*.

“*OFAC*” shall have the meaning assigned to such term in *Section 3.1(w)*.

“*Pay Off Letters*” means pay off letters in a form acceptable to Agent from the with respect to the Indebtedness set forth on *Exhibit G* to be repaid on the Closing Date.

"Perfection Certificate" means the completed certificate entitled "Perfection Certificate" duly executed and delivered to the Agent prior to the Closing.

"Permits" means all permits, licenses, registrations, certificates, orders, approvals, authorizations, consents, waivers, franchises, variances and similar rights issued by or obtained from any Governmental Authority or any other Person.

"Permitted Liens" shall have the meaning assigned to such term in the Debentures.

"Person" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"Principal Amount" means, as to each Purchaser, the amounts set forth below such Purchaser's signature block on the signature pages hereto next to the heading "Principal Amount," which shall equal \$12,389,743 in the aggregate.

"Principal Market" shall have the meaning assigned to such term in the Debentures.

"Proceeding" means an action, claim, suit, investigation or proceeding (including, without limitation, an informal investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"Purchaser(s)" shall have the meaning assigned to such term in the preambles hereof.

"Purchaser Party" shall have the meaning assigned to such term in *Section 4.8*.

"Required Approvals" shall have the meaning assigned to such term in *Section 3.1(e)*.

"Rule 144" means *Rule 144* promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"SEC Reports" shall have the meaning assigned to such term in *Section 3.1(h)*.

"Securities" means the Debentures, the Warrants and the Warrant Shares.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Security Agreement" means that certain Security Agreement, dated as of the date hereof, among the Company, the Domestic Subsidiaries, the Purchasers and the Agent in the form of *Exhibit C* attached hereto.

“*Security Documents*” shall mean the Security Agreement, the Intellectual Property Security Agreement, the Perfection Certificate, the Account Control Agreement(s), the Subordination Agreement, and any other documents and filings required thereunder in order to grant the Purchasers or the Agent a perfected first priority security interest in the assets of the Company and each Domestic Subsidiary as provided in the Security Agreement and the Intellectual Property Security Agreement, including all UCC-1 filing receipts.

“*Subscription Amount*” means, as to each Purchaser, the aggregate amount to be paid for Debentures and Warrants purchased hereunder as specified below such Purchaser’s name on the signature page of this Agreement and next to the heading “*Subscription Amount*” in immediately available funds. The aggregate “Subscription Amount” shall be \$11,000,000.

“*Subsidiary*” shall have the meaning assigned to such term in the Debentures and shall include Aspen University, Inc., a Delaware corporation, and United States University, Inc., a Delaware corporation.

“*Subsidiary Guaranty*” means a guaranty executed by each Subsidiary in favor of Agent and each Purchaser in substantially the form of *Exhibit D* attached hereto. “*Subsidiary Guaranties*” means all such guaranties, collectively.

“*Subordination Agreements*” means the Subordination Agreement, dated as of the date hereof, executed and delivered by each of Calm Waters Partnership and the Leon and Toby Cooperman Family Foundation in the form attached hereto as *Exhibit B*.

“*Transaction Documents*” means this Agreement, the Debentures, the Warrants, the Security Documents, the Subsidiary Guaranties, and all exhibits and schedules thereto and hereto and any other documents or agreements executed in connection with the transactions contemplated hereunder.

“*VWAP*” shall have the meaning assigned to such term in the Debentures.

“*Warrants*” means the eight-year warrants to purchase 2,214,114 shares of Common Stock (subject to adjustment for any stock split, stock dividend, reverse stock split or similar event after the date hereof) at an exercise price per share equal to \$0.01, in the form of *Exhibit E* attached hereto.

“*Warrant Shares*” means the shares of Common Stock issuable upon exercise of the Warrants.

ARTICLE II. PURCHASE AND SALE

2.1 **Closing.** On the Closing Date, upon the terms and subject to the conditions set forth herein, the Company agrees to sell, and the Purchasers, severally and not jointly, agree to purchase, an aggregate of \$12,389,743.00 in principal amount of the Debentures and the Warrants. Each

Purchaser shall deliver to the Company, via wire transfer of immediately available funds equal to such Purchaser's Subscription Amount as set forth on the signature page hereto executed by such Purchaser, and the Company shall deliver to each Purchaser its respective Debenture and Warrants, and the Company and each Purchaser shall deliver the other items set forth in *Section 2.2* deliverable at the Closing. Upon satisfaction of the covenants and conditions set forth in *Section 2.2* and *Section 2.3*, the Closing shall occur at the offices of Haynes and Boone or such other location as the parties shall mutually agree.

2.2 Deliveries.

(a) On or prior to the Closing Date, the Company shall deliver or cause to be delivered to each Purchaser the following:

- (i) this Agreement duly executed by the Company;
- (ii) evidence of the Required Approvals;
- (iii) a legal opinion of Company Counsel, in form and substance reasonably acceptable to such Purchaser;
- (iv) a certificate, executed on behalf of the Company or such Subsidiary, as applicable, by its Secretary, dated as of the Closing Date, certifying the resolutions adopted by the Board of Directors of the Company or such Subsidiary, as applicable, approving the transactions contemplated by this Agreement and the other Transaction Documents, certifying the current versions of the Company's or such Subsidiary's, as applicable, certificate or articles of incorporation and bylaws and certifying as to the signatures and authority of Persons signing the Transaction Documents and related documents on behalf of the Company;
- (v) a certificate a certificate, executed on behalf of the Company by its Chief Executive Officer or its Chief Financial Officer, dated as of the Closing Date, certifying to the fulfillment of the conditions specified in *Section 2.3(b)*;
- (vi) an ink-original Debenture registered in the name of such Purchaser;
- (vii) an ink-original Warrant registered in the name of such Purchaser to purchase a number of Warrant Shares equal to the product of (x) 2,214,114 and (y) the quotient of the principal amount of the Debentures purchased by such Purchaser and the aggregate principal amount of all Debentures issued under this Agreement;
- (viii) the Subsidiary Guaranty duly executed by each Subsidiary;
- (ix) the Perfection Certificate duly executed by the Company;
- (x) the Security Agreement duly executed by the Company and each Domestic Subsidiary along with all of the other Security Documents duly executed by the applicable parties thereto;

(xi) the Intellectual Property Security Agreement duly executed by the Company and each Domestic Subsidiary along with all of the other Security Documents duly executed by the applicable parties thereto;

(xii) evidence reasonably satisfactory to the Agent that the **Existing Company Notes** are subordinated in all respects to the Debentures and the security interests granted to Purchasers under the Security Documents; "**Existing Company Notes**" means an aggregate of \$10 million in convertible notes issued on March 14, 2022.

(xiii) the duly executed Pay Off Letters;

(xiv) the Subordination Agreement duly executed by the parties thereto (other than Agent); and

(xv) the Account Control Agreement duly executed by the Company, its Subsidiary, and the Agent.

(b) On or prior to the Closing Date, each Purchaser shall deliver or cause to be delivered to the Company the following:

(i) this Agreement duly executed by such Purchaser;

(ii) such Purchaser's Subscription Amount by wire transfer of immediately available funds to the account specified in writing by the Company;

(iii) the Security Agreement duly executed by such Purchaser and the Agent, along with all of the Security Documents to which the Purchaser and Agent are a party duly executed thereby; and

(iv) the Subordination Agreement duly executed by the Agent.

2.3 Closing Conditions.

(a) The obligations of the Company hereunder in connection with the Closing are subject to the following conditions being met:

(i) the accuracy on the Closing Date of the representations and warranties of the Purchasers contained herein (unless as of a specific date therein, in which case they shall be accurate in all material respects as of such date or, to the extent representations or warranties are qualified by materiality, in all respects);

(ii) all obligations, covenants and agreements of each Purchaser required to be performed at or prior to the Closing Date shall have been performed in all material respects; and

(iii) the delivery by each Purchaser of the items set forth in *Section 2.2(b)*.

(b) The respective obligations of the Purchasers hereunder in connection with the Closing are subject to the following conditions being met:

(i) the accuracy when made and on the Closing Date of the representations and warranties of the Company contained herein and any other Transaction Document (unless as of a specific date therein, in which case they shall be accurate in all material respects as of such date or, to the extent representations or warranties are qualified by materiality, in all respects);

(ii) all obligations, covenants and agreements of the Company required to be performed at or prior to the Closing Date shall have been performed in all material respects;

(iii) the delivery by the Company of the items set forth in *Section 2.2(a)*;

(iv) there shall have been no Material Adverse Effect with respect to the Company since the date hereof;

(v) a perfected first priority security interest in all of the assets of the Company and each Guarantor securing the Company's and each Guarantor's obligations under the Transaction Documents shall have been established and perfected in favor of the Purchasers; and

(vi) from the date hereof to the Closing Date, trading in the Common Stock shall not have been suspended or halted by the Principal Market or the Commission and, at any time prior to the Closing Date, trading in securities generally as reported by Bloomberg L.P. shall not have been suspended or limited, or minimum prices shall not have been established on securities whose trades are reported by such service, or on the Principal Market, nor shall a banking moratorium have been declared either by United States or New York State authorities nor shall there have occurred any material outbreak or escalation of hostilities or other national or international calamity of such magnitude in its effect on, or any material adverse change in, any financial market which, in each case, in the reasonable judgment of such Purchaser, makes it impracticable or inadvisable to purchase the Debentures at the Closing.

ARTICLE III. REPRESENTATIONS AND WARRANTIES

3.1 **Representations and Warranties of the Company.** The Company hereby makes the following representations and warranties to the Purchasers as of the date hereof and as of the Closing Date (unless as of a specific date therein, in which case they shall be accurate as of such date):

(a) **Subsidiaries.** All of the direct and indirect subsidiaries of the Company are set forth on *Schedule 3.1(a)*. Except as set forth on *Schedule 3.1(a)*, the Company owns, directly or indirectly, all of the capital stock or other equity interests of each Subsidiary free and clear of any

Liens (other than Permitted Liens), options or warrants, and all of the issued and outstanding shares of capital stock of each Subsidiary are validly issued and are fully paid, non-assessable and free of preemptive and similar rights to subscribe for or purchase securities.

(b) **Organization and Qualification.** The Company and each of the Subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any Subsidiary is in violation nor default of any of the provisions of its respective certificate or articles of incorporation, bylaws or other organizational or charter documents. Each of the Company and the Subsidiaries is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, would not have or reasonably be expected to result in: (i) a material adverse effect on the legality, validity or enforceability of any Transaction Document, (ii) a material adverse effect on the results of operations, assets, business or financial condition of the Company and the Subsidiaries, taken as a whole, (iii) a material adverse effect on the Company's ability to perform or pay in any material respect on a timely basis its obligations under any Transaction Document, or (iv) a material adverse effect on the Collateral or the Agent's Liens on the Collateral or the priority of such Liens except to the extent resulting from any action or inaction of Agent or any Purchaser (any of (i), (ii), (iii), or (iv), a "*Material Adverse Effect*") and no Proceeding has been instituted in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

(c) **Authorization; Enforcement.** The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Agreement and each of the other Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement and each of the other Transaction Documents by the Company and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Company and no further action is required by the Company, the Board of Directors or the Company's stockholders in connection herewith or therewith other than in connection with the Required Approvals. This Agreement and each other Transaction Document to which it is a party has been (or upon delivery will have been) duly executed by the Company and, when delivered in accordance with the terms hereof and thereof, will constitute the valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(d) **No Conflicts.** The execution, delivery and performance by the Company of this Agreement and the other Transaction Documents to which it is a party, the issuance and sale of the Securities and the consummation by it of the transactions contemplated hereby and thereby do not and will not: (i) conflict with or violate any provision of the Company's or any Subsidiary's certificate or articles of incorporation, bylaws or other organizational or charter documents, (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would

become a default) under, result in the creation of any Lien (other than Liens in favor of the Agent pursuant to the Transaction Documents) upon any of the properties or assets of the Company or any Subsidiary, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing a Company or Subsidiary debt or otherwise) or other understanding to which the Company or any Subsidiary is a party or by which any property or asset of the Company or any Subsidiary is bound or affected, or (iii) subject to receipt of the Required Approvals, conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or Governmental Authority to which the Company or a Subsidiary is subject (including federal and state securities laws and regulations), or by which any property or asset of the Company or a Subsidiary is bound or affected; except in the case of each of clauses (ii) and (iii), such as would not have or reasonably be expected to result in a Material Adverse Effect.

(e) **Filings, Consents and Approvals.** The Company is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other foreign, federal, state, local or other Governmental Authority in connection with the execution, delivery and performance by the Company of the Transaction Documents, other than: (i) filings required pursuant to *Section 4.5*; and (ii) the filing of UCC-1 financing statements with the appropriate filing office (collectively, the “*Required Approvals*”).

(f) **Issuance of the Securities; Registration.** The Securities are duly authorized and, when issued and, with respect to the Debentures, Warrants and Warrant Shares, paid for in accordance with the applicable Transaction Documents, will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Company other than restrictions imposed on transfer provided for in the Transaction Documents or applicable securities laws. The Company has reserved from its duly authorized capital stock a number of shares of Common Stock sufficient for issuance of all of the Warrant Shares.

(g) **Capitalization.** The capitalization of the Company is as set forth on *Schedule 3.1(g)*. The Company has not issued any capital stock since its most recently issued SEC Report, other than pursuant to the exercise of employee stock options under the Company’s employee equity and/or incentive plans, the issuance of shares of Common Stock to employees or consultants pursuant to the Company’s employee equity and/or incentive plans and pursuant to the conversion and/or exercise of Common Stock Equivalents outstanding as of the date of the most recently filed periodic report under the Exchange Act. No Person has any right of first refusal, preemptive right, right of participation, or any similar right to participate in the transactions contemplated by the Transaction Documents. Except as set forth on *Schedule 3.1(g)* or in any SEC Report, there are no outstanding options, warrants, scrip rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities, rights or obligations convertible into or exercisable or exchangeable for, or giving any Person any right to subscribe for or acquire any shares of Common Stock, or contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to issue additional shares of Common Stock or Common Stock Equivalents. Except as set forth on *Schedule 3.1(g)* or in any SEC Report or in the Transaction Documents, the issuance and sale of the Securities will not obligate the Company to issue shares of Common Stock or other securities to any Person (other than the Purchasers) and will not result in a right of any holder of Company securities to adjust the exercise, conversion,

exchange or reset price under any of such securities. There are no outstanding securities or instruments of the Company or any Subsidiary that contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to redeem a security of the Company or such Subsidiary. Other than as disclosed in the Company's SEC Reports, the Company does not have any stock appreciation rights or "phantom stock" plans or agreements or any similar plan or agreement. All of the outstanding shares of capital stock of the Company are duly authorized, validly issued, fully paid and non-assessable, have been issued in compliance with all applicable foreign, federal and state securities laws, and none of such outstanding shares was issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. No further approval or authorization of any stockholder, the Board of Directors or others is required for the issuance and sale of the Securities. There are no stockholders' agreements, voting agreements or other similar agreements with respect to the Company's capital stock to which the Company is a party or, to the knowledge of the Company, between or among any of the Company's stockholders.

(h) **SEC Reports; Financial Statements.** Except as set forth on *Schedule 3.1(h)*, the Company has filed all reports, schedules, forms, statements and other documents required to be filed by the Company under the Exchange Act, including pursuant to *Section 13(a)* or *Section 15(d)* thereof (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, which were filed prior to the date of this Agreement, being collectively referred to herein as the "*SEC Reports*") on a timely basis or has received a valid extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension. As of their respective dates, the SEC Reports complied in all material respects with the requirements of the Exchange Act, as applicable, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The financial statements of the Company included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing. Such financial statements have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis during the periods involved ("*GAAP*"), except as may be otherwise specified in such financial statements or the notes thereto and except that unaudited financial statements may not contain all footnotes required by GAAP, and fairly present in all material respects the financial position of the Company and its consolidated Subsidiaries as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal, immaterial, year-end audit adjustments.

(i) **Material Changes; Undisclosed Events, Liabilities or Developments.** Except as set forth on *Schedule 3.1(i)*, since the date of the latest audited financial statements included within the SEC Reports, except as specifically disclosed in a subsequent SEC Report filed prior to the date hereof: (i) there has been no event, occurrence or development that has had or that would reasonably be expected to result in a Material Adverse Effect, (ii) neither the Company nor any Subsidiary has incurred any material liabilities (contingent or otherwise) other than (A) liabilities incurred in the ordinary course of business consistent with past practice, and (B) liabilities not required to be reflected in the Company's financial statements pursuant to GAAP or disclosed in filings made with the Commission, (iii) the Company has not altered its method of accounting, (iv)

the Company has not declared or made any dividend or distribution of cash or other property to its stockholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its capital stock, and (v) the Company has not issued any equity securities to any officer, director or Affiliate, except pursuant to existing Company equity and/or incentive plans. The Company does not have pending before the Commission any request for confidential treatment of information. Except for the issuance of the Securities contemplated by this Agreement or as set forth on *Schedule 3.1(i)* or in any SEC Report, no event, liability, fact, circumstance, occurrence or development has occurred or exists or is reasonably expected to occur or exist with respect to the Company or its Subsidiaries or their respective businesses, properties, operations, assets or financial condition, that would be required to be disclosed by the Company under applicable securities laws at the time this representation is made or deemed made that has not been publicly disclosed at least one (1) Business Day prior to the date that this representation is made.

(j) **Litigation.** Except as disclosed in *Schedule 3.1(j)* or in any SEC Report, there is no action, suit, inquiry, notice of violation, proceeding or investigation pending or, to the knowledge of the Company, threatened against or affecting the Company, any Subsidiary or any of their respective properties before or by any court, arbitrator, governmental or administrative agency or regulatory authority (federal, state, county, local or foreign) (collectively, an “*Action*”) which (i) adversely affects or challenges the legality, validity or enforceability of any of the Transaction Documents or the Securities, or (ii) would, if there were an unfavorable decision, have or reasonably be expected to result in a Material Adverse Effect. Except as disclosed in *Schedule 3.1(j)* or in any SEC Report, none of the Company, any Subsidiary, any current director or officer thereof, is or has been the subject of any Action involving a claim of violation of or liability under federal or state securities laws or a claim of breach of fiduciary duty to the extent that the Company would be required to disclose such matter by Regulation S-K in any reports or registration statements filed with the Commission. Except as reflected on *Schedule 3.1(j)*, there has not been, and to the knowledge of the Company, there is not pending or contemplated, any investigation by a Governmental Authority involving the Company or any current officer of the Company or involving any current directors which would be required to be disclosed by Item 401(f) of Regulation S-K. The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company or any Subsidiary under the Exchange Act or the Securities Act.

(k) **Compliance.** Except as set forth on *Schedule 3.1(k)* or in any SEC Report, neither the Company nor any Subsidiary, except in each case as would not have or reasonably be expected to result in a Material Adverse Effect: (i) is in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company or any Subsidiary under), nor has the Company or any Subsidiary, received, in the prior 2 years, notice of a claim that it is in default under or that it is in violation of, any indenture, loan or credit agreement or any other agreement or instrument to which it is a party or by which it or any of its properties is bound (whether or not such default or violation has been waived), (ii) is in violation of any judgment, decree or order of any court, arbitrator or other Governmental Authority applicable to it, or (iii) is or has been in violation of any statute, rule, ordinance or regulation of any Governmental Authority, including without limitation all applicable foreign, federal, state and local laws relating to taxes, bribery and corruption, occupational health and safety, product quality and safety and employment and labor matters and law related to the protection of the environment. Without limiting the generality of the foregoing, except as set forth

on *Schedule 3.1(k)*, the Company, each Subsidiary and each Educational Institution, including each location or branch thereof, as applicable, have been in compliance with all applicable Educational Laws in all material respects.

(l) **Regulatory Permits.** The Company and the Subsidiaries possess all Permits necessary to conduct their respective businesses, except where the failure to possess such Permits would not reasonably be expected to result in a Material Adverse Effect, and neither the Company nor any Subsidiary has received any notice of proceedings relating to the revocation or modification of any such Permit, except as reflected on *Schedule 3.1(l)*.

(m) **Title to Assets.** The Company and the Subsidiaries have good and marketable title in fee simple to all real property owned by them and good and marketable title in all personal property owned by them that is material to the business of the Company and the Subsidiaries, in each case free and clear of all Liens, except for (i) Permitted Liens; (ii) Liens as do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company and the Subsidiaries, and (iii) Liens for the payment of federal, state or other taxes, for which appropriate reserves have been made therefor in accordance with GAAP and, the payment of which is neither delinquent nor subject to penalties. Except as set forth on *Schedule 3.1(m)*, any real property and facilities held under lease by the Company and the Subsidiaries are held by them under valid, subsisting and enforceable leases with which the Company and the Subsidiaries are in compliance except where the invalidity, enforceability or noncompliance would not reasonably be expected to result in a Material Adverse Effect.

(n) **Intellectual Property.** To the knowledge of the Company, the Company and the Subsidiaries have, or have rights to use, all patents, patent applications, trademarks, trademark applications, service marks, trade names, trade secrets, inventions, copyrights, licenses and other intellectual property rights and similar rights as described in the SEC Reports as necessary or required for use in connection with their respective businesses and which the failure to so have could have a Material Adverse Effect (collectively, the "*Intellectual Property Rights*"). Except as disclosed on *Schedule 3.1(n)*, none of, and neither the Company nor any Subsidiary has received a written notice that any of the Intellectual Property Rights owned by the Company or any of its Subsidiaries has expired, terminated or been abandoned, or is expected to expire or terminate or be abandoned, within 2 years from the date of this Agreement. Neither the Company nor any Subsidiary has received, since the date of the latest audited financial statements included within the SEC Reports, a written notice of a claim or otherwise has any knowledge that the Intellectual Property Rights violate or infringe upon the rights of any Person, except as would not have or reasonably be expected to have a Material Adverse Effect. To the knowledge of the Company, all such Intellectual Property Rights that have been registered with a Governmental Authority are enforceable and there is no existing infringement by another Person of any of such registered Intellectual Property Rights. The Company and its Subsidiaries have taken reasonable security measures to protect the secrecy, confidentiality and value of all of their Intellectual Property Rights, except where failure to do so would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(o) **Insurance.** The Company and the Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent

and customary in the businesses in which the Company and the Subsidiaries are engaged, including, but not limited to, directors and officers insurance coverage at least equal to the aggregate Subscription Amount. Neither the Company nor any Subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a significant increase in cost.

(p) **Certain Fees.** Except as set forth on *Schedule 3.1(p)*, no brokerage or finder's fees or commissions are or will be payable by the Company or any Subsidiaries to any broker, financial advisor or consultant, finder, placement agent, investment banker, bank or other Person with respect to the transactions contemplated by the Transaction Documents. The Purchasers shall have no obligation with respect to any fees or with respect to any claims made by or on behalf of other Persons for fees owed by the Company or any Subsidiary of a type contemplated in this *Section* that may be due in connection with the transactions contemplated by the Transaction Documents.

(q) **Private Placement.** Assuming the accuracy of the Purchasers' representations and warranties set forth in *Section 3.2*, no registration under the Securities Act is required for the offer and sale of the Securities by the Company to the Purchasers as contemplated hereby. The issuance and sale of the Securities hereunder does not contravene the rules and regulations of the Principal Market.

(r) **Disclosure.** All of the disclosure furnished by or on behalf of the Company to the Purchasers regarding the Company and its Subsidiaries, their respective businesses and the transactions contemplated hereby, including the Disclosure Schedules, is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not materially misleading. The press releases disseminated by the Company during the twelve (12) months preceding the date of this Agreement taken as a whole do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made and when made, not materially misleading. The Company acknowledges and agrees that no Purchaser makes or has made any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in *Section 3.2*.

(s) **Solvency; Seniority.** Based on the consolidated financial condition of the Company as of the Closing Date, after giving effect to the receipt by the Company of the proceeds from the sale of the Securities hereunder: (i) the fair saleable value of the Company's tangible assets exceeds the amount that will be required to be paid on or in respect of the Company's existing debts and other liabilities (including known contingent liabilities) as they mature, (ii) the Company's assets do not constitute unreasonably small capital to carry on its business as now conducted and as proposed to be conducted including its capital needs taking into account the particular capital requirements of the business conducted by the Company, consolidated and projected capital requirements and capital availability thereof, and (iii) the current cash flow of the Company, together with the proceeds the Company would receive, were it to liquidate all of its assets, after taking into account all anticipated uses of the cash, would be sufficient to pay all amounts on or in respect of its liabilities when such amounts are required to be paid. The Company

does not intend to incur debts beyond its ability to pay such debts as they mature (taking into account the timing and amounts of cash to be payable on or in respect of its debt). The Company has no knowledge of any facts or circumstances which lead it to believe that it will file for reorganization or liquidation under the bankruptcy or reorganization laws of any jurisdiction within one year from the Closing Date. *Schedule 3.1(s)* sets forth as of the date hereof all outstanding secured and unsecured Indebtedness of the Company or any Subsidiary, or for which the Company or any Subsidiary has commitments. As of the Closing Date, (1) no Indebtedness or other claim against the Company is senior to the Debentures in right of payment, whether with respect to interest or upon liquidation or dissolution, or otherwise, and (2) no Indebtedness or other claim against any Subsidiary is senior to such Subsidiary's obligations under the Subsidiary Guaranty in right of payment, whether with respect to interest or upon liquidation or dissolution, or otherwise.

(t) **Tax Status.** Except for matters that would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect or as reflected on *Schedule 3.1(t)*, the Company and its Subsidiaries each (i) has made or filed all United States federal, state and local income and all foreign income and franchise tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, and (iii) has set aside on its books provision reasonably adequate for the payment of all material taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of the Company or of any Subsidiary know of no basis for any such claim. The Company is not and has never been a United States real property holding corporation within the meaning of *Section 897* of the Internal Revenue Code of 1986, as amended, and the Company shall so certify upon Purchaser's reasonable request at any time.

(u) **Acknowledgment Regarding Purchasers' Purchase of Securities.** The Company acknowledges and agrees that each of the Purchasers is acting solely in the capacity of an arm's length purchaser with respect to the Transaction Documents and the transactions contemplated thereby. The Company further acknowledges that no Purchaser is acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated thereby and any advice given by any Purchaser or any of their respective representatives or agents in connection with the Transaction Documents and the transactions contemplated thereby is merely incidental to the Purchasers' purchase of the Securities. The Company further represents to each Purchaser that the Company's decision to enter into this Agreement and the other Transaction Documents has been based solely on the independent evaluation of the transactions contemplated hereby by the Company and its representatives.

(v) **Acknowledgment Regarding Purchaser's Trading Activity.** Anything in this Agreement or elsewhere herein to the contrary notwithstanding, it is understood and acknowledged by the Company that: (A) none of the Purchasers has been asked by the Company to agree, nor has any Purchaser agreed, to desist from purchasing or selling, long and/or short, securities of the Company, or "derivative" securities based on securities issued by the Company or to hold the Securities for any specified term, (B) past or future open market or other transactions by any Purchaser may negatively impact the market price of the Company's publicly-traded securities,

and (C) each Purchaser shall not be deemed to have any affiliation with or control over any arm's length counter-party in any "derivative" transaction. The Company further understands and acknowledges that (y) one or more Purchasers may engage in hedging activities at various times during the period after the Closing and while the Securities are outstanding, and (z) such hedging activities (if any) could reduce the value of the existing stockholders' equity interests in the Company at and after the time that the hedging activities are being conducted. The Company acknowledges that such aforementioned hedging activities do not constitute a breach of any of the Transaction Documents.

(w) **Office of Foreign Assets Control; Money Laundering.** Neither the Company nor any Subsidiary nor, to the Company's knowledge, any director, officer, agent, employee or affiliate of the Company or any Subsidiary is currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department ("*OFAC*"). The operations of the Company and its Subsidiaries are and have been conducted at all times in compliance with applicable financial record-keeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1977, as amended, applicable money laundering statutes and applicable rules and regulations thereunder (collectively, the "*Money Laundering Laws*"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any Subsidiary with respect to the Money Laundering Laws is pending or, to the knowledge of the Company or any Subsidiary, threatened.

(x) **No Disqualification Events.** With respect to the Securities to be offered and sold hereunder in reliance on Rule 506 under the Securities Act, none of the Company, any of its predecessors, any affiliated issuer, any director, executive officer, other officer of the Company participating in the offering hereunder, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the Securities Act) connected with the Company in any capacity at the time of sale (each, an "*Issuer Covered Person*" and, together, "*Issuer Covered Persons*") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act (a "*Disqualification Event*"), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3). The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e), and has furnished to the Purchasers a copy of any disclosures provided thereunder.

(y) **Other Covered Persons.** Except for the compensation payable as described on *Schedule 3.1(p)* or in any SEC Report, the Company is not aware of any Person (other than any Issuer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any Securities pursuant to Regulation D promulgated under the Securities Act.

(z) **Sarbanes-Oxley; Internal Accounting Controls.** Except as set forth in any SEC Reports, or on *Schedule 3.1(z)*, the Company and the Subsidiaries are in compliance in all material respects with any and all applicable requirements of the Sarbanes-Oxley Act of 2002 that are effective as of the date hereof, and any and all applicable rules and regulations promulgated by the Commission thereunder that are effective as of the date hereof and as of the Closing Date. Except as set forth in any SEC Reports, the Company and the Subsidiaries maintain a system of internal

accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company and the Subsidiaries have established disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and the Subsidiaries and designed such disclosure controls and procedures to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms. The Company's certifying officers have evaluated the effectiveness of the disclosure controls and procedures of the Company and the Subsidiaries as of the end of the period covered by the most recently filed periodic report under the Exchange Act (such date, the "*Evaluation Date*"). The Company presented in its most recently filed periodic report under the Exchange Act the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date. Since the Evaluation Date, except as set forth in the SEC Reports, there have been no changes in the internal control over financial reporting (as such term is defined in the Exchange Act) that have materially affected, or is reasonably likely to materially affect, the internal control over financial reporting of the Company and its Subsidiaries.

(aa) **Intentionally Omitted.**

(bb) **Information Technology, Cybersecurity and Data Protection.** There has been no security breach or incident, unauthorized access or disclosure, or other compromise of or relating to the Company's or its Subsidiaries' information technology and computer systems, networks, hardware, software, data and databases (including personally identifiable information, the data and information of their respective customers, employees, suppliers, vendors and any third party data maintained, processed or stored by the Company or its Subsidiaries, and any such data processed or stored by third parties on behalf of the Company or its subsidiaries), equipment or technology (collectively, "**IT Systems and Data**"), except as would not, individually or in the aggregate, have a Material Adverse Effect; (A) neither the Company nor its Subsidiaries have been notified of, or have any knowledge of any event or condition that could result in, any security breach or incident, unauthorized access, use or disclosure of, or other compromise to, their IT Systems and Data and (B) the Company and its Subsidiaries have implemented appropriate controls, policies, procedures, and technological safeguards to maintain and protect the integrity, continuous operation, redundancy, disaster recovery and security of their IT Systems and Data reasonably consistent with industry standards and practices, or as required by applicable regulatory standards. The IT Systems and Data are adequate and operational for, in accordance with their documentation and functional specifications, the business of the Company and its Subsidiaries as now operated and as proposed to be operated as described in the SEC Reports. None of the software developed or owned by the Company or its Subsidiaries is currently held in escrow or subject to any escrow obligation or any condition, obligation or other requirement that it be licensed pursuant to a free or open source software license or that the source code for such software be delivered, disclosed, licensed or otherwise made available to any other Person. The Company and its Subsidiaries are presently in compliance in all material respects with all applicable laws or statutes

and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data, including the collection, use, transfer, processing, disposal, disclosure, handling, storage and analysis of personally identifiable information, consumer information and other confidential information of the Company, its subsidiaries and any third parties in their possession (“**Sensitive Company Data**”), and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification. The Company and its Subsidiaries have taken all reasonable steps necessary to maintain the confidentiality of the Sensitive Company Data. The Company and its Subsidiaries have not received any notice, claim, complaint, demand or letter from any person in respect of their businesses under applicable data security and data protection laws and regulations and industry standards regarding misuse, loss, unauthorized destruction or unauthorized disclosure of any Sensitive Company Data. There has been no unauthorized or illegal use of or access to any Sensitive Company Data by any third party. The Company and its subsidiaries have not been required to notify any individual or data protection authority of any information security breach, compromise or incident involving Sensitive Company Data. Without limiting the generality of the foregoing, the Company, each Subsidiary and each Educational Institution, as applicable, has complied with all laws and Educational Laws related to student records privacy and cybersecurity, including but not limited to the Family Educational Rights and Privacy Act and the Gramm-Leach-Bliley Act.

3.2 Representations and Warranties of the Purchasers. Each Purchaser, for itself and for no other Purchaser, hereby represents and warrants as of the date hereof and as of the Closing Date to the Company as follows (unless as of a specific date therein, in which case they shall be accurate as of such date):

(a) **Organization; Authority.** Such Purchaser is either an individual or an entity duly incorporated or formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation with full right, corporate, partnership, limited liability company or similar power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of the Transaction Documents and performance by such Purchaser of the transactions contemplated by the Transaction Documents have been duly authorized by all necessary corporate, partnership, limited liability company or similar action, as applicable, on the part of such Purchaser. Each Transaction Document to which it is a party has been duly executed by such Purchaser, and when delivered by such Purchaser in accordance with the terms hereof, will constitute the valid and legally binding obligation of such Purchaser, enforceable against it in accordance with its terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors’ rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(b) **Authorization; Enforcement.** Such Purchaser has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Agreement and each of the other Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement and each of the other Transaction Documents by such Purchaser and the consummation by it of the transactions contemplated hereby

and thereby have been duly authorized by all necessary action on the part of such Purchaser and no further action is required by such Purchaser in connection herewith or therewith. This Agreement and each other Transaction Document to which it is a party has been (or upon delivery will have been) duly executed by such Purchaser and, when delivered in accordance with the terms hereof and thereof, will constitute the valid and binding obligation of such Purchaser enforceable against such Purchaser in accordance with its terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(c) **No Conflicts.** The execution, delivery and performance by such Purchaser of this Agreement and the other Transaction Documents to which it is a party and the consummation by it of the transactions contemplated hereby and thereby do not and will not: (i) conflict with or violate any provision of the Purchaser's certificate or articles of incorporation, bylaws or other organizational or charter documents, or (ii) conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or Governmental Authority to which such Purchaser is subject (including federal and state securities laws and regulations).

(d) **Filings, Consents and Approvals.** Such Purchaser is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other foreign, federal, state, local or other Governmental Authority in connection with the execution, delivery and performance by such Purchaser of the Transaction Documents.

(e) **Own Account.** Such Purchaser understands that the Securities are "restricted securities" and have not been registered under the Securities Act or any applicable state securities law and is acquiring the Securities as principal for its own account and not with a view to or for distributing or reselling such Securities or any part thereof in violation of the Securities Act or any applicable state securities law; provided, this representation and warranty shall not be deemed to limit such Purchaser's right to sell the Securities in compliance with applicable federal and state securities laws. Such Purchaser does not presently have any agreement or understanding, directly or indirectly, with any Person to distribute any of the Securities.

(f) **Purchaser Status.** At the time such Purchaser was offered the Securities, it was, and as of the date hereof it is an "accredited investor" as defined in *Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8)* under the Securities Act.

(g) **General Solicitation.** Such Purchaser is not, to such Purchaser's knowledge, purchasing the Securities as a result of any advertisement, article, notice or other communication regarding the Securities published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or, to the knowledge of such Purchaser, any other general solicitation or general advertisement.

The Company acknowledges and agrees that the representations contained in this *Section 3.2* shall not modify, amend or affect such Purchaser's right to rely on the Company's representations and warranties contained in this Agreement or any representations and warranties

contained in any other Transaction Document or any other document or instrument executed and/or delivered in connection with this Agreement or the consummation of the transaction contemplated hereby.

**ARTICLE IV.
OTHER AGREEMENTS OF THE PARTIES**

4.1 Furnishing of Information; Public Information; Transfer Restrictions; Legends.

(a) The Company shall timely comply with the disclosure requirements of the OTC Market's Alternative Reporting System in effect from time to time.

(b) The Securities may only be disposed of in compliance with state and federal securities laws. In connection with any transfer of Securities other than pursuant to an effective registration statement or Rule 144, to the Company or to an Affiliate of a Purchaser or in connection with a pledge as contemplated in *Section 4.1(d)*, the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Securities under the Securities Act. As a condition of transfer, any such transferee shall agree in writing to be bound by the terms of this Agreement and shall have the rights and obligations of a Purchaser under this Agreement.

(c) The Purchasers agree to the imprinting, so long as is required by this *Section 4.1*, of a legend on any of the Securities in the following form:

NEITHER THIS SECURITY NOR THE SECURITIES ISSUABLE HEREUNDER HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY. THIS SECURITY AND THE SECURITIES ISSUABLE HEREUNDER MAY BE PLEDGED WITH A FINANCIAL INSTITUTION THAT IS AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN.

(d) The Company acknowledges and agrees that a Purchaser may from time to time pledge pursuant to a bona fide margin agreement with a registered broker-dealer or grant a security interest in some or all of the Securities to a financial institution that is an “accredited investor” as defined in Rule 501(a) under the Securities Act and, if required under the terms of such arrangement, such Purchaser may transfer pledged or secured Securities to the pledgees or secured parties. Such a pledge or transfer would not be subject to approval of the Company and no legal opinion of legal counsel of the pledgee, secured party or pledgor shall be required in connection therewith. Further, no notice shall be required of such pledge.

(e) If any Warrant is exercised into Warrant Shares (x) at any time on or after the twenty four (24) months anniversary of the Closing Date (assuming with respect to the Warrants, that if there is no effective registration statement covering the resale of the Warrant Shares, such Warrants are exercised on a cashless basis) or (y) when there is an effective registration statement under the Securities Act covering the resale of such Warrant Shares, then such Warrant Shares shall be issued free of all legends, including the legend set forth in *Section 4.1(c)*.

4.2 Integration. The Company shall not sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in *Section 2* of the Securities Act) that would be integrated with the offer or sale of the Securities in a manner that would require the registration under the Securities Act of the sale of the Securities or that would be integrated with the offer or sale of the Securities for purposes of the rules and regulations of the Principal Market such that it would require stockholder approval prior to the closing of such other transaction unless stockholder approval is obtained before the closing of such subsequent transaction.

4.3 Acknowledgment of Dilution. The Company acknowledges that the issuance of the Securities may result in dilution of the outstanding shares of Common Stock, which dilution may be substantial under certain market conditions. The Company further acknowledges that its obligations under the Transaction Documents to issue the Securities pursuant to the Transaction Documents, are unconditional and absolute and not subject to any right of set off, counterclaim, delay or reduction, regardless of the effect of any such dilution or any claim the Company may have against any Purchaser and regardless of the dilutive effect that such issuance may have on the ownership of the other stockholders of the Company.

4.4 Intentionally Omitted.

4.5 Publicity. The Company shall promptly after the execution of this Agreement (or in any case, by no later than 8:30 a.m. (local time in New York, New York) on the third (3rd) Business Day immediately following the date hereof, issue a press release disclosing all of the material terms hereof and the Agent shall have the opportunity to review and comment on such press release. Upon issuing such press release, the Company represents to the Purchasers that it shall have publicly disclosed all “material, non-public information” delivered to any of the Purchasers by the Company or any of its Subsidiaries, or any of their respective officers, directors, employees or agents in connection with the transactions contemplated by the Transaction Documents. The Company and the Purchasers shall consult with each other in issuing any other public announcements or press releases with respect to the transactions contemplated hereby, and neither the Company nor the Purchasers shall issue any such public announcement or press release

nor otherwise make any such public statement or communication without the prior consent of the Company, with respect to any disclosure of the Purchasers, or without the prior consent of the Purchasers representing at least 50.1% of the outstanding Principal Amount of the Debentures, with respect to any disclosure of the Company, which consent shall not unreasonably be withheld or delayed, except if such disclosure is required by law, then the disclosing party shall, to the extent lawful and practicable (having regard to time and in the case of the Company, the Company's continuous disclosure obligations), promptly provide the other party with prior notice of such public announcement, press release, public statement or communication.

4.6 Intentionally Omitted.

4.7 **Use of Proceeds.** The Company shall use the net proceeds from the sale of the Debentures hereunder solely for general corporate purposes, and shall not, under any circumstances, use such proceeds: (i) for the redemption of any Common Stock or Common Stock Equivalents, (ii) the repayment of any Indebtedness (except as contemplated by the Pay Off Letters), or (iii) in violation of the Foreign Corrupt Practices Act of 1970, as amended or similar laws or OFAC regulations.

4.8 **Indemnification of Purchasers.** Subject to the provisions of this *Section 4.8* the Company will indemnify and hold each Purchaser and its directors, officers, stockholders, members, partners, employees and agents (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls such Purchaser (within the meaning of *Section 15* of the Securities Act and *Section 20* of the Exchange Act), and the directors, officers, stockholders, agents, members, partners or employees (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling Persons (each, a "*Purchaser Party*") harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees, costs of investigation and costs of enforcing this indemnity that any such Purchaser Party may suffer or incur as a result of or relating to (a) any breach of any of the representations, warranties, covenants or agreements made by the Company in this Agreement or in the other Transaction Documents, or (b) any action instituted against the Purchaser Parties in any capacity, or any of them or their respective Affiliates, by any stockholder of the Company who is not an Affiliate of such Purchaser Party, with respect to any of the transactions contemplated by the Transaction Documents (unless such action is based upon a breach of such Purchaser Party's representations, warranties or covenants under the Transaction Documents or any violations by such Purchaser Party of foreign, federal or state securities laws or any conduct by such Purchaser Party which constitutes fraud, gross negligence, bad faith, or willful misconduct). If any action shall be brought against any Purchaser Party in respect of which indemnity may be sought pursuant to this Agreement, such Purchaser Party shall promptly notify the Company in writing, and the Company shall have the right to assume the defense thereof with counsel of its own choosing reasonably acceptable to the Purchaser Party. Any Purchaser Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Purchaser Party except to the extent that (i) the employment thereof has been specifically authorized by the Company in writing, (ii) the Company has failed after a reasonable period of time to assume such defense and to employ counsel, or (iii) in such action there is, in the reasonable written opinion of

counsel, a material conflict on any material issue between the position of the Company and the position of such Purchaser Party, in which case the Company shall be responsible for the reasonable, actual and documented fees and expenses of no more than one such separate counsel. The Company will not be liable to any Purchaser Party under this Agreement (y) for any settlement by a Purchaser Party effected without the Company's prior written consent, which shall not be unreasonably withheld or delayed; or (z) to the extent, but only to the extent that a loss, claim, damage or liability is attributable to any Purchaser Party's breach of any of the representations, warranties, covenants or agreements made by such Purchaser Party in this Agreement or in the other Transaction Documents or is attributable to any conduct by such Purchaser Party which constitutes fraud, gross negligence, bad faith or willful misconduct. The Company shall not settle or compromise any claim for which a Purchaser Party seeks indemnification hereunder without the prior written consent of such Purchaser Party, which consent shall not be unreasonably withheld or delayed. The indemnification required by this *Section 4.8* shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or are incurred. The indemnity agreements contained herein shall be in addition to any cause of action or similar right of any Purchaser Party against the Company or others and any liabilities the Company may be subject to pursuant to law.

4.9 **Reservation of Securities.** The Company shall maintain a reserve from its duly authorized shares of Common Stock for issuance pursuant to the Transaction Documents in such amount as may then be required to fulfill its obligations in full under the Transaction Documents. If, on any date, the number of authorized but unissued (and otherwise unreserved) shares of Common Stock is insufficient to fulfill its obligations in full under the Transaction Documents on such date, then the Board of Directors shall use commercially reasonable efforts to amend the Company's certificate or articles of incorporation to increase the number of authorized but unissued shares of Common Stock to at least the number required to fulfill its obligations in full under the Transaction Documents at such time, as soon as possible and in any event not later than the seventy fifth (75th) day after such date.

ARTICLE V. MISCELLANEOUS

5.1 **Fees and Expenses.** At the Closing, the Company has agreed to reimburse the Purchasers for their reasonable and documented legal fees and out-of-pocket expenses, \$50,000 of which has been paid to the Purchasers prior to the Closing. Except as expressly set forth in the Transaction Documents to the contrary, each party shall pay the fees and expenses of its advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of this Agreement. The Company shall pay all stamp taxes and other taxes and duties levied in connection with the delivery of any Securities to the Purchasers.

5.2 **Entire Agreement.** The Transaction Documents, together with the exhibits and schedules thereto, contain the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules.

5.3 **Notices.** Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of: (a) the date of transmission, if such notice or communication is delivered via or email as set forth on the signature pages attached hereto at or prior to 5:30 p.m. (New York City time) on a Business Day, (b) the next Business Day after the date of transmission, if such notice or communication is delivered email as set forth on the signature pages attached hereto on a day that is not a Business Day or later than 5:30 p.m. (New York City time) on any Business Day, (c) the second (2nd) Business Day following the date of mailing, if sent by a nationally recognized overnight courier service, or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications shall be as set forth on the signature pages attached hereto.

5.4 **Amendments; Waivers.** No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and the Purchasers representing at least 50.1% of the outstanding Principal Amount of the Debentures or, in the case of a waiver, by the party against whom enforcement of any such waived provision is sought. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right.

5.5 **Headings.** The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

5.6 **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Company may not assign this Agreement or any rights or obligations hereunder without the prior written consent of Purchasers representing at least 50.1% of the outstanding Principal Amount of the Debentures. Any Purchaser may assign, with written notice to the Company of such assignment, any or all of its rights under this Agreement to any Person to whom such Purchaser assigns or transfers any Securities in compliance with the Transaction Documents, provided that such transferee agrees in writing to be bound, with respect to the transferred Securities, by the provisions of the Transaction Documents that apply to the "Purchasers."

5.7 **No Third Party Beneficiaries.** This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other Person, except as otherwise set forth in *Section 4.8* and this *Section 5.7*.

5.8 **Governing Law.** All questions concerning the construction, validity, enforcement and interpretation of the Transaction Documents shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, stockholders, partners, members, employees or agents) shall be commenced

exclusively in the state and federal courts sitting in the City of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

5.9 **Survival.** The representations and warranties contained herein shall survive the Closing and the delivery of the Debentures.

5.10 **Execution.** This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party, it being understood that the parties need not sign the same counterpart. In the event that any signature is delivered by e-mail delivery of a “.pdf” format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such “.pdf” signature page were an original thereof.

5.11 **Severability.** If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

5.12 **Rescission and Withdrawal Right.** Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) any of the other Transaction Documents, whenever any Purchaser exercises a right, election, demand or option under a Transaction Document and the Company does not timely perform its related obligations within the periods therein provided, then such Purchaser may rescind or withdraw, in its discretion from time to time upon written notice to the Company, any relevant redemption or exercise notice, demand or election in whole or in part without prejudice to its future actions and rights; *provided, however*, that in the case of a rescission of any exercise of a Warrant, the applicable Purchaser shall be required to return any shares of Common Stock subject to any such rescinded exercise notice concurrently with the return to such Purchaser of the aggregate exercise price paid to the Company

for such shares and the restoration of such Purchaser's right to acquire such shares pursuant to such Purchaser's Warrant.

5.13 Replacement of Securities. If any certificate or instrument evidencing any Securities is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof (in the case of mutilation), or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction.

5.14 Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each of the Purchasers and the Company will be entitled to specific performance under the Transaction Documents. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations contained in the Transaction Documents and hereby agree to waive and not to assert in any action for specific performance of any such obligation the defense that a remedy at law would be adequate.

5.15 Payment Set Aside. To the extent that the Company makes a payment or payments to any Purchaser pursuant to any Transaction Document or a Purchaser enforces or exercises its rights thereunder, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, disgorged by or are required to be refunded, repaid or otherwise restored to the Company, a trustee, receiver or any other Person under any law (including, without limitation, any bankruptcy law, state or federal law, common law or equitable cause of action), then to the extent of any such restoration the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

5.16 Usury. To the extent it may lawfully do so, the Company hereby agrees not to insist upon or plead or in any manner whatsoever claim, and will resist any and all efforts to be compelled to take the benefit or advantage of, usury laws wherever enacted, now or at any time hereafter in force, in connection with any claim, action or proceeding that may be brought by any Purchaser in order to enforce any right or remedy under any Transaction Document. Notwithstanding any provision to the contrary contained in any Transaction Document, it is expressly agreed and provided that the total liability of the Company under the Transaction Documents for payments in the nature of interest shall not exceed the maximum lawful rate authorized under applicable law (the "*Maximum Rate*"), and, without limiting the foregoing, in no event shall any rate of interest or default interest, or both of them, when aggregated with any other sums in the nature of interest that the Company may be obligated to pay under the Transaction Documents exceed such Maximum Rate. It is agreed that if the maximum contract rate of interest allowed by law and applicable to the Transaction Documents is increased or decreased by statute or any official governmental action subsequent to the date hereof, the new maximum contract rate of interest allowed by law will be the Maximum Rate applicable to the Transaction Documents from the effective date thereof forward, unless such application is precluded by applicable law. If under any circumstances whatsoever, interest in excess of the Maximum Rate is paid by the Company to any Purchaser with respect to indebtedness evidenced by the Transaction Documents, such excess shall be applied by such Purchaser to the unpaid

principal balance of any such indebtedness or be refunded to the Company, the manner of handling such excess to be at such Purchaser's election.

5.17 **NY GOL.** The parties acknowledge and agree that each Purchaser hereunder is an Affiliate of the other Purchasers and the amounts advanced by each Purchaser to the Company hereunder in consideration of its Debenture is part of a single loan transaction for purposes of New York General Obligations Law Section 5-501(6)(b).

5.18 **Intentionally Omitted.**

5.19 **Saturdays, Sundays, Holidays, etc.** If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then such action may be taken or such right may be exercised on the next succeeding Business Day.

5.20 **Construction.** The parties agree that each of them and/or their respective counsel have reviewed and had an opportunity to revise the Transaction Documents and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Transaction Documents or any amendments thereto. In addition, each and every reference to share prices and shares of Common Stock in any Transaction Document shall be subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions of the Common Stock that occur after the date of this Agreement.

5.21 **WAIVER OF JURY TRIAL. IN ANY ACTION, SUIT, OR PROCEEDING IN ANY JURISDICTION BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY, THE PARTIES EACH KNOWINGLY AND INTENTIONALLY, TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND EXPRESSLY WAIVES FOREVER TRIAL BY JURY.**

5.22 **Agent.**

(a) **Appointment.** Each Purchaser hereby (i) appoints Agent, as the collateral agent hereunder and under the other Security Documents, and (ii) authorizes the Agent (and its officers, directors, employees and agents) to take such action on such Purchaser's behalf in accordance with the terms hereof and thereof. The Agent shall not have, by reason hereof or any of the other Security Documents, a fiduciary relationship in respect of any Purchaser. Neither the Agent nor any of its officers, directors, employees or agents shall have any liability to any Purchaser for any action taken or omitted to be taken in connection hereof or any other Security Document except to the extent caused by its own gross negligence or willful misconduct, and each Purchaser agrees to defend, protect, indemnify and hold harmless the Agent and all of its officers, directors, employees and agents (collectively, the "*Agent Indemnitees*") from and against any losses, damages, liabilities, obligations, penalties, actions, judgments, suits, fees, costs and expenses (including, without limitation, reasonable attorneys' fees, costs and expenses) incurred by such Agent Indemnitee, whether direct, indirect or consequential, arising from or in connection with the performance by such Agent Indemnitee of the duties and obligations of Agent pursuant hereto or

any of the Security Documents. The Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Required Holders (as defined in the Note), and such instructions shall be binding upon all holders of Notes; provided, however, that the Agent shall not be required to take any action which, in the reasonable opinion of the Agent, exposes the Agent to liability or which is contrary to this Agreement or any other Transaction Document or applicable law. The Agent shall be entitled to rely upon any written notices, statements, certificates, orders or other documents or any telephone message believed by it in good faith to be genuine and correct and to have been signed, sent or made by the proper Person, and with respect to all matters pertaining to this Agreement or any of the other Transaction Documents and its duties hereunder or thereunder, upon advice of counsel selected by it. If the Agent or any Affiliate is also a "Purchaser", the rights of the Agent shall not be used to alter its rights and obligations as a "Purchaser" under this Agreement and the applicable Transaction Documents.

(b) **Successor Agent.**

(i) The Agent may resign from the performance of all its functions and duties hereunder and under the other Transaction Documents at any time by giving at least ten (10) Business Days' prior written notice to the Company and each holder of Notes. Such resignation shall take effect upon the acceptance by a successor Agent of appointment pursuant to clauses (ii) and (iii) below or as otherwise provided below. The Required Holders may, by written consent, remove the Agent from all its functions and duties hereunder and under the other Transaction Documents.

(ii) Upon any such notice of resignation or removal, the Holders shall appoint a successor collateral agent. Upon the acceptance of any appointment as Agent hereunder by a successor agent, such successor collateral agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the collateral agent, and the Agent shall be discharged from its duties and obligations under this Agreement and the other Transaction Documents. After the Agent's resignation or removal hereunder as the collateral agent, the provisions of this *Section 5.22(b)(ii)* shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Agent under this Agreement and the other Transaction Documents.

(iii) If a successor collateral agent shall not have been so appointed within ten (10) Business Days of receipt of a written notice of resignation or removal, the Agent shall then appoint a successor collateral agent who shall serve as the Agent until such time, if any, as the Required Holders appoint a successor collateral agent as provided above.

(iv) In the event that a successor Agent is appointed pursuant to the provisions of this *Section 5.22(b)(iv)* that is not a Purchaser or an affiliate of any Purchaser (or the Required Holders or the Agent (or its successor), as applicable, notify the Company that they or it wants to appoint such a successor Agent pursuant to the terms of this *Section 5.22*, the Company and each Subsidiary thereof covenants and agrees to promptly take all actions reasonably requested by the Required Holders or the Agent (or its successor), as applicable, from time to time, to secure a successor Agent satisfactory to the requesting part(y)(ies), in their sole discretion, including, without limitation, by paying all reasonable

and customary fees and expenses of such successor Agent, by having the Company and each Subsidiary thereof agree to indemnify any successor Agent pursuant to reasonable and customary terms and by each of the Company and each Subsidiary thereof executing a collateral agency agreement or similar agreement and/or any amendment to the Security Documents reasonably requested or required by the successor Agent.

5.23 **Termination.** This Agreement may be terminated by (a) any Purchaser, as to such Purchaser's obligations hereunder only and without any effect whatsoever on the obligations between the Company and the other Purchasers, by written notice to the other parties, if the Closing has not been consummated on or before May 19, 2023 or (b) the Company, by written notice to the other parties, if the Closing has not been consummated on or before May 19, 2023; provided, however, that in either case such termination will not affect the right of any party to sue for any breach of this Agreement by any other party (or parties).

(Signature Pages Follow)

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

ASPEN GROUP, INC.

Address for Notice:
276 Fifth Avenue, Suite 505
New York, NY 10001

Attention:
E-mail:
E-mail:

By: /s/ Michael Mathews
Name: Michael Mathews
Title: Chief Executive Officer

With a copy to (which shall not constitute notice):

Nason, Yeager, Gerson, Harris & Fumero, P.A.
3001 PGA Boulevard, Suite 305
Palm Beach Gardens, Florida 33410
Attention: Michael D. Harris, Esquire
Telephone: (561) 686-3307
Telecopier: (561) 686-5442
Email: mharris@nasonyeager.com

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOR PURCHASER FOLLOWS]

[PURCHASER SIGNATURE PAGE TO ASPEN GROUP, INC. SECURITIES PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the undersigned have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

Name of Purchaser: JGB Capital LP

Signature of Authorized Signatory of Purchaser: /s/ Brett Cohen

Name of Authorized Signatory: Brett Cohen

Title of Authorized Signatory: President

Email Address of Authorized Signatory: _____

Address for Notice to Purchaser:

Address for Delivery of Securities to Purchaser (if not same as address for notice):

Subscription Amount: \$825,000

Principal Amount: \$929,230.73

Warrants: 166,059

[PURCHASER SIGNATURE PAGE TO ASPEN GROUP, INC. SECURITIES PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the undersigned have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

Name of Purchaser: JGB Partners LP

Signature of Authorized Signatory of Purchaser: /s/ Brett Cohen

Name of Authorized Signatory: Brett Cohen

Title of Authorized Signatory: President

Email Address of Authorized Signatory: _____

Address for Notice to Purchaser:

Address for Delivery of Securities to Purchaser (if not same as address for notice):

Subscription Amount: \$6,325,000

Principal Amount: \$7,124,102.23

Warrants: 1,273,116

[PURCHASER SIGNATURE PAGE TO ASPEN GROUP, INC. SECURITIES PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the undersigned have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

Name of Purchaser: JGB (Cayman) Ancona LP

Signature of Authorized Signatory of Purchaser: /s/ Brett Cohen

Name of Authorized Signatory: Brett Cohen

Title of Authorized Signatory: President

Email Address of Authorized Signatory: _____

Address for Notice to Purchaser:

Address for Delivery of Securities to Purchaser (if not same as address for notice):

Subscription Amount: \$3,850,000

Principal Amount: \$4,336,410.05

Warrants: 774,940

THIS SECURITY HAS NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY.

THIS DEBENTURE HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID"). PURSUANT TO TREASURY REGULATION §1.1275-3(b)(1), THE CHIEF FINANCIAL OFFICER OF THE COMPANY, BEGINNING TEN (10) DAYS AFTER THE ISSUANCE DATE OF THIS DEBENTURE, WILL PROMPTLY MAKE AVAILABLE TO THE HOLDER UPON REQUEST THE INFORMATION DESCRIBED IN TREASURY REGULATION §1.1275-3(b)(1)(i). THE CHIEF FINANCIAL OFFICER OF THE COMPANY MAY BE REACHED AT TELEPHONE NUMBER (646) 448-5144.

Original Issue Date: May 12, 2023

\$ ____

**15% ORIGINAL ISSUE DISCOUNT
SENIOR SECURED DEBENTURE
DUE MAY 12, 2026**

THIS 15% ORIGINAL ISSUE DISCOUNT SENIOR SECURED DEBENTURE is one of a series of duly authorized and validly issued 15% Original Issue Discount Senior Secured Debentures of Aspen Group, Inc., a Delaware corporation, (the "Company"), having its principal place of business at 276 Fifth Avenue, Suite 505, New York, NY 10001 (this debenture, as amended, restated, supplemented or otherwise modified from time to time, the "Debenture" and collectively with the other debentures of such series, the "Debentures") and is issued pursuant to the Purchase Agreement (as defined below).

FOR VALUE RECEIVED, the Company promises to pay in cash to _____, or its registered assigns (the "Holder"), or shall have paid pursuant to the terms hereunder, the principal sum of \$ _____ on May 13, 2026 (the "Maturity Date") or such earlier date as this Debenture is required or permitted to be repaid as provided hereunder, and to pay interest to the Holder on the aggregate then outstanding principal amount of this Debenture in accordance with the provisions hereof. This Debenture is subject to the following additional provisions:

Section 1. Definitions. For the purposes hereof, in addition to the terms defined elsewhere in this Debenture, (a) capitalized terms not otherwise defined herein shall have the meanings set forth in the Purchase Agreement (as defined below) and (b) the following terms shall have the following meanings:

“Account Bank” means Arizona Bank & Trust.

“Accreditation” means the status of public recognition granted by any Accrediting Body to an educational institution that meets the Accrediting Body’s standards and requirements applicable to the institution.

“Accrediting Body” means any entity or organization that has been recognized by the DOE as a reliable authority as to the quality of training offered by “institutions of higher education”, “proprietary institutions of higher education” or “educational programs” (as those terms are defined by the DOE) under 34 C.F.R. Part 602 as promulgated by the DOE and which engages in granting or withholding Accreditation or similar approval for postsecondary educational institutions, in accordance with standards relating to the performance, operation, financial condition and/or educational quality of such institutions. For the avoidance of doubt, the National Counsel for State Authorization Reciprocity Agreement (“*NC-SARA*”) is not an Accrediting Body.

“Adjusted EBITDA” means, with respect to the Company, for any quarterly period in question, on a consolidated basis, an amount equal to net income (or loss), as determined in accordance with GAAP, for the relevant quarterly period plus each of the following, but only to the extent deducted in determining net income (or loss) for such quarterly period and without duplication: (a) interest expense, (b) depreciation and amortization expense, (c) income tax expense (d) stock-based compensation expense in an amount not to exceed \$700,000 in the aggregate for such a quarterly period, and (e) extraordinary and non-recurring expenses not to exceed \$125,000 in the aggregate for any fiscal year, and minus each of the following, to the extent included in calculating net income (or loss) for the relevant quarterly period: (i) interest income, (ii) federal, state, local and foreign tax credits and refunds, (iii) extraordinary or non-recurring income or gains and (iv) all non-cash items increasing net income (or decreasing net loss).

“Adverse Educational Agency Action” means (a) notification by the DOE pursuant to Subpart G of 34 C.F.R. Part 668 of its intent to suspend, terminate or materially limit Title IV Program funding for the Borrower, any Subsidiary or any Educational Institution; or (b) notification by an Educational Agency other than the DOE of its intent to suspend, terminate, withdraw, limit or not renew an Educational Approval of the Borrower, any Subsidiary or any Educational Institution, provided, however, that this clause specifically does not apply (i) to the matters set forth on Schedule 3.1(i) of the Purchase Agreement (so long as there no material adverse developments with respect to such matters after the date of this Debenture and (ii) to the extent that such suspension, termination, withdrawal, limitation or non-renewal would not reasonably be expected to have a Material Adverse Effect. Notwithstanding the foregoing, so as long as Aspen University complies in all material respects with the Consent Agreement with the Arizona State Board of Nursing dated March 23, 2023, such Consent Agreement shall not be deemed to be an Adverse Educational Agency Action.

“Agent” means JGB Collateral LLC, a Delaware limited liability company.

"Applicable Interest Rate" means an annual rate equal to 15.00%; provided, however, following the occurrence and during the continuance of an Event of Default, the **"Applicable Interest Rate"** shall automatically, without notice or any other action required by Holder, mean an annual rate equal to 20.00%.

"Bankruptcy Event" means any of the following events: (a) the Company or any Subsidiary thereof commences a case or other proceeding under any bankruptcy, reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction relating to the Company or any Subsidiary thereof, (b) there is commenced against the Company or any Subsidiary thereof any such case or proceeding that is not dismissed within sixty (60) days after commencement, (c) the Company or any Subsidiary thereof is adjudicated insolvent or bankrupt or any order of relief or other order approving any such case or proceeding is entered, (d) the Company or any Subsidiary thereof suffers any appointment of any custodian or the like for it or any substantial part of its property that is not discharged or stayed within sixty (60) calendar days after such appointment, (e) the Company or any Subsidiary thereof makes a general assignment for the benefit of creditors, (f) the Company or any Subsidiary thereof calls a meeting of its creditors with a view to arranging a composition, adjustment or restructuring of its debts, (g) the Company or any Subsidiary thereof, by any act or failure to act, expressly indicates its consent to, approval of or acquiescence in any of the foregoing or takes any corporate or other action for the purpose of effecting any of the foregoing, or (h) the Company or any Subsidiary admits in writing its inability, or is otherwise unable, to pay its debts generally as they become due.

"Blocked Account" shall have the meaning set forth in *Section 7(b)(vii)*.

"Blocked Account Agreement" shall have the meaning set forth in *Section 7(b)(vii)*.

"Board of Directors" means the board of directors of the Company.

"Change of Control Put Period" has the meaning set forth in *Section 3(b)*.

"Change of Control Put Right" has the meaning set forth in *Section 3(b)*.

"Change of Control Transaction" means the occurrence after the date hereof of any of (a) an acquisition after the date hereof by an individual or legal entity or "group" (as described in *Rule 13d-5(b)(1)* promulgated under the Exchange Act) of effective control (whether through legal or beneficial ownership of capital stock of the Company, by contract or otherwise) of in excess of 50% of the voting securities of the Company, (b) the Company merges into or consolidates with any other Person, or any Person merges into or consolidates with the Company and, after giving effect to such transaction, the stockholders of the Company immediately prior to such transaction own less than 50% of the aggregate voting power of the Company or the successor entity of such transaction, or (c) the Company Disposes of all or substantially all of its assets to another Person.

"Collateral" shall have the meaning given such term in the Security Agreement.

“*Commission*” means the U.S. Securities Exchange Commission.

“*Company*” shall have the meaning given such term in the preambles hereto.

“*Debenture(s)*” shall have the meaning given such term in the preambles hereto.

“*Debenture Register*” shall have the meaning set forth in *Section 2(b)*.

“*Deferral Notice*” shall have the meaning set forth *Section 5*.

“*Dispose*” and “*Disposition*” means the sale, transfer, license, lease or other disposition (including any sale and leaseback transaction or by way of a merger) of any assets or property by any Person, including, without limitation, any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith, in each case, whether or not the consideration therefor consists of cash, securities or other assets owned by the acquiring Person, excluding any sales of inventory in the ordinary course of business on ordinary business terms.

“*Disqualified Stock*” shall mean, with respect to any person, any Equity Interests of such person that, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable) or upon the happening of any event or condition (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, (b) is redeemable at the option of the holder thereof, in whole or in part, (c) provides for the scheduled payments of dividends in cash, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Stock. Notwithstanding the foregoing, the issuance of common stock upon the conversion of certain convertible notes issued by the Company on March 14, 2022, shall not be deemed to be Disqualified Stock.

“*DOE*” means the United States Department of Education and any successor agency administering federal student financial assistance under Title IV.

“*DOE Approval*” shall mean a Program Participation Agreement (provisional or full), both issued and executed by the DOE.

“*Educational Agency*” means any entity or organization whether governmental, government chartered, private or quasi private entity or organization (excluding NC-SARA organization), that engages in granting or withholding Educational Approvals for, administers financial assistance to or for students of, or otherwise regulates postsecondary educational institutions in accordance with standards relating to the performance, operation, financial condition or academic standards of such institutions, including (a) the DOE, (b) any Accrediting Body or any State Educational Agency whose approval is required by Title IV Program regulations for the institution or an educational program operated thereby to participate in the Title IV Programs, (c) the U.S. Department of Veterans Affairs and Title 38 state approving agencies with respect to federal veterans education benefits programs, and (d) the U.S. Department of Defense with respect to its tuition assistance program.

“Educational Approval” means any license or authorization from any state Educational Agency, an Accreditation, or a DOE Approval required to be issued by an Educational Agency for an Educational Institution or any aspect of an Educational Institution’s operations or any location, branch, learning site, campus addition, satellite, temporary space or classroom expansion thereof to (i) operate in the manner it currently operates or to offer each of its educational programs, (ii) participate in any State Authorization Reciprocity Agreement in the future, (iii) offer programs online or other distance education delivery methods or (iv) participate in Title IV Programs.

“Educational Institution” shall mean the main campus that has been designated by the DOE as an eligible institution, issued a DOE Approval and assigned an Office of Postsecondary Education ID number, and any associated additional locations, branch campuses, and other facilities at which the institution provides all or part of an educational program.

“Educational Law” means any statute, law, regulation, rule, order, or binding standard issued or administered by, or related to, any Educational Agency.

“Eligible Student Accounts Receivable” means accounts receivable from students that have not been previously written off or are not fully reserved against by the applicable Educational Institution and with respect to which the student has made a payment within the prior 90 days

“Equity Interests” means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

“Event of Default” shall have the meaning set forth in *Section 8.a*.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Fundamental Transaction” means (a) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another Person, (b) the Company, directly or indirectly, effects any sale, lease, exclusive license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (c) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted

by the holders of 50% or more of the outstanding Common Stock, (d) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, (e) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person whereby such other Person acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other Person or other Persons making or party to, or associated or Affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination).

“Governmental Authority” means any national, supranational, federal, state, county, provincial, local, municipal or other government or political subdivision thereof (including any Regulatory Authority), whether domestic or foreign, and any agency, authority, commission, ministry, instrumentality, regulatory body, court, tribunal, arbitrator, central bank or other Person exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to any such government.

“HEA” means the Higher Education Act of 1965, as amended, 20 U.S.C. Section 1001 et seq., and its implementing regulations, and any amendments or successor statutes or regulations thereto.

“Holder” shall have the meaning given such term in the preambles hereto.

“Indebtedness” of a Person shall include (a) all obligations for borrowed money or the deferred purchase price of property or services (excluding trade credit and trade accounts payable incurred in the ordinary course of business), (b) all obligations evidenced by bonds, debentures, notes, or other similar instruments and all reimbursement or other obligations in respect of letters of credit, surety bonds, bankers acceptances, current swap agreements, interest rate hedging agreements, interest rate swaps or other financial products, (c) all capital lease obligations (as determined in accordance with GAAP), (d) all obligations or liabilities secured by a Lien on any asset of such Person, irrespective of whether such obligation or liability is assumed by such Person, (e) any obligation arising with respect to any other transaction that is the functional equivalent of borrowing but which does not constitute a liability on the balance sheets of such Person (excluding trade credit and trade accounts payable incurred in the ordinary course of business), (f) Disqualified Stock, and (g) any obligation guaranteeing or intended to guarantee (whether directly or indirectly guaranteed, endorsed, co-made, discounted or sold with recourse) any of the foregoing obligations of any other Person. Notwithstanding anything to the contrary set forth herein, (i) notwithstanding any change in GAAP after the Original Issue Date that would require lease obligations that would be treated as operating leases as of the Original Issue Date to be classified and accounted for as capital leases or otherwise reflected on the Company’s consolidated balance sheet, such obligations shall continue to be treated as operating leases and shall be excluded from the definition of Indebtedness and (ii) any lease that was entered into after the Original Issue Date that would have been considered an

operating lease under GAAP in effect as of the Original Issue Date shall be treated as an operating lease for all purposes under this Debenture, and obligations in respect thereof shall be excluded from the definition of Indebtedness.

“Interest Payment Date” shall have the meaning set forth in *Section 2(a)*.

“Investments” means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition (including by merger) of Equity Interests of another Person, (b) a loan, advance or capital contribution to, guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit or all or a substantial part of the business of, such Person.

“Lien” means any mortgage, deed of trust, pledge, hypothecation, assignment for security, security interest, encumbrance, levy, lien or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, against any property, any conditional sale or other title retention agreement, and any lease in the nature of a security interest.

“Material Adverse Effect” means a material adverse effect upon: (a) the business, operations, properties, assets or financial condition of the Company and its Subsidiaries taken as a whole; or (b) the ability of the Company or any Subsidiary to perform or pay any of its respective obligations in accordance with the terms of the Transaction Documents, or the ability of Agent or Holder to enforce any of its rights or remedies with respect to such obligations; (c) the Collateral or Agent’s Liens on the Collateral or the priority of such Liens (except, solely with respect to this clause (c) to the extent resulting from any action or inaction of the Agent or any Holder); or (d) the Company’s ability to maintain, renew or recertify its current institutional Accreditations, Educational Approvals and/or its Participation in Title IV Programs. Notwithstanding the foregoing, the loss of an Educational Approval with respect to an Educational Institution or education program that does not, individually, account for more than 5% of the Company’s and its Subsidiaries’ student enrollments in the twelve months preceding such loss shall not be deemed a Material Adverse Effect, provided that the Company and its Subsidiaries have not, since the Original Issue Date, lost Educational Approvals for Educational Institution as or educational programs that collectively represent more than 10% of the Company’s and its Subsidiaries’ student enrollments.

“Maturity Date” shall have the meaning given such term in the preambles hereto.

“Monthly Allowance” means, with respect to each calendar month commencing with the calendar month of November, 2024, a portion of the principal amount of this Debenture equal to \$21,711.00 of the original principal amount of this Debenture.

“Monthly Redemption Date” shall have the meaning set forth in *Section 5*.

“New York Courts” shall have the meaning set forth in *Section 9(d)*.

“Original Issue Date” means May 11, 2023, regardless of any transfers of the Debenture or amendments to the Debenture and regardless of the number of instruments which may be issued to evidence the Debenture.

“Permitted Dispositions” means (a) sales of inventory in the ordinary course of business, (b) the sale, lease, sub-lease, assignment, conveyance, transfer, license, exchange or disposition of inventory or services or other assets, including the non-exclusive license (as licensor or sub-licensor) of intellectual property, in each case, in the ordinary course of business consistent with past practice, (c) the sale or discount, in each case without recourse and in the ordinary course of business consistent with past practice, by the Company or its Subsidiaries of accounts receivable or notes receivable arising in the ordinary course of business, but only in connection with the compromise or collection thereof or in connection with the bankruptcy or reorganization of the applicable account debtors and dispositions of any securities or other Investments received in any such bankruptcy or reorganization, (d) the sale, lease, sub-lease, assignment, conveyance, transfer, license, exchange or disposition of used, worn out, obsolete or surplus property by the Company or its Subsidiaries, including the abandonment or other disposition of intellectual property, in each case, which, in the reasonable judgment of the Company, is no longer economically practicable to maintain or useful in the conduct of the business of the Company and its Subsidiaries, taken as a whole, (e) terminations of leases, subleases, licenses and sublicenses in the ordinary course of business or as the result of any breach by the Company or the Guarantors, (f) the use or other disposition of cash and cash equivalents in the ordinary course of business and (g) other transfers of assets having a fair market value of not more than \$100,000 in the aggregate during any fiscal year.

“Permitted Indebtedness” means (a) the Indebtedness evidenced by the Debentures, (b) capital lease obligations and purchase money indebtedness of up to \$150,000, in the aggregate, at any one time outstanding incurred in connection with the acquisition of capital assets and lease obligations with respect to newly acquired or leased assets, provided that such lease obligations and purchase money indebtedness are only recourse to the assets being acquired or leased, (c) Subordinated Indebtedness, (d) other Indebtedness outstanding on the Original Issue Date identified on *Schedule A* hereto, (e) Indebtedness of the Company or its Subsidiaries in an aggregate principal amount not to exceed \$250,000 at any one time outstanding not including Indebtedness referred to in clause (b), (f) any letter of credits or surety bonds that are outstanding on the Original Issue Date and set forth on *Schedule A*, (g) Indebtedness between or among the Company and/or the Guarantors in the ordinary course of business; (h) Indebtedness incurred in respect of credit cards, credit card processing services, debit cards, stored value cards, purchase cards (including so-called “procurement cards” or “P-cards”) or other similar cash management services, in each case, incurred in the ordinary course of business and an the aggregate amount not to exceed \$125,000 outstanding at any time; (i) Indebtedness owed to any Person or its agent providing property, casualty, liability, or other insurance to the Loan Parties including premium finance arrangements, so long as the amount of such Indebtedness is not in excess of the amount of the unpaid cost of (excluding interest or similar charges), and shall be incurred only to defer the cost of, such insurance for the period in which such Indebtedness is incurred and such Indebtedness is outstanding only

during such period in an aggregate amount not to exceed \$1,000,000 outstanding at any time, and (j) any guarantees of any Permitted Indebtedness.

“Permitted Investment” means: (a) Investments existing on, or contemplated to occur following, the Original Issue Date which are disclosed on *Schedule B*; (b) (i) U.S. Treasury bills, notes, and bonds maturing within 1 year from the date of acquisition thereof, (ii) U.S. agency and government-sponsored entity debt obligations maturing within one 1 year from the date of acquisition thereof, and (iii) U.S. Securities and Exchange Commission-registered money market funds that have a minimum of \$1,000,000,000 in assets, (c) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions and advances, to customers, suppliers, contract manufacturers, and/or licensors who are not Affiliates, in the ordinary course of business, provided that this subparagraph (c) shall not apply to Investments of the Company in any Subsidiary, (d) Investments in newly-formed or newly-acquired Domestic Subsidiaries, provided that each such Domestic Subsidiary promptly executes a joinder to the Subsidiary Guaranty and a joinder to the Security Agreement, in each case, in a form reasonably acceptable to the Holder, (e) Investments in Foreign Subsidiaries either (x) in an aggregate amount not in excess of \$50,000 in the aggregate during any fiscal year, or (y) that are otherwise approved in advance by the Agent in writing, (f) Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors or pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of such account debtors, (g) deposits, prepayments and other credits to suppliers made in the ordinary course of business or consistent with the past practices of the Company and its Subsidiaries, (h) Investments made in the ordinary course of business consisting of negotiable instruments held for collection in the ordinary course of business and lease, utility and other similar deposits in the ordinary course of business, (i) guarantees or other contingent obligations constituting Permitted Indebtedness, (j) advances made to any Guarantor to the extent such advances are not treated as Permitted Indebtedness, (k) additional Investments that do not exceed \$250,000 in the aggregate in any fiscal year and (l) fully insured certificates of deposit issued by any U.S. federal or state chartered bank.

“Permitted Lien” means the individual and collective reference to the following: (a) Liens for taxes, assessments and other governmental charges or levies not yet due or Liens for taxes, assessments and other governmental charges or levies being contested in good faith and by appropriate proceedings for which adequate reserves (in the good faith judgment of the management of the Company) have been established in accordance with GAAP, (b) Liens imposed by law which were incurred in the ordinary course of business of the Company or any of its Subsidiaries, such as carriers’, warehousemen’s and mechanics’ Liens, statutory landlords’ Liens, and other similar Liens arising in the ordinary course of business of the Company or any of its Subsidiaries, and which (x) do not individually or in the aggregate materially detract from the value of the property or assets subject to such Lien or materially impair the use thereof in the operation of the business of the Company and its consolidated Subsidiaries or (y) are being contested in good faith by appropriate proceedings, which proceedings have the effect of preventing for the foreseeable future the forfeiture or sale of the property or asset subject to such Lien, (c) Liens in favor of the Agent, (d) Liens for reasonable and customary banking fees granted to banks or other financial institutions in the ordinary course of business in connection

with, and which solely encumber, deposit, disbursement or concentration accounts (other than in connection with borrowed money) maintained with such banks or financial institutions, (e) Liens in respect of any Indebtedness referred to in clause (b) of the definition of "Permitted Indebtedness", (f) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, (g) other Liens securing obligations of the Company and its Subsidiaries not to exceed \$150,000 at any one time outstanding, and (h) Liens existing on the Original Issue Date which are disclosed on *Schedule C*.

"*Prepayment Amount*" means, with respect to any payment of this Debenture prior to the Maturity Date pursuant to *Section 3(a)*, *Section 3(b)* or *Section 8(b)*, the entire outstanding principal balance (including, for the avoidance of doubt, any original issue discount) of this Debenture, all accrued and unpaid interest thereon, and all other amounts due and payable under this Debenture, together with the Prepayment Premium.

"*Prepayment Date*" shall have the meaning set forth in *Section 3(a)*.

"*Prepayment Notice*" shall have the meaning set forth in *Section 3(a)*.

"*Prepayment Notice Date*" shall have the meaning set forth in *Section 3(a)*.

"*Prepayment Premium*" means, in connection with any prepayment of this Debenture in full prior to the Maturity Date pursuant to *Section 3(a)*, *Section 3(b)* or *Section 8(b)*, an amount equal to five percent (5%) of the principal amount of this Debenture prepaid on such date.

"*Principal Market*" means any market operated by OTC Markets, Inc. or such other Trading Market where the Common Stock is then listed or quoted.

"*Pro Rata Share*" means, with respect to the value or amount in question, the Holder's pro rata share thereof based on the outstanding principal balance of this Debenture relative to the aggregate outstanding principal balance of all Debentures.

"*Program Participation Agreement*" has the meaning ascribed to such term in 34 C.F.R. Section 668.14(a)(1) and includes a provisional program participation agreement.

"*Purchase Agreement*" means that certain Securities Purchase Agreement, dated as of May 11, 2023, among the Company and the purchasers signatory thereto (including the original Holder), as amended, modified or supplemented from time to time in accordance with its terms.

"*Revenue Target*" shall have the meaning set forth in *Section 7(c)*.

"*SARA*" means the state authorization reciprocity agreements administered by the National Council for State Authorization Reciprocity Agreements and its member states for the purpose of approving institutions offering distance education courses and programs.

“*Securities Act*” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“*Significant Regulatory Event*” means, as the context may require, with respect to one or more Educational Institutions, (a) an Adverse Educational Agency Action where such action shall not have been stayed and subsequently removed, withdrawn, resolved or otherwise terminated within 3 months thereafter; (b) a failure to maintain its eligibility to participate in Title IV Programs (c) a failure to maintain in effect any of its Educational Approvals, except to the extent failure to maintain such approval would not reasonably be expected to have a Material Adverse Effect; (d) the issuance by the DOE of a draft Cohort Default Rate (as defined in 34 C.F.R. § 668 Subpart N) for any Educational Institution that, individually or in the aggregate with such Educational Institution’s Cohort Default Rates for preceding federal fiscal years, would upon becoming a final Cohort Default Rate result in a loss of the Educational Institution’s eligibility to participate in Title IV Programs and the Borrower determines in good faith that such Cohort Default Rate is not reasonably likely to improve so as to avoid the loss of the Educational Institution’s eligibility to participate in Title IV Programs; (e) the final imposition, after exhaustion of any administrative appeal or remedies, of any fine, liability, disallowance or other sanction instituted against the Company, any Subsidiary, or any Educational Institution by the DOE or any other Educational Agency or Governmental Authority; or (f) receipt of notification from the DOE that any single educational program or any group of educational programs, which individually or in the aggregate, comprise 25% or more of the Student Enrollments, loses eligibility to participate in Title IV Programs for any reason. The matters set forth on Schedule 3.1(i) of the Purchase Agreement shall be deemed a Significant Regulatory Event (so long as there no material adverse developments with respect to such matters after the date of this Debenture).

“*Student Enrollments*” means the aggregate number, as of the last day of the most recently completed calendar month, of full-time and part-time students enrolled and in attendance in all Educational Institutions pursuant to enforceable enrollment contracts or similar agreements.

“*Subordinated Indebtedness*” means (i) Indebtedness in respect of the Holder made by the Leon and Toby Cooperman Family Foundation, (ii) Indebtedness in respect of the Holder made by Calm Waters Partnership and (iii) any other Indebtedness that is expressly subordinated to the Indebtedness to the Holder pursuant to a written subordination agreement and/or inter-creditor agreement satisfactory to the Holder in its sole discretion.

“*Subsidiary*” means an entity, whether corporate, partnership, limited liability company, joint venture or otherwise, in which the Company owns or controls a majority of the total voting power of the outstanding voting securities, including each entity listed on *Schedule D* hereto.

“*Successor Entity*” shall have the meaning set forth in *Section 5*.

“*Title IV*” means Title IV of the HEA.

“*Title IV Programs*” means the programs of federal student financial assistance administered pursuant to Title IV.

Section 2. Interest.

a) **Payment of Interest in Cash.** The Company shall pay interest to the Holder on the aggregate then outstanding principal amount of this Debenture at the Applicable Interest Rate, payable monthly in arrears as of the last Business Day of each calendar month and on the Maturity Date (each such date, an “*Interest Payment Date*”) (if any Interest Payment Date is not a Business Day, then the applicable payment shall be due on the next succeeding Business Day), in cash.

b) **Interest Calculations.** Interest shall be calculated on the basis of a 360-day year and the actual number of days elapsed, and shall accrue daily commencing on the Original Issue Date until payment in full of the outstanding principal (including, for the avoidance of doubt, any original issue discount), together with all accrued and unpaid interest, liquidated damages and other amounts which may become due hereunder, has been made. Interest hereunder will be paid to the Person in whose name this Debenture is registered on the records of the Company regarding registration and transfers of this Debenture (the “*Debenture Register*”) or such Person’s designee identified to the Company in writing.

Section 3. Prepayment.

a) **Prepayment at the Option of the Company.** Subject to the provisions of this *Section 3(a)*, at any time after May 11, 2024, the Company may deliver a notice to the Holder and the holders of the other outstanding Debentures (a “*Prepayment Notice*” and the date such notice is deemed delivered hereunder, the “*Prepayment Notice Date*”) of its irrevocable election to redeem all, but not less than all, of the then outstanding principal amount of this Debenture and the other outstanding Debentures (including, for the avoidance of doubt, any original issue discount) for cash in an amount equal to the Prepayment Amount on the tenth (10th) Business Day following the Prepayment Notice Date (such date, the “*Prepayment Date*”). The Prepayment Amount shall be due and payable in full in cash on the Prepayment Date. If any portion of Prepayment Amount shall not be paid by the Company by the Prepayment Date, interest shall accrue thereon at an interest rate equal to the lesser of twenty percent (20%) per annum or the maximum rate permitted by applicable law until such amount is paid in full. Notwithstanding anything herein contained to the contrary, if any portion of the Prepayment Amount remains unpaid after the Prepayment Date, then the Holder may elect, by written notice to the Company given at any time thereafter, to invalidate such prepayment, *ab initio*. For the avoidance of doubt, the Company may not prepay this Debenture pursuant to this *Section 3(a)* prior to May 11, 2024.

b) **Prepayment at the Option of the Holder.** The Holder may require the Company to prepay the entire outstanding principal amount of this Debenture (including, for the avoidance of doubt, any original issue discount) for cash in an amount equal to the Prepayment Amount (the “*Change of Control Put Right*”), at any time following the

Company's entry into a definitive agreement for a Change of Control Transaction until the twentieth (20th) Business Day following the consummation of such Change in Control Transaction (the "**Change of Control Put Period**"). The Holder may exercise the Change of Control Put Right by delivering a written notice to the Company at any time during the Change of Control Put Period and the Change of the Control Prepayment Amount shall be due and payable in cash on the third (3rd) Business Day following the Company's receipt of such notice.

Section 4. Registration of Transfers and Exchanges.

a) **Different Denominations.** This Debenture is exchangeable for an equal aggregate principal amount of Debentures of different authorized denominations, as requested by the Holder surrendering the same. No service charge will be payable for such registration of transfer or exchange.

b) **Investment Representations.** This Debenture has been issued subject to certain investment representations of the original Holder set forth in the Purchase Agreement and may be transferred or exchanged only in compliance with the Purchase Agreement and applicable federal and state securities laws and regulations.

c) **Reliance on Debenture Register.** Prior to due presentment for transfer to the Company of this Debenture, the Company and any agent of the Company may treat the Person in whose name this Debenture is duly registered on the Debenture Register as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Debenture is overdue, and neither the Company nor any such agent shall be affected by notice to the contrary.

Section 5. Monthly Redemption. Commencing on the November 30, 2023, and continuing thereafter on the last Business Day of each calendar month through the Maturity Date, Company shall make consecutive monthly principal payments equal to the Monthly Allowance (each a "**Monthly Redemption Payment**"). The Holder may, at its sole discretion, choose to defer all or part of any Monthly Redemption Payment until the Maturity Date by sending a written notice to the Company by not later than the last Business Day of such calendar month ("**Deferral Notice**"). Unless the Holder delivers a Deferral Notice with respect to any Monthly Redemption Payment, the Company shall make such Monthly Redemption Payment by wire transfer of immediately available funds in an amount equal to the Monthly Allowance on the due date therefor. For the avoidance of doubt, any and all unpaid principal amount of this Debenture, including original issue discount, and all accrued and unpaid interest and any other fees and sums due hereunder shall be due and payable in full on the Maturity Date.

Section 6. Fundamental Transaction. If, at any time while this Debenture is outstanding, the Company effects a Fundamental Transaction, then the Company shall cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the "**Successor Entity**") to assume in writing all of the obligations of the Company under this Debenture and the other Transaction Documents (as defined in the Purchase Agreement) in accordance with the provisions of this **Section 6** pursuant to written agreements in form and substance reasonably satisfactory to the Holder and approved by the Holder (without unreasonable

delay) prior to such Fundamental Transaction and shall, at the option of the holder of this Debenture, deliver to the Holder in exchange for this Debenture a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Debenture, and which is reasonably satisfactory in form and substance to the Holder. Upon the occurrence of any such Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Debenture and the other Transaction Documents referring to the "Company" shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Debenture and the other Transaction Documents with the same effect as if such Successor Entity had been named as the Company herein. For the avoidance of doubt, nothing in this *Section 6* shall be deemed implied consent to any Fundamental Transaction otherwise prohibited by the Transaction Documents.

Section 7. Covenants.

a) **Negative Covenants.** As long as any portion of this Debenture remains outstanding, and unless the Holder shall have otherwise given prior written consent, the Company shall not, and shall not permit any of the Subsidiaries to, directly or indirectly:

i. other than Permitted Indebtedness, enter into, issue, create, incur, assume, guarantee or suffer to exist any Indebtedness of any kind, including, but not limited to, a guarantee, on or with respect to any of its property or assets now owned or hereafter acquired or any interest therein or any income or profits therefrom;

ii. other than Permitted Liens, enter into, create, incur, assume or suffer to exist any Liens of any kind, on or with respect to any of its property or assets now owned or hereafter acquired or any interest therein or any income or profits therefrom;

iii. make or hold any Investments other than Permitted Investments;

iv. dispose of any of its assets, including, without limitation, any Disposition to a Subsidiary that is not a Guarantor and a party to the Security Agreement (other than Permitted Dispositions);

v. issue Disqualified Stock;

vi. amend its charter documents, including, without limitation, its certificate of incorporation and bylaws, in any manner that adversely affects any rights of the Holder under the Transaction Documents in any material respect;

vii. merge, dissolve, liquidate, consolidate with or into another Person; provided, that (i) the Company may merge or consolidate with any of its Subsidiaries so long as the Company is the surviving Person of such merger or consolidation and (ii) any Subsidiary of the Company may liquidate or dissolve so long as the assets of such Subsidiary are distributed to the Company;

viii. repay, repurchase or offer to repay, repurchase or otherwise acquire any of its Equity Interests; provided, that, the Company may purchase or redeem from any

officer, employee or director of the Company or any of its Subsidiaries upon the death, termination, disability, resignation or other voluntary or involuntary cessation of such person's employment or directorship or other applicable arrangement, or otherwise in accordance with any stock option or stock appreciation rights plan or any stock ownership or subscription plan or equity incentive or other similar plan or any employment, or employment termination agreement, shares of the Company's Equity Interests or options or warrants to acquire such Equity Interests in an aggregate amount for all such payments not to exceed \$250,000 in any calendar year;

ix. repay, repurchase or offer to repay, repurchase or otherwise acquire any Indebtedness other than (i) the Debentures and (ii) regularly scheduled principal and interest payments under the terms of any Permitted Indebtedness, provided that any such payments of Permitted Indebtedness shall not be permitted if, at such time, or after giving effect to such payment, any Event of Default occurs and is continuing;

x. pay dividends or distributions on any of its Equity Securities, except that any Subsidiary may, directly or indirectly, pay any dividend or distribution to the Company;

xi. create any new Foreign Subsidiary unless the Investment by the Company or its Subsidiary in such Foreign Subsidiary is a Permitted Investment;

xii. create any new Domestic Subsidiary unless such Subsidiary promptly executes a joinder to the Subsidiary Guaranty and Security Agreement;

xiii. enter into any transaction with any Affiliate of the Company which would be required to be disclosed in any public filing with the Commission, unless such transaction is (A) made on an arm's-length basis or (B) are in connection reasonable and customary director and officer compensation (including bonuses and restricted stock unit programs), benefits and indemnification arrangements, in each case approved by the Board of Directors (or a committee thereof) of the Company, the Guarantors or any Subsidiary of the Company or Guarantors; or

xiv. enter into any agreement with respect to any of the foregoing.

b) **Affirmative Covenants.** As long as any portion of this Debenture remains outstanding, the Company shall, and shall cause each of its Subsidiaries to:

i. preserve and maintain its legal existence in the jurisdiction of its organization (except as a result of a transaction permitted by *Section 7(a)(vii)*), and qualify and remain qualified as a foreign business entity in each jurisdiction in which qualification is necessary in view of its business and operations or the ownership of its properties and where failure maintain or qualify could reasonably be expected to have a Material Adverse Effect;

ii. provide to Agent and the Holder, promptly upon becoming aware thereof (and in any event within two (2) days after the occurrence thereof), a notice of each Event of Default known to an executive officer of the Company, together with a statement

of one such executive officer setting forth the details of such Event of Default and the actions which the Company has taken and proposes to take with respect thereto;

iii. except as otherwise would not reasonably be expected to result in a Material Adverse Effect, (a) pay and discharge as the same shall become due and payable: (i) all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being contested in good faith by appropriate proceedings diligently conducted (which proceedings have the effect of preventing the forfeiture or sale of the property or assets subject to any such Lien) and adequate reserves in accordance with GAAP are being maintained by the Company or such Subsidiary; (ii) all lawful claims which, if unpaid, would by law become a Lien upon its property, unless the same are being contested in good faith by appropriate proceedings diligently conducted (which proceedings have the effect of preventing the forfeiture or sale of the property or assets subject to any such Lien) and adequate reserves in accordance with GAAP are being maintained by the Company or such Subsidiary; and (iii) all Indebtedness, as and when due and payable, but subject to the terms of this Debenture; and (b) timely file all tax returns required to be filed (subject to any valid extension). Notwithstanding the foregoing, the potential tax liability listed on *Schedule 3.1(t)* to the Purchase Agreement shall not be deemed to be a Material Adverse Effect;

iv. (a) maintain, preserve and protect all of its properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted; and (b) make all necessary repairs thereto and renewals and replacements thereof except, in the case of either clause (a) or (b), where the failure to do so could not reasonably be expected to have a Material Adverse Effect;

v. comply in all material respects with the requirements of all applicable laws and all orders, writs, injunctions and decrees applicable to it or to its business or property;

vi. maintain (a) insurance with financially sound and reputable insurance companies in at least the amounts (and with only those deductibles) customarily maintained, and against such risks as are typically insured against, by Persons of comparable size engaged in the same or similar business as the Company and its Subsidiaries; (b) all worker's compensation, employer's liability insurance or similar insurance as may be required under the laws of any state or jurisdiction in which it may be engaged in business and (c) all letters of credit. All such insurance policies required pursuant to clause (a) of this Section shall name the Agent as a loss payee (in the case of property or other casualty insurance) and an additional insured (in the case of liability insurance);

vii. maintain on deposit in a segregated account of the Company at the Account Bank (the "*Blocked Account*") an amount of unencumbered cash equal to \$2,000,000. Such account shall be subject to an Account Control Agreement which shall provide that the Company shall have no access to such account and otherwise reasonably acceptable to the Holder (the "*Blocked Account Agreement*"); provided, however, the Company and any

representative may be able to verify the balance in the Blocked Account for audit or regulatory purposes;

viii. cause all deposit accounts to be subject to Account Control Agreements, except for any deposit account with an average monthly balance of less than \$50,000 and, provided that the aggregate balance of all deposit accounts not subject to an Account Control Agreement shall not exceed \$1,000,000 at any time; and

ix. provide the Holder with the following: (i) within forty-five (45) days after the last day of each fiscal quarter, a company prepared unaudited consolidated and consolidating balance sheet, income statement and statement of cash flows covering the Company's and the Subsidiaries' operations for such fiscal quarter, certified by the Company's chief financial officer as having been prepared in accordance with GAAP, consistently applied, except for the absence of footnotes, and subject to normal year-end adjustments, (ii) within one hundred twenty (120) days of the last day of the Company's fiscal year, audited consolidated financial statements of the Company prepared in accordance with GAAP, consistently applied, and (iii) within twenty (20) days after the last day of each calendar month, a company prepared unaudited consolidated and consolidating balance sheet, income statement and statement of cash flows covering the Company's and the Subsidiaries' operations for such calendar month, certified by the Company's chief financial officer as having been prepared in accordance with GAAP, consistently applied, except for the absence of footnotes, and subject to normal year-end adjustments.

c) **Revenue.** With respect to each fiscal quarter of the Company, the Company's revenue (as determined in accordance with GAAP) for each such fiscal quarter shall not be less than the "*Revenue Target*" for such fiscal quarter set forth on *Schedule E*.

d) **Adjusted EBITDA.** With respect to each fiscal quarter of the Company, the Company's Adjusted EBITDA (as determined in accordance with GAAP) for each such fiscal quarter shall not be less than the "*Adjusted EBITDA Target*" for such fiscal quarter set forth on *Schedule F*.

e) The Company and its Subsidiaries shall at all times have Eligible Student Accounts Receivables of at least \$20,000,000.

f) **Compliance Certificate.** The Company shall, within forty-five (45) days after the last day of each fiscal quarter deliver to the Holder a compliance certificate executed by the Company's chief executive officer or chief financial officer containing a calculation of each financial covenant set forth in this *Section 7* (with reasonable supporting detail and calculations), stating that no Events of Default have occurred since the date of the last compliance certificate (or, in the case of the initial compliance certificate, the Original Issue Date) and certifying that no new Subsidiaries have been formed or acquired since the date of the prior compliance certificate (or, in the case of the initial compliance certificate, the Original Issue Date).

Section 8. Events of Default.

a) “*Event of Default*” means, wherever used herein, any of the following events (whatever the reason for such event and whether such event shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court, or any order, rule or regulation of any administrative body or Governmental Authority):

i. any default in the payment of the principal amount of any Debenture, whether on a Prepayment Date, pursuant to Section 5 or on the Maturity Date or by acceleration or otherwise;

ii. any default in the payment of interest, liquidated damages and/or other amounts owing to a Holder on any Debenture, as and when the same shall become due and payable provided, however, that an Event of Default shall not occur on account of a failure to pay any amount referred to in this *Section 8(a)(ii)* due solely to an administrative or operational error of the Company’s bank if the Company had the funds to make the payment when due and makes the payment within two (2) Business Days following the applicable due date for such payment;

iii. the Company’s failure to observe or perform any other covenant or agreement contained in this Debenture that is not cured (if curable) within fifteen (15) days after written notice of such failure from Agent; provided any breach of *Section 7(a)*, *Section 7(b)(vii)*, *Section 7(c)*, *Section 7(d)* or *Section 7(e)* shall be an immediate Event of Default hereunder;

iv. the Holder or Agent sends the Company notice of a default or event of default or any breach which has occurred under any of the Transaction Documents and the Company fails to cure the default within any grace or cure period set forth therein (if any);

v. any representation or warranty made in the Securities Purchase Agreement or any other Transaction Documents, any written statement pursuant hereto or thereto or any other report, financial statement or certificate made or delivered to the Holder or any other Holder pursuant to the Transaction Documents shall be untrue or incorrect in any material respect as of the date when made or deemed made;

vi. the Company or any Subsidiary shall be subject to a Bankruptcy Event;

vii. the Company or any Subsidiary shall default on any of its obligations under any Indebtedness beyond any grace period provided with respect thereto that (a) involves an obligation greater than \$500,000, whether such Indebtedness now exists or shall hereafter be created and (b) results in such Indebtedness becoming or being declared due and payable prior to the date on which it would otherwise become due and payable;

viii. the Company or any Guarantor shall breach in any material respect any agreement delivered to the initial Holder pursuant to Section 2.2 of the Purchase Agreement;

ix. a judgment in excess of \$250,000 (to the extent not covered by insurance) is entered against the Company and, within sixty (60) days after entry thereof, such judgment is not discharged or satisfied or execution thereof stayed pending appeal, or within sixty (60) days after the expiration of any such stay, such judgment is not discharged or satisfied;

x. (A) Account Bank fails to comply with its obligations under the Blocked Account Agreement, (B) without limiting clause (A), Account Bank notifies the Agent of its intention not to comply with the terms of the Blocked Account Agreement, or (C) the Company fails to comply, or notifies the Agent of its intention to not comply, with its obligations under the Blocked Account Agreement; provided, however, with respect to clauses (A) and (B), it shall not be an Event of Default hereunder if possession of the funds held in the Blocked Account are transferred to the Agent;

xi. (A) the Account Bank closes the Blocked Account or terminates the Blocked Account Agreement, or (B) without limiting clause (A), the Account Bank notifies the Agent of its intention to close the Blocked Account or terminate the Blocked Account Agreement; provided, however, it shall not be an Event of Default hereunder if (1) possession of the funds held in the Blocked Account are transferred to the Agent or (2) the Company obtains another Blocked Account with a new U.S. federal or state banking institution;

xii. any Security Document shall for any reason fail or cease to create a separate valid and, except to the extent permitted by the terms hereof or thereof, perfected first priority (subject to Permitted Liens) Lien Collateral (as defined in the applicable Security Documents) in favor of the Agent or any material provision of any Security Document shall at any time for any reason cease to be valid and binding on or enforceable against the Company or the validity or enforceability thereof shall be contested by any party thereto, or a proceeding shall be commenced by the Company or any governmental authority having jurisdiction over the Company, seeking to establish the invalidity or unenforceability thereof;

xiii. (A) the DOE shall have, pursuant to Subpart G of 34 C.F.R. Part 668, regarding the eligibility of the Company, any Subsidiary or any Educational Institution to participate in the Title IV Programs, notified the Borrower, any Subsidiary or such Educational Institution, as the case may be, of any suspension, termination or material limitation of Title IV Program funding for the Company, any Subsidiary or any Educational Institution, and such suspension, termination or limitation shall not have been stayed and subsequently removed, withdrawn, resolved or otherwise terminated within 18 months thereafter, or (B) the DOE shall have notified the Company, any Subsidiary or any Educational Institution that the DOE intends to initiate an emergency action against an Educational Institution pursuant to 34 C.F.R. § 668.83;

xiv. an Educational Agency shall suspend, terminate, withdraw, limit or not renew an Educational Approval of any Educational Institution, and such suspension, termination, withdrawal, limitation or decision not to renew shall not have been stayed and subsequently removed, withdrawn, resolved or otherwise terminated within 3 months thereafter, provided that with respect to state Educational Agencies the loss of any state Educational Approvals for any Educational Institution or any educational program which, individually, account for not more than 5%, and collectively, not more than 10%, of the Company's and the Subsidiaries' student enrollments in the prior 12 months shall not be deemed to be a Material Adverse Effect.

xv. any Significant Regulatory Event shall have occurred.

xvi. any Material Adverse Effect occurs and the Company fails to cure the event which creates the Material Adverse Effect within 10 Business Days after written notice from the Agent or the Holder to the Company.

b) **Remedies Upon Event of Default.** If any Event of Default occurs and is continuing, the outstanding principal amount of this Debenture, the Prepayment Premium, plus accrued but unpaid interest, liquidated damages and other amounts owing in respect thereof through the date of acceleration, shall become, at the Holder's election, immediately due and payable in cash; provided, that such acceleration shall be automatic, without any notice or other action of the Holder required, in respect of an Event of Default occurring pursuant to *Section 8(a)(vi)*. In connection with such acceleration described herein, the Holder need not provide, and the Company hereby waives, any presentment, demand, protest or other notice of any kind, and the Holder may immediately and without expiration of any grace period enforce any and all of its rights and remedies hereunder and all other remedies available to it under applicable law. Such acceleration may be rescinded and annulled by Holder at any time prior to payment in full hereunder and the Holder shall have all rights as a holder of the Debenture until such time, if any, as the Holder receives full payment pursuant to this *Section 8(b)*. No such rescission or annulment shall affect any subsequent Event of Default or impair any right consequent thereon.

Section 9. Miscellaneous.

a) **Notices.** Any and all notices or other communications or deliveries to be provided by the Holder hereunder shall be in writing and delivered personally, by email, or sent by a nationally recognized overnight courier service, addressed to the Company, at the address set forth above, or such email address, or address as the Company may specify for such purposes by notice to the Holder delivered in accordance with this *Section 9(a)*. Any and all notices or other communications or deliveries to be provided by the Company hereunder shall be in writing and delivered personally, by email, or sent by a nationally recognized overnight courier service addressed to the Holder at the email address or address of the Holder appearing on the books of the Company, or if no such facsimile number or email or address appears on the books of the Company, at the principal place of business of such Holder, as set forth in the Purchase Agreement. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via

email to the email address set forth on the signature pages attached hereto prior to 5:30 p.m. (local time in New York City, New York) (or such later time expressly specified elsewhere in this Debenture) on any date, (ii) the next Business Day after the date of transmission, if such notice or communication is delivered via email attachment to the email address set forth on the signature pages attached hereto on a day that is not a Business Day or later than 5:30 p.m. (local time in New York City, New York) (or such later time expressly specified elsewhere in this Debenture) on any Business Day, or (iii) the second (2nd) Business Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service.

b) **Absolute Obligation.** Except as expressly provided herein, no provision of this Debenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of, liquidated damages and accrued interest, as applicable, on this Debenture at the time, place, and rate, and in the coin or currency, herein prescribed. This Debenture is a direct debt obligation of the Company.

c) **Lost or Mutilated Debenture.** If this Debenture shall be mutilated, lost, stolen or destroyed, the Company shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated Debenture, or in lieu of or in substitution for a lost, stolen or destroyed Debenture, a new Debenture for the principal amount of this Debenture so mutilated, lost, stolen or destroyed, but only upon receipt of evidence of such loss, theft or destruction of such Debenture, and of the ownership hereof, reasonably satisfactory to the Company.

d) **Governing Law.** All questions concerning the construction, validity, enforcement and interpretation of this Debenture shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflict of laws thereof. Each party agrees that all legal proceedings concerning the interpretation, enforcement and defense of the transactions contemplated by any of the Transaction Documents (whether brought against a party hereto or its respective Affiliates, directors, officers, shareholders, employees or agents) shall be commenced in the state and federal courts sitting in the City of New York, Borough of Manhattan (the "*New York Courts*"). Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the New York Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of such New York Courts, or such New York Courts are improper or inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Debenture and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by applicable law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by

applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Debenture or the transactions contemplated hereby.

e) **Amendments; Waivers.** Any waiver by the Company or the Holder of a breach of any provision of this Debenture shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Debenture. The failure of the Company or the Holder to insist upon strict adherence to any term of this Debenture on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Debenture on any other occasion. Any waiver by the Company or the Holder must be in writing. Any obligation of the Company pursuant to this Debenture may be waived by the Holders of at least 50.1% of the outstanding principal amount of Debentures, which waiver shall be binding on all of the Holders of the Debentures and their successors and assigns. Any provision of this Debenture may be amended by a written instrument executed by the Company and the Holders of at least 50.1% of the outstanding principal amount of Debentures, which amendment shall be binding on all of the Holders of the Debentures and their successors and assigns.

f) **Severability.** If any provision of this Debenture is invalid, illegal or unenforceable, the balance of this Debenture shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum rate of interest permitted under applicable law. The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law which would prohibit or forgive the Company from paying all or any portion of the principal of or interest on this Debenture as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this Debenture, and the Company (to the extent it may lawfully do so) hereby expressly waives all benefits or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Holder, but will suffer and permit the execution of every such as though no such law has been enacted.

g) **Remedies, Characterizations, Other Obligations, Breaches and Injunctive Relief.** The remedies provided in this Debenture shall be cumulative and in addition to all other remedies available under this Debenture and any of the other Transaction Documents at law or in equity (including a decree of specific performance and/or other injunctive relief), and nothing herein shall limit the Holder's right to pursue actual and consequential damages for any failure by the Company to comply with the terms of this Debenture. The Company covenants to the Holder that there shall be no characterization concerning this instrument other than as expressly provided herein. Amounts set forth or provided for herein with respect to payments and the like (and the computation thereof) shall be the amounts to be received by the Holder and shall not, except as expressly provided herein, be subject to any other obligation of the Company (or the

performance thereof). The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, the Holder shall be entitled, in addition to all other available remedies, to an injunction restraining any such breach or any such threatened breach, without the necessity of showing economic loss and without any bond or other security being required. The Company shall provide all information and documentation to the Holder that is reasonably requested by the Holder to enable the Holder to confirm the Company's compliance with the terms and conditions of this Debenture.

h) **Next Business Day.** Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

i) **Headings.** The headings contained herein are for convenience only, do not constitute a part of this Debenture and shall not be deemed to limit or affect any of the provisions hereof.

j) **Secured Obligation.** The obligations of the Company under this Debenture are secured by the Collateral pledged by the Company pursuant to the Security Agreement, dated as of the date hereof, between the Company and the Agent. For the avoidance of doubt, and notwithstanding anything contained herein to the contrary, subject to Permitted Liens, the Holder shall have the first lien over all Collateral, which will rank higher than any other creditor of the Company or its Subsidiaries, to the extent permitted by law.

k) **Limitation of Liability.** Neither Holder, Agent nor any Affiliate, officer, director, employee, attorney, or agent of Holder or Agent shall have any liability with respect to, and the Company hereby waives, releases, and agrees not to sue any of them upon, any claim for any special, indirect, incidental, or consequential damages suffered or incurred by the Company in connection with, arising out of, or in any way related to, this Debenture or any of the other Transaction Documents, or any of the transactions contemplated by this Agreement or any of the other Transaction Documents.

l) **Payments Free of Taxes.** Any and all payments by or on account of any obligation of the Company under this Debenture and any other Transaction Documents shall be made without deduction or withholding for any taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of the Company) requires the deduction or withholding of any tax from any such payment by the Company, then the Company shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and then the sum payable by the Company to the Holder shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this *Section 9(l)*) the Holder receives an amount equal to the sum it would have received had no such deduction or withholding been made.

m) **Costs of Enforcement.** The Company hereby covenants and agrees to indemnify, defend and hold the Holder harmless from and against all costs and expenses, including reasonable attorneys' fees and their reasonable costs, together with interest thereon at the Applicable Rate, incurred by the Holder in enforcing its rights under this Debenture; or if the Holder is made a party as a defendant in any action or proceeding arising out of or in connection with its status as a lender, or if the Holder is requested to respond to any subpoena or other legal process issued in connection with this Debenture; or reasonable disbursements arising out of any costs and expenses, including reasonable attorneys' fees and their costs incurred in any bankruptcy case; or for any legal or appraisal reviews, advice or counsel performed for the Holder following a request by the Company for waiver, modification or amendment of this Debenture.

(Signature Pages Follow)

IN WITNESS WHEREOF, the parties below have caused this Debenture to be duly executed by a duly authorized officer as of the date first above indicated.

ASPEN GROUP, INC.

By: _____

Name:

Title:

Facsimile No. for delivery of Notices: _____

E-mail Address for delivery of Notices: _____

NEITHER THIS SECURITY NOR THE SECURITIES FOR WHICH THIS SECURITY IS EXERCISABLE HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. THIS SECURITY AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN SECURED BY SUCH SECURITIES TO THE EXTENT PERMITTED UNDER THE SECURITIES PURCHASE AGREEMENT DATED MAY [●], 2023, AMONG THE COMPANY AND THE PURCHASERS SIGNATORY THERETO.

COMMON STOCK PURCHASE WARRANT

ASPEN GROUP, INC.

Warrant Shares: _____

Issue Date: May 12, 2023

Initial Exercise Date: May 12, 2023

THIS COMMON STOCK PURCHASE WARRANT (the "*Warrant*") certifies that, for value received, [NAME OF PURCHASER] or its assigns (the "*Holder*") is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after May 12, 2023 (the "*Initial Exercise Date*") and on or prior to 5:00 p.m. (New York City time) on May 12, 2028 (the "*Termination Date*") but not thereafter, to subscribe for and purchase from Aspen Group, Inc., a Delaware corporation (the "*Company*"), up to _____ shares (as subject to adjustment hereunder, the "*Warrant Shares*") of the Company's common stock, \$0.001 par value (the "Common Stock"). The purchase price of one share of Common Stock under this Warrant shall be equal to the Exercise Price (as defined in *Section 2(b)*).

Section 1. **Definitions.** Capitalized terms used and not otherwise defined herein shall have the meanings set forth in that certain Securities Purchase Agreement (the "*Purchase Agreement*"), dated May 12, 2023, among the Company and the Purchasers signatory thereto (each a "*Purchaser*" and collectively, the "*Purchasers*"). In addition, the following terms used in this Warrant shall have the following meanings:

"*Alternate Consideration*" has the meaning set forth in *Section 3(c)*.

"*Attribution Parties*" has the meaning set forth in *Section 2(e)*.

“*Base Share Price*” has the meaning set forth in *Section 3(e)*.

“*Beneficial Ownership Limitation*” has the meaning set forth in *Section 2(e)*.

“*Bid Price*” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed on a Trading Market, the bid price of the Common Stock for the time in question (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:00 p.m. (New York City time)), (b) if the Common Stock is not then listed for trading on a Trading Market, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on NASDAQGM as applicable, (c) if the Common Stock is not then quoted for trading on NASDAQGM and if prices for the Common Stock are then reported on The Pink Open Market (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the holders of a majority in interest of the Warrants then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

“*Buy-In*” has the meaning set forth in *Section 2(d)(iv)*.

“*Change of Control Transaction*” has the meaning set forth in the Debentures.

“*Closing Date*” has the meaning set forth in the Purchase Agreement.

“*Common Stock*” has the meaning set forth in the preambles hereto.

“*Company*” has the meaning set forth in the preambles hereto.

“*Debentures*” has the meaning set forth in the Purchase Agreement.

“*Dilutive Issuance*” has the meaning set forth in *Section 3(e)*.

“*Dilutive Issuance Notice*” has the meaning set forth in *Section 3(e)*.

“*DWAC*” has the meaning set forth in *Section 2(d)*

“*Event Market Price*” means, with respect to any Stock Combination Event Date, the quotient determined by dividing (x) the sum of the VWAP of the Common Stock for each of the five (5) lowest Trading Days during the twenty (20) consecutive Trading Day period ending and including the Trading Day immediately preceding the sixteenth (16th) Trading Day after such Stock Combination Event Date, divided by (y) five (5). All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination, recapitalization or other similar transaction during such period.

“*Exempt Issuance*” means the issuance of (a) shares of Common Stock, restricted stock or restricted stock units or options to employees, officers or directors of the Company pursuant to any stock or option plan duly adopted for such purpose, by a majority of the non-employee

members of the Board of Directors or a majority of the members of a committee of non-employee directors established for such purpose for services rendered to the Company, (b) securities exercisable or exchangeable for or convertible into shares of Common Stock issued and outstanding on the date of this Agreement, provided that such securities have not been amended since the date of this Agreement to increase the number of such securities or to decrease the exercise price, exchange price or conversion price of such securities (other than in connection with stock splits or combinations) or to extend the term of such securities, (c) securities issued pursuant to acquisitions, strategic transactions, or commercial or collaborative relationships approved by a majority of the disinterested directors of the Company, provided that such securities are issued as "restricted securities" (as defined in Rule 144) and carry no registration rights that require or permit the filing of any registration statement in connection therewith, and, provided that any such issuance shall only be to a Company (or to the equityholders of the Company) which is, itself or through its subsidiaries, an operating company or an owner of an asset in a business synergistic with the business of the Company and shall provide to the Company additional benefits in addition to the investment of funds, but shall not include a transaction in which the Company is issuing securities primarily for the purpose of raising capital or to an entity whose primary business is investing in securities.

"*Exercise Price*" has the meaning set forth in *Section 2(b)*.

"*Fundamental Transaction*" has the meaning set forth in *Section 3(c)*.

"*Holder*" has the meaning set forth in the preambles hereto.

"*Initial Exercise Date*" has the meaning set forth in the preambles hereto.

"*Notice of Exercise*" has the meaning set forth in *Section 2(a)*.

"*Principal Market*" has the meaning set forth in the Debentures.

"*Purchase Agreement*" has the meaning set forth in *Section 1*.

"*Purchase Rights*" has the meaning set forth in *Section 3(b)*.

"*Standard Settlement Period*" has the meaning set forth in *Section 2(d)(i)*.

"*Successor Entity*" has the meaning set forth in *Section 3(c)*.

"*Termination Date*" has the meaning set forth in the preambles hereto.

"*Trading Market*" has the meaning set forth in the Debentures.

"*Transaction Documents*" has the meaning set forth in the Purchase Agreement.

"*VWAP*" has the meaning set forth in the Debentures.

"*Warrant*" has the meaning set forth in the preambles hereto.

“*Warrants*” means this Warrant collectively with the other Warrants issued pursuant to the Purchase Agreement.

“*Warrant Register*” has the meaning set forth in *Section 4(c)*.

“*Warrant Share Delivery Date*” has the meaning set forth in *Section 2(d)i*.

Section 2. **Exercise.**

a) **Exercise of Warrant.** Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times on or after the Initial Exercise Date and on or before the Termination Date by delivery to the Company of a duly executed facsimile copy or PDF copy submitted by e-mail (or e-mail attachment) of the Notice of Exercise in the form annexed hereto (the “*Notice of Exercise*”). Within the earlier of (i) two (2) Trading Days and (ii) the number of Trading Days comprising the Standard Settlement Period following the date of exercise as aforesaid, the Holder shall deliver the aggregate Exercise Price for the Warrant Shares specified in the applicable Notice of Exercise by wire transfer unless the cashless exercise procedure specified in *Section 2(c)* below is specified in the applicable Notice of Exercise. No ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise be required. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within three (3) Trading Days of the date on which the final Notice of Exercise is delivered to the Company. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Company shall deliver any objection to any Notice of Exercise within one (1) Trading Day of receipt of such notice. **The Holder and any assignee, by acceptance of this Warrant, acknowledge and agree that, by reason of the provisions of this paragraph, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.**

b) **Exercise Price.** The exercise price per share of Common Stock under this Warrant shall be \$0.01, subject to adjustment hereunder (the “*Exercise Price*”).

c) **Cashless Exercise.** If at the time of exercise hereof there is no effective registration statement registering, or the prospectus contained therein is not available for the resale of the Warrant Shares by the Holder, then this Warrant may also be exercised, in whole or in part, at such time by means of a “cashless exercise” in which the Holder shall be entitled to receive a number of Warrant Shares equal to the quotient obtained by dividing $[(A-B) (X)]$ by (A), where:

- (A) = as applicable: (i) the VWAP on the Trading Day immediately preceding the date of the applicable Notice of Exercise if such Notice of Exercise is (1) both executed and delivered pursuant to **Section 2(a)** hereof on a day that is not a Trading Day or (2) both executed and delivered pursuant to **Section 2(a)** hereof on a Trading Day prior to the opening of “regular trading hours” (as defined in Rule 600 of Regulation NMS promulgated under the federal securities laws) on such Trading Day, (ii) at the option of the Holder, either (y) the VWAP on the Trading Day immediately preceding the date of the applicable Notice of Exercise or (z) the Bid Price of the Common Stock on the principal Trading Market as reported by Bloomberg as of the time of the Holder’s execution of the applicable Notice of Exercise if such Notice of Exercise is executed during “regular trading hours” on a Trading Day and is delivered within two (2) hours thereafter (including until two (2) hours after the close of “regular trading hours” on a Trading Day) pursuant to **Section 2(a)** hereof or (iii) the VWAP on the date of the applicable Notice of Exercise if the date of such Notice of Exercise is a Trading Day and such Notice of Exercise is both executed and delivered pursuant to **Section 2(a)** hereof after the close of “regular trading hours” on such Trading Day;
- (B) = the Exercise Price of this Warrant, as adjusted hereunder; and
- (X) = the number of Warrant Shares that would be issuable upon exercise of this Warrant in accordance with the terms of this Warrant if such exercise were by means of a cash exercise rather than a cashless exercise.

If Warrant Shares are issued in such a cashless exercise, the parties acknowledge and agree that in accordance with *Section 3(a)(9)* of the Securities Act, the Warrant Shares shall take on the characteristics of the Warrants being exercised, and the holding period of the Warrant Shares being issued may be tacked on to the holding period of this Warrant. The Company agrees not to take any position contrary to this **Section 2(c)**.

d) **Mechanics of Exercise.**

- i. **Delivery of Warrant Shares Upon Exercise.** The Company shall cause the Warrant Shares purchased hereunder to be transmitted by the Company’s transfer agent (the “Transfer Agent”) to the Holder by crediting the account of the Holder’s or its designee’s balance account with The Depository Trust Company through its Deposit or Withdrawal at Custodian system (“*DWAC*”) if the Company is then a participant in such system and either (A) there is an effective registration statement permitting the issuance of the Warrant Shares to or resale of the Warrant Shares by the Holder or (B) the Warrant Shares are eligible for resale by the Holder without volume or manner of sale limitations pursuant to Rule 144 (assuming cashless exercise of the Warrant), and otherwise by physical delivery of a certificate, registered in the Company’s share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the address specified by the Holder in the

Notice of Exercise by the date that is the latest of (i) two (2) Trading Days after delivery of the Notice of Exercise, (ii) the number of days comprising the Standard Settlement Period after the delivery to the Company of the Notice of Exercise and (iii) one (1) Trading Day after delivery of the aggregate Exercise Price to the Company (such date, the "**Warrant Share Delivery Date**"). Upon delivery of the Notice of Exercise, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the Warrant Shares, provided that payment of the aggregate Exercise Price (other than in the case of a cashless exercise) is received by the Warrant Share Delivery Date. If the Company fails for any reason to deliver to the Holder the Warrant Shares subject to a Notice of Exercise by the Warrant Share Delivery Date, the Company shall pay to the Holder, in cash, as liquidated damages and not as a penalty, for each \$1,000 of Warrant Shares subject to such exercise (based on the VWAP of the Common Stock on the date of the applicable Notice of Exercise), \$5 per Trading Day (increasing to \$10 per Trading Day on the third (3rd) Trading Day after the Warrant Share Delivery Date) for each Trading Day after such Warrant Share Delivery Date until such Warrant Shares are delivered or Holder rescinds such exercise. The Company agrees to maintain a transfer agent that is a participant in the FAST program so long as this Warrant remains outstanding and exercisable. As used herein, "**Standard Settlement Period**" means the standard settlement period, expressed in a number of Trading Days, on the Company's primary Trading Market with respect to the Common Stock as in effect on the date of delivery of the Notice of Exercise.

ii. **Delivery of New Warrants Upon Exercise.** If this Warrant shall have been exercised in part, the Company shall, at the request of a Holder and upon surrender of this Warrant certificate, at the time of delivery of the Warrant Shares, deliver to the Holder a new Warrant evidencing the rights of the Holder to purchase the unpurchased Warrant Shares called for by this Warrant, which new Warrant shall in all other respects be identical with this Warrant.

iii. **Rescission Rights.** If the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares pursuant to **Section 2(i)** by the Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise.

iv. **Compensation for Buy-In on Failure to Timely Deliver Warrant Shares Upon Exercise.** In addition to any other rights available to the Holder, if the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares in accordance with the provisions of **Section 2(i)** above pursuant to an exercise on or before the Warrant Share Delivery Date (subject to receipt of the aggregate exercise price for the applicable exercise (other than in the case of a cashless exercise)), and if

after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "*Buy-In*"), then the Company shall (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock with an aggregate sale price giving rise to such purchase obligation of \$10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder \$1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

v. **No Fractional Shares or Scrip.** No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such exercise, the Company shall, at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Exercise Price or round up to the next whole share.

vi. **Charges, Taxes and Expenses.** Issuance of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such Warrant Shares, all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; *provided, however*, that in the event that Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto duly executed by the

Holder and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto. The Company shall pay all Transfer Agent fees required for same-day processing of any Notice of Exercise and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Warrant Shares.

vii. **Closing of Books.** The Company will not close its stockholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

e) **Holder's Exercise Limitations.** The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to *Section 2* or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's Affiliates, and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates (such Persons, "*Attribution Parties*")), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates and Attribution Parties shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Stock Equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this *Section 2(e)*, beneficial ownership shall be calculated in accordance with *Section 13(d)* of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with *Section 13(d)* of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this *Section 2(e)* applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with *Section 13(d)* of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this *Section 2(e)*, in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock

as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within one (1) Trading Day confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding shares of Common Stock was reported. The "**Beneficial Ownership Limitation**" shall be 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of this Warrant. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this **Section 2(e)**, provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock upon exercise of this Warrant held by the Holder and the provisions of this **Section 2(e)** shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the sixty-first (61st) day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this **Section 2(e)** to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Warrant.

Section 3. Certain Adjustments.

a) **Stock Dividends and Splits.** If the Company, at any time while this Warrant is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Company upon exercise of this Warrant), or (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (iv) issues by reclassification of shares of the Common Stock any shares of capital stock of the Company, then in each case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant shall remain unchanged. Any adjustment made pursuant to this **Section 3(a)** shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

b) **Subsequent Rights Offerings.** In addition to any adjustments pursuant to *Section 3(a)* above, if at any time the Company grants, issues or sells any Common Stock Equivalents or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of shares of Common Stock (the "*Purchase Rights*"), then the Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights (*provided, however*, that to the extent that the Holder's right to participate in any such Purchase Right would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Purchase Right to such extent (or beneficial ownership of such shares of Common Stock as a result of such Purchase Right to such extent) and such Purchase Right to such extent shall be held in abeyance for the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

c) **Fundamental Transaction.** If, at any time while this Warrant is outstanding, (i) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another Person, (ii) the Company (and all of its Subsidiaries, taken as a whole), directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, or (v) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off, merger or scheme of arrangement) with another Person or group of Persons whereby such other Person or group acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other Person or other Persons making or party to, or associated or affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination) (each a "*Fundamental Transaction*"), then, upon any subsequent exercise of this Warrant, the Holder shall have the right to receive, for each Warrant Share that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, at the option of the Holder (without regard to any limitation in *Section 2(e)* on the exercise of this Warrant), the number of shares of Common Stock of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional

consideration (the "*Alternate Consideration*") receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such Fundamental Transaction (without regard to any limitation in *Section 2(e)* on the exercise of this Warrant). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. The Company shall cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the "*Successor Entity*") to assume in writing all of the obligations of the Company under this Warrant and the other Transaction Documents in accordance with the provisions of this *Section 3(c)* pursuant to written agreements in form and substance reasonably satisfactory to the Holder and approved by the Holder (without unreasonable delay) prior to such Fundamental Transaction and shall, at the option of the Holder, deliver to the Holder in exchange for this Warrant a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Warrant which is exercisable for a corresponding number of shares of capital stock of such Successor Entity (or its parent entity) equivalent to the shares of Common Stock acquirable and receivable upon exercise of this Warrant (without regard to any limitations on the exercise of this Warrant) prior to such Fundamental Transaction, and with an exercise price which applies the exercise price hereunder to such shares of capital stock (but taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock, such number of shares of capital stock and such exercise price being for the purpose of protecting the economic value of this Warrant immediately prior to the consummation of such Fundamental Transaction), and which is reasonably satisfactory in form and substance to the Holder. Upon the occurrence of any such Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for the Company (so that from and after the date of such Fundamental Transaction, the provisions of this Warrant and the other Transaction Documents referring to the "Company" shall refer instead to the Successor Entity), and the Successor Entity may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Warrant and the other Transaction Documents with the same effect as if such Successor Entity had been named as the Company herein.

d) **Dilutive Issuances.** If the Company or any Subsidiary, as applicable, at any time while this Warrant is outstanding, shall sell or grant any option to purchase, or sell or grant any right to reprice, or otherwise dispose of or issue (or announce any offer, sale, grant or any option to purchase or other disposition) any Common Stock or Common Stock Equivalents, at an effective price per share less than the Exercise Price then in effect (such lower price, the "*Base Share Price*" and such issuances collectively, a "*Dilutive Issuance*") (it being understood and agreed that if the holder of the Common Stock or Common Stock Equivalents so issued shall at any time, whether by operation of purchase

price adjustments, reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which are issued in connection with such issuance, be entitled to receive shares of Common Stock at an effective price per share that is less than the Exercise Price, such issuance shall be deemed to have occurred for less than the Exercise Price on such date of the Dilutive Issuance at such effective price), then simultaneously with the consummation (or, if earlier, the announcement) of each Dilutive Issuance, the Exercise Price shall be reduced and only reduced to equal the Base Share Price, and the number of Warrant Shares issuable hereunder shall be increased such that the aggregate Exercise Price payable hereunder, after taking into account the decrease in the Exercise Price, shall be equal to the aggregate Exercise Price prior to such adjustment. Such adjustment shall be made whenever such Common Stock or Common Stock Equivalents are issued or, if earlier, when such issuance is announced. Notwithstanding the foregoing, no adjustments shall be made, paid or issued under this *Section 3(d)* in respect of an Exempt Issuance. The Company shall notify the Holder, in writing, no later than the Trading Day following the issuance or deemed issuance of any Common Stock or Common Stock Equivalents subject to this *Section 3(d)*, indicating therein the applicable issuance price, or applicable reset price, exchange price, conversion price and other pricing terms (such notice, the "*Dilutive Issuance Notice*"). For purposes of clarification, whether or not the Company provides a Dilutive Issuance Notice pursuant to this *Section 3(d)*, upon the occurrence of any Dilutive Issuance, the Holder is entitled to receive a number of Warrant Shares based upon the Base Share Price regardless of whether the Holder accurately refers to the Base Share Price in the Notice of Exercise.

e) **Stock Combination Event Adjustment.** If at any time and from time to time on or after the Issuance Date there occurs any stock split, stock dividend, stock combination recapitalization or other similar transaction involving the Common Stock (each, a "**Stock Combination Event**", and such date thereof, the "**Stock Combination Event Date**") and the Event Market Price is less than the Exercise Price then in effect (after giving effect to the adjustment in clause 2(a) above), then on the sixteenth (16th) Trading Day immediately following such Stock Combination Event, the Exercise Price then in effect on such sixteenth (16th) Trading Day (after giving effect to the adjustment in clause 2(a) above) shall be reduced (but in no event increased) to the Event Market Price. For the avoidance of doubt, if the adjustment in the immediately preceding sentence would otherwise result in an increase in the Exercise Price hereunder, no adjustment shall be made

f) **Calculations.** All calculations under this *Section 3* shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this *Section 3*, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding treasury shares, if any) issued and outstanding.

g) **Notice to Holder.**

i. **Adjustment to Exercise Price.** Whenever the Exercise Price is adjusted pursuant to any provision of this *Section 3*, the Company shall promptly deliver to the Holder by email a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of

Warrant Shares and setting forth a brief statement of the facts requiring such adjustment.

ii. **Notice to Allow Exercise by Holder.** If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Stock including a distribution of its assets (or rights to acquire its assets) to holders of shares of Common Stock, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Company shall authorize the granting to all holders of the Common Stock rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights, (D) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property, or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be delivered by email to the Holder at its last email address as it shall appear upon the Warrant Register of the Company, at least twenty (20) calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice. To the extent that any notice provided in this Warrant constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K. The Holder shall remain entitled to exercise this Warrant during the period commencing on the date of such notice to the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

Section 4. **Transfer of Warrant; Registration Rights.**

a) **Transferability.** Subject to compliance with any applicable securities laws and the conditions set forth in *Section 4(d)* hereof, this Warrant and all rights hereunder (including, without limitation, any registration rights) are transferable, in whole or in part, upon surrender of this Warrant at the principal office of the Company or its designated agent, together with a written assignment of this Warrant substantially in the form attached hereto duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees, as applicable, and in the denomination or denominations specified in such instrument of assignment and shall issue to the assignor a new Warrant evidencing the portion of this Warrant not so assigned, and this Warrant shall promptly be cancelled. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company unless the Holder has assigned this Warrant in full, in which case, the Holder shall surrender this Warrant to the Company within three (3) Trading Days of the date on which the Holder delivers a duly executed Assignment Form to the Company assigning this Warrant in full. The Warrant, if properly assigned in accordance herewith, may be exercised by a new holder for the purchase of Warrant Shares without having a new Warrant issued. The Company reserves the right to refuse to transfer any Warrant if such transfer would be in violation of any securities laws, including but not limited to the Securities Act.

b) **New Warrants.** This Warrant may be divided or combined with other Warrants upon presentation hereof at the aforesaid office of the Company, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the Holder or its agent or attorney. Subject to compliance with *Section 4(a)*, as to any transfer which may be involved in such division or combination, the Company shall execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants to be divided or combined in accordance with such notice. All Warrants issued on transfers or exchanges shall be dated the Issue Date of this Warrant and shall be identical with this Warrant except as to the number of Warrant Shares issuable pursuant thereto.

c) **Warrant Register.** The Company shall register this Warrant, upon records to be maintained by the Company for that purpose (the "*Warrant Register*"), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

d) **Transfer Restrictions.** If, at the time of the surrender of this Warrant in connection with any transfer of this Warrant, the transfer of this Warrant shall not be either (i) registered pursuant to an effective registration statement under the Securities Act and under applicable state securities or blue sky laws or (ii) eligible for resale without volume or manner-of-sale restrictions or current public information requirements pursuant to Rule 144, the Company may require, as a condition of allowing such transfer, that (a) the Holder or transferee of this Warrant, as the case may be, furnish to the Company a written opinion

of counsel (which opinion shall be in form, substance and scope customary for opinions of counsel in comparable transactions) to the effect that such transfer may be made without registration under the Securities Act and under applicable state securities or blue sky laws, (b) that the Holder or transferee execute and deliver to the Company an investment letter in form and substance acceptable to the Company and (c) that the transferee be an "accredited investor" as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7), or (a)(8) promulgated under the Securities Act or a qualified institutional buyer as defined in Rule 144A(a) under the Securities Act. The first Holder of this Warrant, by taking and holding the same, represents to the Company that such Holder is an "accredited investor" as defined in Rule 501(a) promulgated under the Securities Act and is acquiring this Warrant for investment purposes and not with a view to the distribution thereof.

e) **Representation by the Holder.** The Holder, by the acceptance hereof, represents and warrants that it is acquiring this Warrant and, upon any exercise hereof, will acquire the Warrant Shares issuable upon such exercise, for its own account and not with a view to or for distributing or reselling such Warrant Shares or any part thereof in violation of the Securities Act or any applicable state securities law, except pursuant to sales registered or exempted under the Securities Act.

Section 5. **Miscellaneous.**

a) **No Rights as Stockholder Until Exercise; No Settlement in Cash.** This Warrant does not entitle the Holder to any voting rights, dividends or other rights as a stockholder of the Company prior to the exercise hereof as set forth herein.

b) **Loss, Theft, Destruction or Mutilation of Warrant.** The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any stock certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or stock certificate, if mutilated, the Company will make and deliver a new Warrant or stock certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or stock certificate.

c) **Saturdays, Sundays, Holidays, etc.** If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Trading Day, then, such action may be taken or such right may be exercised on the next succeeding Trading Day.

d) **Authorized Shares.**

The Company covenants that, during the period the Warrant is outstanding, it will reserve from its authorized and unissued Common Stock a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares

upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Stock may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its certificate of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (i) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (ii) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and (iii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be, necessary to enable the Company to perform its obligations under this Warrant.

Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

e) **Governing Law; Jurisdiction.** Sections 5.8 and 5.21 of the Purchase Agreement are incorporated herein by reference and made a part hereof *mutatis mutandis*.

f) **Restrictions.** The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered, and the Holder does not utilize cashless exercise, will have restrictions upon resale imposed by state and federal securities laws.

g) **Nonwaiver and Expenses.** No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies, notwithstanding the fact that the right to exercise this Warrant terminates on the Termination Date. Without limiting

any other provision of this Warrant, if the Company willfully and knowingly fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to the Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by the Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

h) **Notices.** Any and all notices or other communications or deliveries to be provided by the holders hereunder including, without limitation, any Notice of Exercise, shall be made in accordance with *Section 5.3* of the Purchase Agreement. To the extent that any notice provided hereunder constitutes, or contains, material, non-public information regarding the Company or any subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K.

i) **Limitation of Liability.** No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any Common Stock or as a stockholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

j) **Remedies.** The Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive and not to assert the defense in any action for specific performance that a remedy at law would be adequate.

k) **Successors and Assigns.** Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.

l) **Amendment.** This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company and the Holder.

m) **Severability.** Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.

n) **Headings.** The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

(Signature Page Follows)

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its officer thereunto duly authorized as of the date first above indicated.

ASPEN GROUP, INC.

By: _____
Name:
Title:

SECURITY AGREEMENT

THIS SECURITY AGREEMENT, dated as of May 12, 2023 (as may be amended, restated, supplemented or otherwise modified from time to time, this "*Agreement*"), is by and among Aspen Group, Inc., a Delaware corporation (the "*Company*"), any Subsidiaries of the Company that now or at any time hereafter agree to guarantee the Company's obligations under the Debentures and/or any documents or instruments associated therewith (such Subsidiaries, the "*Guarantors*" and together with the Company, the "*Debtors*"), the holders of the Company's 15% Original Issue Discount Senior Secured Debentures due May 12, 2026, in the original aggregate principal amount of \$12,389,743 (collectively, the "*Debentures*") that are signatories hereto, their endorsees, transferees and assigns (the "*Purchasers*"), and JGB Collateral LLC, a Delaware limited liability company, in its capacity as agent for the Purchasers ("*Agent*" and collectively with the Purchasers, the "*Secured Parties*").

WITNESSETH:

WHEREAS, pursuant to the Purchase Agreement (as defined in the Debentures), the Purchasers have severally agreed to extend the loans to the Company evidenced by the Debentures; and

WHEREAS, in order to induce the Purchasers to extend the loans evidenced by the Debentures, each Debtor has agreed to execute and deliver to the Secured Parties this Agreement and to grant the Agent, on behalf of the Secured Parties, a security interest in all current and future property of such Debtor to secure the prompt payment, performance and discharge in full of all of the Company's obligations under the Debentures and other Transaction Documents and the Guarantors' obligations under the Guarantee (as defined below).

NOW, THEREFORE, in consideration of the agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. **Certain Definitions.** As used in this Agreement, the following terms shall have the meanings set forth in this Section 1. Terms used but not otherwise defined in this Agreement that are defined in Article 9 of the UCC (such as "account", "chattel paper", "commercial tort claim", "deposit account", "document", "equipment", "fixtures", "general intangibles", "goods", "instruments", "inventory", "investment property", "letter-of-credit rights", "proceeds" and "supporting obligations") shall have the respective meanings given such terms in Article 9 of the UCC. Terms used herein but not otherwise defined in this Agreement or in the UCC shall have the respective meanings given such terms in the Purchase Agreement.

(a) "*Additional Debtor*" shall have the meaning ascribed to such term in *Section 4(dd)*.

(b) "*Agreement*" shall have the meaning assigned to such term in the preambles hereof.

(c) "*Agent*" shall have the meaning assigned to such term in the preambles hereof.

(d) "*CFC*" means a Person that is a controlled foreign corporation under Section 957 of the Internal Revenue Code of 1986.

(e) "*Collateral*" means all personal property of the Debtors, whether presently owned or existing or hereafter acquired or coming into existence, wherever situated, and all additions and accessions thereto and all substitutions and replacements thereof, and all proceeds, products and accounts thereof, including, without limitation, all proceeds from the sale or transfer of the Collateral and of insurance covering the same and of any tort claims in connection therewith, and all dividends, interest, cash, notes, securities, equity interests or other property at any time and from time to time acquired, receivable or otherwise distributed in respect of, or in exchange for, any or all of the Pledged Securities (as defined below):

(i) All goods, including, without limitation, (A) all machinery, equipment, computers, motor vehicles, trucks, tanks, boats, ships, appliances, furniture, special and general tools, fixtures, test and quality control devices and other equipment of every kind and nature and wherever situated, together with all documents of title and documents representing the same, all additions and accessions thereto, replacements therefor, all parts therefor, and all substitutes for any of the foregoing and all other items used and useful in connection with any Debtor's businesses and all improvements thereto; and (B) all inventory;

(ii) All contract rights and other general intangibles, including, without limitation, all partnership interests, membership interests, stock or other securities, rights under any of the Organizational Documents, agreements related to the Pledged Securities, licenses, distribution and other agreements, computer software (whether "off-the-shelf", licensed from any third party or developed by any Debtor), computer software development rights, leases, franchises, customer lists, quality control procedures, grants and rights, goodwill, Intellectual Property and income tax refunds;

(iii) All accounts, together with all instruments, all documents of title representing any of the foregoing, all rights in any merchandising, goods, equipment, motor vehicles and trucks which any of the same may represent, and all right, title, security and guaranties with respect to each account, including any right of stoppage in transit;

(iv) All documents, letter-of-credit rights, instruments and chattel paper;

(v) All commercial tort claims;

(vi) the Blocked Account (as defined in the Debentures) and all cash held in the Blocked Account;

- (vii) All investment property;
- (viii) All supporting obligations;
- (ix) All files, records, books of account, business papers, and computer programs;
- (x) All Pledged Indebtedness and the promissory notes or instruments evidencing the Pledged Indebtedness, and all interest, cash, instruments and other property and assets from time to time received, receivable or otherwise distributed in respect of the Pledged Indebtedness; and
- (xi) The products and proceeds of all of the foregoing Collateral set forth in clauses (i)-(x) above.

Without limiting the generality of the foregoing, the "*Collateral*" shall include all investment property and general intangibles respecting ownership and/or other equity interests in each Guarantor, including, without limitation, the shares of capital stock and the other equity interests listed on the Perfection Certificate hereto (as the same may be modified from time to time pursuant to the terms hereof), and any other shares of capital stock and/or other equity interests of any other direct or indirect subsidiary of any Debtor obtained in the future, and, in each case, all certificates representing such shares and/or equity interests and, in each case, all rights, options, warrants, stock, other securities and/or equity interests that may hereafter be received, receivable or distributed in respect of, or exchanged for, any of the foregoing and all rights arising under or in connection with the Pledged Securities, including, but not limited to, all dividends, interest and cash.

Notwithstanding the foregoing, the "*Collateral*" shall not include any Excluded Assets.

- (f) "*Company*" shall have the meaning assigned to such term in the preambles hereof.
- (g) "*Debentures*" shall have the meaning assigned to such term in the preambles hereof.
- (h) "*Debtors*" shall have the meaning assigned to such term in the preambles hereof.
- (j) "*Excluded Assets*" means any of the following (in each case, excluding any proceeds of the following unless such proceeds would independently constitute Excluded Assets):
 - (i) any lease, license, franchise, charter, authorization, contract or agreement to which any Debtor is a party, and any of its rights or interest thereunder, or any property subject to a purchase money security interest, capital

lease obligation or similar arrangement, in each case, to the extent not prohibited hereunder, if and to the extent that the pledge thereof or the grant of a security interest therein, in each case, would violate or invalidate such lease, license, franchise, charter, authorization, contract or agreement or purchase money arrangement, capital lease obligation, or similar arrangement or create a right of termination in favor of any other party thereto;

(ii) any voting stock or other equity interests of any CFC in excess of 65% of such voting stock or other equity interests;

(iii) any "**intent-to-use**" application for registration of a trademark filed pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. § 1051, prior to the filing of a "**Statement of Use**" pursuant to Section 1(d), or an "**Amendment to Allege Use**" pursuant to Section 1(c), of the Lanham Act, to the extent that, and during the period, if any, in which, the grant of a security interest therein would impair the validity or enforceability of any registration that issues from such intent-to-use application under applicable federal laws;

(iv) (x) any leasehold interest (including any ground lease interest) in real property and (y) any fixtures affixed to any real property, in each case, to the extent a security interest in such fixtures may not be perfected by a UCC-1 financing statement in the jurisdiction of organization of the applicable Debtor;

(v) interests in partnerships, joint ventures and non-wholly-owned Subsidiaries in which a pledge thereof is prohibited by the applicable governing documents of such partnership, joint venture or non-wholly owned Subsidiary (after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code or other applicable laws in any relevant jurisdiction);

(vi) assets, governmental licenses or state or local franchises, charters and authorizations, if and to the extent that a security interest in any such asset, license, franchise, charter or authorization is prohibited by or in violation of any law, rule or regulation applicable to any Debtor or is otherwise prohibited by any governmental authority or requires the consent of any governmental authority (unless such consent is obtained);

(vii) particular assets for which the grant would result in any adverse tax or regulatory costs or consequences as reasonably determined by the Debtors; and

(viii) any deposit accounts or securities accounts other than the Blocked Account (as defined in the Debentures).

(k) "**Guarantee**" shall mean a subsidiary guarantee in a form acceptable to the Purchasers, under which the Guarantors party thereto jointly and severally agree to guarantee and act as surety for payment of the Debentures and the other Obligations.

(l) “*Guarantors*” shall have the meaning assigned to such term in the preambles hereof.

(m) “*Indemnities*” shall have the meaning ascribed to such term in *Section 20(k)*.

(n) “*Intellectual Property*” means the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including, without limitation, (i) all copyrights arising under the laws of the United States, any other country or any political subdivision thereof, whether registered or unregistered and whether published or unpublished, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, all registrations, recordings and applications in the United States Copyright Office, (ii) all letters patent of the United States, any other country or any political subdivision thereof, all reissues and extensions thereof, and all applications for letters patent of the United States or any other country and all divisions, continuations and continuations-in-part thereof, (iii) all trademarks, trade names, corporate names, trade dress, service marks, logos, domain names and other source or business identifiers, and all goodwill associated therewith, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, or otherwise, and all common law rights related thereto, (iv) all trade secrets arising under the laws of the United States, any other country or any political subdivision thereof, (v) all rights to obtain any reissues, renewals or extensions of the foregoing, (vi) all licenses for any of the foregoing, and (vii) all causes of action for infringement of the foregoing.

(o) “*Intellectual Property Security Agreement*” shall have the meaning ascribed to such term in *Section 4(p)*.

(p) “*Majority in Interest*” means, at any time of determination, the majority in interest (based on then-outstanding principal amounts of Debentures at the time of such determination) of the Purchasers.

(q) “*Necessary Endorsement*” means undated stock powers endorsed in blank or other proper instruments of assignment duly executed and such other instruments or documents as the Agent may reasonably request.

(r) “*Obligations*” means all of the liabilities and obligations (primary, secondary, direct, contingent, sole, joint or several) due or to become due of, or that are now or may be hereafter contracted or acquired, or owing by, any Debtor to the Secured Parties, including, without limitation, all obligations under this Agreement, the Debentures, the Guarantee and any other instruments, agreements or other documents executed and/or delivered in connection herewith or therewith, in each case, whether now or hereafter existing, voluntary or involuntary, direct or indirect, absolute or contingent, liquidated or unliquidated, whether or not jointly owed with others, and whether or not from time to time decreased or extinguished and later increased, created or incurred, and all or any portion of

such obligations or liabilities that are paid, to the extent all or any part of such payment is avoided or recovered directly or indirectly from any of the Secured Parties as a preference, fraudulent transfer or otherwise as such obligations may be amended, supplemented, converted, extended or modified from time to time. Without limiting the generality of the foregoing, the term "Obligations" shall include, without limitation: (i) principal of, and interest on the Debentures and the loans extended pursuant thereto; (ii) any and all other fees, prepayment charges, indemnities, costs, obligations and liabilities of the Debtors from time to time under or in connection with this Agreement, the Debentures, the Purchase Agreement, the Guarantee and any other instruments, agreements or other documents executed and/or delivered in connection herewith or therewith; and (iii) all amounts (including but not limited to post-petition interest) in respect of the foregoing that would be payable but for the fact that the obligations to pay such amounts are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving any Debtor.

(s) "**Organizational Documents**" means with respect to any Debtor, the documents by which such Debtor was organized (such as a certificate of incorporation, certificate of limited partnership or articles of organization, and including, without limitation, any certificates of designation for preferred stock or other forms of preferred equity) and which relate to the internal governance of such Debtor (such as bylaws, a partnership agreement or an operating, limited liability or members agreement).

(t) "**Permitted Liens**" shall have the meaning ascribed to such term in the Debentures.

(u) "**Pledged Interests**" shall have the meaning ascribed to such term in **Section 4(j)**.

(v) "**Pledged Indebtedness**" means the indebtedness evidenced by promissory notes and instruments listed on the Perfection Certificate hereto.

(w) "**Pledged Securities**" shall have the meaning ascribed to such term in **Section 4(i)**.

(x) "**Purchasers**" shall have the meaning assigned to such term in the preambles hereof.

(y) "**Secured Parties**" shall have the meaning assigned to such term in the preambles hereof.

(z) "**Securities Laws**" shall have the meaning ascribed to such term in **Section 10**.

(aa) "**Security Interest(s)**" shall have the meaning(s) ascribed to such term(s) in **Section 2**.

(bb) “UCC” means the Uniform Commercial Code of the State of New York and or any other applicable law of any state or states which has jurisdiction with respect to all, or any portion of, the Collateral or this Agreement, from time to time. It is the intent of the parties that defined terms in the UCC should be construed in their broadest sense so that the term “Collateral” will be construed in its broadest sense. Accordingly if there are, from time to time, changes to defined terms in the UCC that broaden the definitions, they are incorporated herein and if existing definitions in the UCC are broader than the amended definitions, the existing ones shall be controlling.

2. **Grant of Security Interest in Collateral.** As an inducement for the Secured Parties to extend the loans as evidenced by the Debentures and to secure the complete and timely payment, performance and discharge in full, as the case may be, of all of the Obligations, each Debtor hereby unconditionally and irrevocably pledges, grants and hypothecates to the Agent, on behalf of the Secured Parties, a security interest in and to, a lien upon and a right of set-off against all of their respective right, title and interest of whatsoever kind and nature in and to, the Collateral (a “*Security Interest*” and, collectively, the “*Security Interests*”).

3. **Delivery of Certain Collateral.** Contemporaneously or prior to the execution of this Agreement, or at any time after the date hereof upon the acquisition or possession by the Debtor, each Debtor shall deliver or cause to be delivered to the Agent (a) any and all certificates and other instruments representing or evidencing the Pledged Securities together with appropriate instruments of transfer executed in blank, and (b) any and all certificates and other instruments or documents representing any of the other Collateral having a value in excess of \$125,000 (other than checks to be deposited in the ordinary course of business) or which require or permit possession by the Agent to perfect its Security Interest therein, in each case, to the extent delivery of the Collateral is required for “control” within the meaning of *Section 9-104* of the UCC, and in each case, together with all Necessary Endorsements. The Debtors are, contemporaneously with the execution hereof, delivering to Agent, or have previously delivered to Agent, a true and correct copy of each Organizational Document governing any of the Pledged Securities. All promissory notes or other instruments evidencing the Pledged Indebtedness shall be endorsed by the Company.

4. **Representations, Warranties, Covenants and Agreements of the Debtors.** Except as set forth in the Perfection Certificate, which Perfection Certificate shall be deemed a part hereof, each Debtor represents and warrants on the date hereof to, and covenants and agrees with, the Secured Parties as follows:

(a) Each Debtor has the requisite corporate, partnership, limited liability company or other power and authority to enter into this Agreement and otherwise to carry out its obligations hereunder. The execution, delivery and performance by each Debtor of this Agreement and the filings contemplated therein have been duly authorized by all necessary corporate action on the part of such Debtor and no further action is required by such Debtor. This Agreement has been duly executed by each Debtor. This Agreement constitutes the legal, valid and binding obligation of each Debtor, enforceable against each Debtor in accordance with its terms except: (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors’ rights generally, and remedies

generally, (ii) as limited by equitable principles and laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and (iii) insofar as indemnification and contribution provisions may be limited by applicable law including the Securities Act of 1933 and the Securities Exchange Act of 1934.

(b) The Debtors have no place of business or offices where their respective books of account and records are kept (other than temporarily at the offices of its attorneys or accountants) or places where Collateral having value in excess of \$125,000 is stored or located, except as set forth on the Perfection Certificate (other than Collateral in transit between locations, out for repair or refurbishment, or which consists of laptops or other equipment used by an employee of a Debtor in the ordinary course of business). Except as specifically set forth on the Perfection Certificate, each Debtor is the record owner of the real property where such Collateral is located, and there exist no mortgages or other liens on any such real property except for Permitted Liens. Except as disclosed on the Perfection Certificate, none of such Collateral (other than Collateral in transit between locations, out for repair or refurbishment, which consists of laptops or other equipment used by an employee of a Debtor in the ordinary course of business), is in the possession of any consignee, bailee, warehouseman, agent or processor.

(c) Except for Permitted Liens and except as set forth on the Perfection Certificate, the Debtors are the sole owner of the Collateral, free and clear of any liens, security interests, encumbrances, rights or claims, and are fully authorized to grant the Security Interests. Except as set forth on the Perfection Certificate, there is not on file in any governmental or regulatory authority, agency or recording office an effective financing statement, security agreement or transfer or any notice of any of the foregoing (other than those that will be filed in favor of the Secured Parties pursuant to this Agreement) covering or affecting any of the Collateral. Except as set forth on the Perfection Certificate and except pursuant to this Agreement, as long as this Agreement shall be in effect, the Debtors shall not knowingly permit to be on file in any such office or agency any other financing statement or other document or instrument (except (i) in connection with Permitted Liens or (ii) to the extent filed or recorded in favor of the Secured Parties pursuant to the terms of this Agreement).

(d) No written claim has been received that any Collateral or any Debtor's use of any Collateral violates the rights of any third party in any material respect. To the knowledge of the Debtors, there has been no adverse decision to any Debtor's claim of ownership rights in or exclusive rights to use the Collateral in any jurisdiction or to any Debtor's right to keep and maintain such Collateral in full force and effect, and to the knowledge of the Debtors, there is no proceeding involving said rights pending or, to the best knowledge of any Debtor, threatened before any court, judicial body, administrative or regulatory agency, arbitrator or other governmental authority.

(e) Each Debtor shall at all times maintain its books of account and records relating to the Collateral at its principal place of business and its Collateral having a value in excess of \$125,000 at the locations set forth on the Perfection Certificate, except for Collateral in transit, in temporary possession of an employee, absent for repair,

refurbishment or other bona fide business reason, and may not relocate such books of account and records or tangible Collateral unless it (i) delivers to the Secured Parties at least five (5) days prior to such relocation, written notice of such relocation and the new location thereof (which must be within the United States) and (ii) promptly or contemporaneously therewith takes all actions reasonably requested by the Agent in writing to maintain a valid and continuing perfected first priority lien in the Collateral, subject to Permitted Liens.

(f) This Agreement creates in favor of the Agent, on behalf of the Secured Parties, a valid security interest in the Collateral, subject only to Permitted Liens, securing the payment and performance of the Obligations. Upon making the filings described in the immediately following paragraph, all security interests created hereunder in any Collateral which may be perfected by filing Uniform Commercial Code financing statements shall have been duly perfected. Except for (i) the filing of the Uniform Commercial Code financing statements referred to in the immediately following paragraph, (ii) the recordation of the Intellectual Property Security Agreement (as defined in **Section 4(p)** hereof) with respect to U.S. patents, patent applications, trademarks, trademark applications, copyrights and copyright applications in the United States Patent and Trademark Office and the United States Copyright Office referred to in paragraph (cc), (iii) the execution by all applicable parties and delivery of the Blocked Account Agreement satisfying the requirements of *Section 9-104(a)(2)* of the UCC with respect to the Blocked Account of the Debtors, and (iv) the delivery of the certificates and other instruments provided in Section 3, no action is necessary on the date hereof to perfect the security interests created hereunder in that portion of the Collateral that can be so perfected under the UCC by the taking of the actions referred to in the foregoing clauses (i) through (iv). Without limiting the generality of the foregoing, except for the filing of said financing statements, the recordation of said Intellectual Property Security Agreement, and the execution and delivery of said deposit account control agreements, no consent of any third parties and no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for (i) the execution, delivery and performance of this Agreement, (ii) the creation of the Security Interests created hereunder in the Collateral (iii) the perfection of the Security Interests created hereunder in that portion of the Collateral that can be perfected by the taking of the actions referred to in clauses (i) through (iv) of the prior sentence or (iii) the enforcement of the rights of the Agent and the Secured Parties hereunder, except for those consents and approvals which have already been obtained.

(g) Each Debtor hereby authorizes the Agent to file one or more financing statements (at the expense of the Debtor) under the UCC necessary or reasonably desirable to perfect the Security Interests granted herein, in each case with the proper filing and recording agencies in any jurisdiction deemed proper by it.

(h) The execution, delivery and performance of this Agreement by the Debtors does not (i) violate any of the provisions of any Organizational Documents of any Debtor, (ii) violate any judgment, decree, order or award of any court, governmental body or arbitrator or any applicable law, rule or regulation applicable to any Debtor or (iii) conflict

with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any material agreement, credit facility, debt or other instrument (evidencing any Debtor's debt or otherwise), except in the case of each of clauses (ii) and (iii), such as would not have or reasonably be expected to result in a Material Adverse Effect. If any, all required consents (including, without limitation, from stockholders or creditors of any Debtor) necessary for any Debtor to enter into and perform its obligations hereunder have been obtained.

(i) The capital stock and other equity interests listed on the Perfection Certificate (the "*Pledged Securities*") represent all of the capital stock and other equity interests of the Guarantors, and represent all capital stock and other equity interests owned, directly or indirectly, by any Debtor, provided that Pledged Securities shall not include any voting stock of any CFC in excess of 65% of such voting stock. All of the Pledged Securities are validly issued, fully paid and nonassessable, and the Company is the legal and beneficial owner of the Pledged Securities, free and clear of any lien, security interest or other encumbrance except for the security interests created by this Agreement and other Permitted Liens.

(j) The ownership and other equity interests in partnerships and limited liability companies (if any) included in the Collateral (the "*Pledged Interests*") by their express terms do not provide that they are securities governed by *Article 8* of the UCC and are not held in a securities account or by any financial intermediary. No Pledged Interest is evidenced or represented by a certificate or otherwise certificated.

(k) Each Debtor shall at all times take such actions as the Agent may reasonably request to maintain the liens and Security Interests provided for hereunder as valid and perfected first priority (subject to Permitted Liens) liens and security interests in the Collateral in favor of the Agent, on behalf of the Secured Parties, until this Agreement and the Security Interest hereunder shall be terminated pursuant to Section 14 hereof. Each Debtor hereby agrees to defend the same against the claims of any and all persons and entities. Each Debtor shall safeguard and protect all Collateral for the account of the Agent on behalf of Secured Parties. Without limiting the generality of the foregoing, each Debtor shall pay all fees, taxes and other amounts necessary to maintain the Collateral and the Security Interests hereunder (other than those fees and taxes that are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP), and each Debtor shall obtain and furnish to the Agent from time to time, upon demand, such releases and/or subordinations of claims and liens which may be required to maintain the priority of the Security Interests hereunder.

(l) Each Debtor shall, within ten (10) days of obtaining knowledge thereof, advise the Secured Parties promptly, in sufficient detail, of any material adverse change in the Collateral taken as a whole, and of the occurrence of any event which would have a material adverse effect on the value of the Collateral taken as a whole or on the Agent's security interest therein.

(m) Subject to any exclusions and thresholds specifically set forth herein, each Debtor shall promptly execute and deliver to the Agent such further deeds, mortgages, assignments, security agreements, financing statements or other instruments, documents, certificates and assurances and take such further action as the Agent may from time to time request and may in its sole discretion deem necessary to perfect, protect or enforce the Agent's security interest in the Collateral including, without limitation, if applicable, the execution and delivery of a separate security agreement with respect to each Debtor's Intellectual Property ("*Intellectual Property Security Agreement*") in which the Agent, on behalf of the Secured Parties, have been granted a security interest hereunder, substantially in a form reasonably acceptable to the Agent, which Intellectual Property Security Agreement, other than as stated therein, shall be subject to all of the terms and conditions hereof. Each Debtor hereby further authorizes the Agent to file with the United States Patent and Trademark Office and the United States Copyright Office (and any successor office and any similar office in any United States state or other country) this Agreement, the Intellectual Property Security Agreement, and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by such Debtor hereunder, without the signature of such Debtor where permitted by law, and naming such Debtor as debtor, and the Agent as secured party.

(n) Each Debtor shall permit the Agent and its representatives and agents to inspect the Collateral during normal business hours and upon reasonable prior written notice, and to make copies of records pertaining to the Collateral as may be reasonably requested by the Agent in writing from time to time; provided, that, unless an Event of Default shall have occurred and be continuing, the Agent shall not be permitted to conduct more than one such inspection in any calendar year.

(o) Each Debtor shall take all steps reasonably necessary to diligently pursue and seek to preserve, enforce and collect any rights, claims, causes of action (to the extent that such Debtor determines in its commercially reasonable discretion that the pursuit of such right, claim or cause of action is beneficial to such Debtor) and accounts receivable in respect of the Collateral.

(p) Each Debtor shall promptly notify the Secured Parties in sufficient detail upon becoming aware of any attachment, garnishment, execution or other legal process (in each case, other than Permitted Liens) levied against a material portion of the Collateral and of any other information received by such Debtor that may materially affect the value of the Collateral, the Security Interest or the rights and remedies of the Agent or the Secured Parties hereunder.

(r) Each Debtor was organized and remains organized solely under the laws of the state set forth next to such Debtor's name in the Perfection Certificate, which sets forth each Debtor's actual legal name and organizational identification number or, if any Debtor does not have an organizational identification number, states that one does not exist. The Debtors shall at all times preserve and keep in full force and effect their respective valid existence and good standing and any licenses, franchises or similar rights material to its

business. No Debtor will (i) change its name, type of organization, jurisdiction of organization, organizational identification number (if it has one), legal or corporate structure, or identity, (ii) add any new fictitious name or D/B/A or (iii) relocate its chief executive office to a new location unless it provides at least fifteen (15) days prior written notice to the Secured Parties of such change. At the time of such written notification or contemporaneously with such relocation, such Debtor shall take any further action requested by the Agent in writing reasonably necessary to perfect and continue the perfection of the Security Interests granted and evidenced by this Agreement.

(s) (i) no Debtor has any trade names except as set forth on the Perfection Certificate; (ii) no Debtor has used any name other than that stated in the preamble hereto or as set forth on the Perfection Certificate for the preceding five (5) years; and (iii) no entity has merged into any Debtor or been acquired by any Debtor within the past five years except as set forth on the Perfection Certificate.

(t) Each Debtor, in its capacity as issuer, hereby agrees to comply with any and all orders and instructions of Agent regarding the Pledged Interests consistent with the terms of this Agreement without the further consent of any Debtor as contemplated by *Section 8-106* (or any successor section) of the UCC. Further, each Debtor agrees that it shall not enter into a similar agreement with respect to the Pledged Interests (or one that would confer "control" within the meaning of *Article 8* of the UCC) with any other person or entity.

(u) Each Debtor shall promptly inform the Agent of the acquisition of any chattel paper having a value in excess of \$50,000 and upon the Agent's reasonable request in writing, each Debtor shall cause all tangible chattel paper having a value in excess of \$50,000 constituting Collateral to be delivered to the Agent, or, if such delivery is not possible, then to cause such tangible chattel paper to contain a legend noting that it is subject to the security interest created by this Agreement. To the extent that any Collateral consists of electronic chattel paper having a value in excess of \$50,000, the applicable Debtor shall cause the underlying chattel paper to be marked and maintained in accordance with *Section 9-105* of the UCC (or successor section thereto).

(v) To the extent that any Collateral consists of letter-of-credit rights having a value in excess of \$125,000, the applicable Debtor shall cause the issuer of each underlying letter of credit to consent to an assignment of the proceeds thereof to the Secured Parties.

(w) To the extent that any Collateral having a value in excess of \$125,000 is in the possession of any third party (other than Collateral in transit, in possession of an officer or employee, in possession of a third party for repair, refurbishment or other bona fide business reason), the applicable Debtor shall join with the Agent in notifying such third party of the Secured Parties' security interest in such Collateral and shall use its commercially reasonable efforts to obtain an acknowledgement and agreement from such third party with respect to the Collateral, in form and substance reasonably satisfactory to the Agent.

(x) If any Debtor shall at any time hold or acquire a commercial tort claim in an amount reasonably likely to be in excess of \$125,000, such Debtor shall promptly notify the Agent in a writing signed by such Debtor of the particulars thereof and grant to the Agent, on behalf of the Secured Parties, in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance satisfactory to the Agent.

(y) Following the date hereof, each Debtor shall cause each new Domestic Subsidiary of such Debtor to become a party hereto (an "*Additional Debtor*") within ten (10) days of the acquisition or formation of such new subsidiary by executing and delivering an Additional Debtor Joinder in substantially the form of *Annex A* attached hereto. Concurrent therewith, the Additional Debtor shall deliver a supplement to the Perfection Certificate. The Additional Debtor shall also deliver such opinions of counsel, authorizing resolutions, good standing certificates, incumbency certificates, organizational documents and other information and documentation as the Agent may reasonably request. Upon delivery of the foregoing to the Agent, the Additional Debtor shall be and become a party to this Agreement with the same rights and obligations as the Debtors, for all purposes hereof as fully and to the same extent as if it were an original signatory hereto and shall be deemed to have made the representations, warranties and covenants set forth herein as of the date of execution and delivery of such Additional Debtor Joinder, and all references herein to the "Debtors" shall be deemed to include each Additional Debtor.

(z) Each Debtor shall be entitled to exercise all voting and/or consensual rights and powers inuring to an owner of the Pledged Securities and any part thereof for all purposes not inconsistent with the terms of this Agreement or any other Transaction Document.

(aa) Each Debtor shall register the pledge of the applicable Pledged Securities on the books of such Debtor. Each Debtor shall notify each issuer of Pledged Securities to register the pledge of the applicable Pledged Securities in the name of the Secured Parties on the books of such issuer. Further, except with respect to certificated securities delivered to the Agent, the applicable Debtor shall deliver to Agent an acknowledgement of pledge (which, where appropriate, shall comply with the requirements of the relevant UCC with respect to perfection by registration) signed by the issuer of the applicable Pledged Securities, which acknowledgement shall confirm that: (a) it has registered the pledge on its books and records; and (b) at any time directed by Agent during the continuation of an Event of Default, such issuer will transfer the record ownership of such Pledged Securities into the name of any designee of Agent, will take such steps as may be necessary to effect the transfer, and will comply with all other instructions of Agent regarding such Pledged Securities without the further consent of the applicable Debtor.

(bb) In the event that, upon an occurrence and during the continuation of an Event of Default, Agent shall sell all or any of the Pledged Securities to another party or parties (herein called the "Transferee") or shall purchase or retain all or any of the Pledged Securities, each Debtor shall, to the extent applicable: (i) deliver to Agent or the Transferee, as the case may be, the articles of incorporation, bylaws, minute books, stock certificate

books, corporate seals, deeds, leases, indentures, agreements, evidences of indebtedness, books of account, financial records and all other Organizational Documents and records of the Debtors and their direct and indirect subsidiaries; (ii) use its commercially efforts to obtain resignations of the persons then serving as officers and directors of the Debtors and their direct and indirect subsidiaries, if so requested; and (iii) use its commercially reasonable efforts to obtain any approvals that are required by any governmental or regulatory body in order to permit the sale of the Pledged Securities to the Transferee or the purchase or retention of the Pledged Securities by Agent and allow the Transferee or Agent to continue the business of the Debtors and their direct and indirect subsidiaries.

(cc) Without limiting the generality of the other obligations of the Debtors hereunder, each Debtor shall promptly (i) provide any requested documents and information and carry out any actions in connection with recording of the security interest contemplated hereby with respect to all Intellectual Property at the United States Copyright Office or United States Patent and Trademark Office, and (ii) give the Agent notice whenever it acquires (whether absolutely or by exclusive license) or creates any additional material Intellectual Property that is subject to an application or registration at the United States Patent and Trademark Office or the United States Copyright Office.

(dd) Subject to any exclusions and thresholds specifically set forth herein, each Debtor will from time to time, at the joint and several expense of the Debtors, promptly execute and deliver all such further instruments and documents, and take all such further action as may be necessary or desirable, or as the Agent may reasonably request, in order to perfect and protect any security interest granted or purported to be granted hereby or to enable the Agent, for the benefit of the Secured Parties, to exercise and enforce the rights and remedies hereunder and with respect to any Collateral or to otherwise carry out the purposes of this Agreement.

(ee) As of the date hereof, the Perfection Certificate lists all of the patents, patent applications, trademarks, trademark applications, registered copyrights, and domain names owned by any of the Debtors as of the date hereof. As of the date hereof, the Perfection Certificate lists all material licenses in favor of any Debtor for the use of any patents, trademarks, copyrights and domain names as of the date hereof. All material patents of the Debtors have been duly recorded at the United States Patent and Trademark Office.

(ff) As of the date hereof, except as set forth on the Perfection Certificate, none of the account debtors or other persons or entities obligated on any of the Collateral is a governmental authority covered by the Federal Assignment of Claims Act or any similar federal, state or local statute or rule in respect of such Collateral. Each Debtor shall promptly provide written notice to the Agent of any and all accounts which arise out of contracts with any governmental authority and, to the extent necessary to perfect or continue the perfected status of the Security Interests in such accounts and proceeds thereof, shall execute and deliver to the Agent an assignment of claims for such accounts and cooperate with the Agent in taking any other steps required, in its reasonable judgment, under the Federal Assignment of Claims Act or any similar federal, state or local statute or rule to perfect or continue the perfected status of the Security Interests in such accounts and proceeds thereof.

(gg) to the knowledge of the Debtors (with respect to any such Pledged Indebtedness issued by any Person other than a Debtor or an affiliate thereof), the Pledged Indebtedness has been duly authorized, authenticated and issued and delivered by, and is the legal, valid and binding obligation of the maker thereof, and no such maker is in default thereunder and none of the Pledged Indebtedness is subordinated in right of payment to other Indebtedness.

(hh) Company shall deliver to Agent, on or before the date of this Agreement, any and all certificates representing the Pledged Interests or the Pledged Indebtedness, together with transfer powers duly executed in blank by the Company and all promissory notes, instruments and other documents evidencing the Pledged Indebtedness, endorsed by the Company, where applicable.

(ii) Notwithstanding anything to the contrary set forth herein, unless an Event of Default shall have occurred and be continuing, the Debtors shall not be required to take any action (other than the filing of UCC financing statements) to perfect the security interests created hereunder in any Collateral consisting of motor vehicles or any other asset subject to a certificate of title.

5. **Effect of Pledge on Certain Rights.** If any of the Collateral subject to this Agreement consists of nonvoting equity or ownership interests (regardless of class, designation, preference or rights) that may be converted into voting equity or ownership interests upon the occurrence of certain events (including, without limitation, upon the transfer of all or any of the other stock or assets of the issuer), it is agreed that the pledge of such equity or ownership interests pursuant to this Agreement or the enforcement of any of Agent's rights hereunder shall not be deemed to be the type of event which would trigger such conversion rights notwithstanding any provisions in the Organizational Documents or agreements to which any Debtor is subject or to which any Debtor is party.

6. **Defaults.** The occurrence of an Event of Default (as defined in the Debentures) under the Debentures shall be "*Events of Default*" under this Agreement.

7. **Duty To Hold In Trust.**

(a) Upon the occurrence and during the continuation of any Event of Default, each Debtor shall, upon receipt of any revenue, income, dividend, interest or other sums subject to the Security Interests, whether payable pursuant to the Debentures or otherwise, or of any check, draft, note, trade acceptance or other instrument evidencing an obligation to pay any such sum, hold the same in trust for the Agent for the benefit of the Secured Parties and shall promptly endorse and transfer any such sums or instruments, or both, to the Agent for the benefit of the Secured Parties pro-rata in proportion to their respective then-currently outstanding principal amount of Debentures for application to the satisfaction of the Obligations (and if any Debenture is not outstanding, pro-rata in proportion to the initial purchases of the remaining Debentures).

(b) If any Debtor shall become entitled to receive or shall receive any securities or other property (including, without limitation, shares of Pledged Securities or instruments representing Pledged Securities acquired after the date hereof, or any options, warrants, rights or other similar property or certificates representing a dividend, or any distribution in connection with any recapitalization, reclassification or increase or reduction of capital, or issued in connection with any reorganization of such Debtor or any of its direct or indirect subsidiaries) in respect of the Pledged Securities (whether as an addition to, in substitution of, or in exchange for, such Pledged Securities or otherwise), such Debtor agrees to (i) accept the same as the agent of the Secured Parties; (ii) hold the same in trust for the Agent for the benefit of the Secured Parties; and (iii) to deliver any and all certificates or instruments evidencing the same to Agent on or before the close of business on the fifth (5th) Business Day following the receipt thereof by such Debtor, in the exact form received together with the Necessary Endorsements, to be held by Agent subject to the terms of this Agreement as Collateral.

8. Rights and Remedies Upon Default.

(a) Upon the occurrence and during the continuation of any Event of Default, the Agent, for the benefit of the Secured Parties, shall have the right to exercise all of the remedies conferred hereunder and under the Debentures, and the Agent shall have all the rights and remedies of a secured party under the UCC. Without limitation, the Agent, for the benefit of the Secured Parties, shall have the following rights and powers:

(i) The Agent shall have the right to take possession of the Collateral and, for that purpose, enter, with the aid and assistance of any person, any premises where the Collateral, or any part thereof, is or may be placed and remove the same, and each Debtor shall assemble the Collateral and make it available to the Agent at places which the Agent shall reasonably select, whether at such Debtor's premises or elsewhere, and make available to the Agent, without rent, all of such Debtor's respective premises and facilities for the purpose of the Agent taking possession of, removing or putting the Collateral in saleable or disposable form.

(ii) Upon written notice to the Debtors by Agent, all rights of each Debtor to exercise the voting and other consensual rights which it would otherwise be entitled to exercise and all rights of each Debtor to receive the dividends and interest which it would otherwise be authorized to receive and retain, shall cease. Upon such notice, Agent shall have the right to receive, for the benefit of the Secured Parties, any interest, cash dividends or other payments on the Collateral and, at the option of Agent, to exercise in such Agent's discretion all voting rights pertaining thereto. Without limiting the generality of the foregoing, Agent shall have the right (but not the obligation) to exercise all rights with respect to the Collateral as if it were the sole and absolute owner thereof, including, without limitation, to vote and/or to exchange, at its sole discretion, any or all of the Collateral in connection with a merger, reorganization, consolidation, recapitalization or other readjustment concerning or involving the Collateral or any Debtor or any of its direct or indirect subsidiaries.

(iii) The Agent shall have the right to operate the business of each Debtor using the Collateral and shall have the right to assign, sell, lease or otherwise dispose of and deliver all or any part of the Collateral, at public or private sale or otherwise, either with or without special conditions or stipulations, for cash or on credit or for future delivery, in such parcel or parcels and at such time or times and at such place or places, and upon such terms and conditions as the Agent may deem commercially reasonable, all without (except as shall be required by applicable statute and cannot be waived) advertisement or demand upon or written notice to any Debtor or right of redemption of a Debtor, which are hereby expressly waived. Upon each such sale, lease, assignment or other transfer of Collateral, the Agent, for the benefit of the Secured Parties, may, unless prohibited by applicable law which cannot be waived, purchase all or any part of the Collateral being sold, free from and discharged of all trusts, claims, right of redemption and equities of any Debtor, which are hereby waived and released. The Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(iv) The Agent shall have the right (but not the obligation) to notify any account debtors and any obligors under instruments or accounts to make payments directly to the Agent, on behalf of the Secured Parties, and to enforce the Debtors' rights against such account debtors and obligors.

(v) The Agent, for the benefit of the Secured Parties, may (but is not obligated to) direct any financial intermediary or any other person or entity holding any investment property to transfer the same to the Agent, on behalf of the Secured Parties, or its designee.

(vi) The Agent may (but is not obligated to) transfer any or all Intellectual Property pledged as Collateral and registered in the name of any Debtor at the United States Patent and Trademark Office and/or Copyright Office into the name of the Secured Parties or any designee or any purchaser of any Collateral.

(b) The Agent shall comply with any applicable law in connection with a disposition of Collateral and such compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral. The Agent may sell the Collateral without giving any warranties and may specifically disclaim such warranties. If the Agent sells any of the Collateral on credit, the Debtors will only be credited with payments actually made by the purchaser. In addition, to the extent permitted by applicable law, each Debtor waives any and all rights that it may have to a judicial hearing in advance of the enforcement of any of the Agent's rights and remedies hereunder, including, without limitation, its right following an Event of Default to take immediate possession of the Collateral and to exercise its rights and remedies with respect thereto.

(c) For the purpose of enabling the Agent to further exercise rights and remedies under this *Section 8* or elsewhere provided by agreement or applicable law, each Debtor hereby grants to the Agent, for the benefit of the Agent and the Secured Parties, a nonexclusive license (exercisable without payment of royalty or other compensation to such Debtor, such license to be irrevocable during the term hereof) to use, license or sublicense, in all cases solely following the occurrence and during the continuation of an Event of Default, any Intellectual Property included among the Collateral, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof.

9. **Applications of Proceeds.** The proceeds of any such sale, lease or other disposition of the Collateral hereunder or from payments made on account of any insurance policy insuring any portion of the Collateral shall be applied first, to the expenses of retaking, holding, storing, processing and preparing for sale, selling, and the like (including, without limitation, any taxes, fees and other costs incurred in connection therewith) of the Collateral, to the reasonable attorneys' fees and expenses incurred by the Agent in enforcing the Secured Parties' rights hereunder and in connection with collecting, storing and disposing of the Collateral, and then to satisfaction of the Obligations pro rata among the Secured Parties (based on then-outstanding principal amounts of Debentures at the time of any such determination), and to the payment of any other amounts required by applicable law, after which the Secured Parties shall pay to the applicable Debtor any surplus proceeds. If, upon the sale, license or other disposition of the Collateral, the proceeds thereof are insufficient to pay all amounts to which the Secured Parties are legally entitled, the Debtors will be liable for the deficiency, together with interest thereon, at the Applicable Interest Rate, and the reasonable fees of any attorneys employed by the Secured Parties to collect such deficiency. To the extent permitted by applicable law, each Debtor waives all claims, damages and demands against the Secured Parties arising out of the repossession, removal, retention or sale of the Collateral, unless due solely to the gross negligence or willful misconduct of the Secured Parties as determined by a final judgment (not subject to further appeal) of a court of competent jurisdiction.

10. **Securities Law Provision.** Each Debtor recognizes that Agent may be limited in its ability to effect a sale to the public of all or part of the Pledged Securities by reason of certain prohibitions in the Securities Act of 1933, as amended, or other federal or state securities laws (collectively, the "*Securities Laws*"), and may be compelled to resort to one or more sales to a restricted group of purchasers who may be required to agree to acquire the Pledged Securities for their own account, for investment and not with a view to the distribution or resale thereof. Each Debtor agrees that sales so made may be at prices and on terms less favorable than if the Pledged Securities were sold to the public, and that Agent has no obligation to delay the sale of any Pledged Securities for the period of time necessary to register the Pledged Securities for sale to the public under the Securities Laws. Each Debtor shall cooperate with Agent in its attempt to satisfy any requirements under the Securities Laws (including, without limitation, registration thereunder if requested by Agent in writing) applicable to the sale of the Pledged Securities by Agent.

11. **Costs and Expenses.** The Debtors shall pay all other claims and charges which in the reasonable opinion of the Agent is reasonably likely to prejudice, imperil or otherwise affect the Collateral or the Security Interests therein. The Debtors will also, upon demand, pay to the

Agent the amount of any and all reasonable expenses, including the reasonable fees and expenses of its legal counsel and of any experts and agents, which the Agent, for the benefit of the Secured Parties, may incur in connection with the protection, satisfaction, foreclosure, collection or enforcement of the Security Interest and the administration, continuance, amendment or enforcement of this Agreement and pay to the Agent the amount of any and all reasonable expenses, including the reasonable fees and expenses of its counsel and of any experts and agents, which the Agent, for the benefit of the Secured Parties, and the Secured Parties may incur in connection with (i) the enforcement of this Agreement, (ii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Collateral, or (iii) the exercise or enforcement of any of the rights of the Secured Parties under the Debentures. Any invoiced fees due and payable hereunder shall be added to the principal amount of the Debentures and shall bear interest at the Applicable Interest Rate.

12. **Responsibility for Collateral.** The Debtors assume all liabilities and responsibility in connection with all Collateral, and the Obligations shall in no way be affected or diminished by reason of the loss, destruction, damage or theft of any of the Collateral or its unavailability for any reason. Without limiting the generality of the foregoing, (a) neither the Agent nor any Secured Party (i) has any duty (either before or after an Event of Default) to collect any amounts in respect of the Collateral or to preserve any rights relating to the Collateral, or (ii) has any obligation to clean-up or otherwise prepare the Collateral for sale, and (b) each Debtor shall remain obligated and liable under each contract or agreement included in the Collateral to be observed or performed by such Debtor thereunder. Neither the Agent nor any Secured Party shall have any obligation or liability under any such contract or agreement by reason of or arising out of this Agreement or the receipt by the Agent or any Secured Party of any payment relating to any of the Collateral, nor shall the Agent or any Secured Party be obligated in any manner to perform any of the obligations of any Debtor under or pursuant to any such contract or agreement, to make inquiry as to the nature or sufficiency of any payment received by the Agent or any Secured Party in respect of the Collateral or as to the sufficiency of any performance by any party under any such contract or agreement, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to the Agent or to which the Agent or any Secured Party may be entitled at any time or times.

13. **Security Interests Absolute.** All rights of the Secured Parties and all obligations of the Debtors hereunder, shall be absolute and unconditional, irrespective of: (a) any lack of validity or enforceability of this Agreement, the Debentures or any agreement entered into in connection with the foregoing, or any portion hereof or thereof; (b) any change in the time, manner or place of payment or performance of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Debentures or any other agreement entered into in connection with the foregoing; (c) any exchange, release or nonperfection of any of the Collateral, or any release or amendment or waiver of or consent to departure from any other collateral for, or any guarantee, or any other security, for all or any of the Obligations; (d) any action by the Secured Parties to obtain, adjust, settle and cancel in their sole discretion any insurance claims or matters made or arising in connection with the Collateral; or (e) any other circumstance which might otherwise constitute any legal or equitable defense available to a Debtor, or a discharge of all or any part of the Security Interests granted hereby. Until the Obligations shall have been paid in full, the rights of the Secured Parties shall continue

even if the Obligations are barred for any reason, including, without limitation, the running of the statute of limitations or bankruptcy of a Debtor or any other person liable for any Obligations. Each Debtor expressly waives presentment, protest, notice of protest, demand, notice of nonpayment and demand for performance except as otherwise provided in this Agreement or in any of the other Transaction Documents. In the event that at any time any transfer of any Collateral or any payment received by the Secured Parties hereunder shall be deemed by final order of a court of competent jurisdiction to have been a voidable preference or fraudulent conveyance under the bankruptcy or insolvency laws of the United States, or shall be deemed to be otherwise due to any party other than the Secured Parties, then, in any such event, each Debtor's obligations hereunder shall survive cancellation of this Agreement, and shall not be discharged or satisfied by any prior payment thereof and/or cancellation of this Agreement, but shall remain a valid and binding obligation enforceable in accordance with the terms and provisions hereof. Each Debtor waives all right to require the Secured Parties to proceed against any other person or entity or to apply any Collateral which the Secured Parties may hold at any time, or to marshal assets, or to pursue any other remedy. Each Debtor waives any defense arising by reason of the application of the statute of limitations to any obligation secured hereby.

14. **Term of Agreement.** This Agreement and the Security Interests shall terminate on the date on which Obligations (other than contingent indemnification or reimburse obligations) have been paid or discharged (the "Termination Date"); *provided, however*, that all indemnities of the Debtors contained in this Agreement shall survive and remain operative and in full force and effect regardless of the termination of this Agreement.

15. **Power of Attorney; Further Assurances.**

(a) Each Debtor authorizes the Agent, and does hereby make, constitute and appoint the Agent and its officers, agents, successors or assigns with full power of substitution, as such Debtor's true and lawful attorney-in-fact, with power, in the name of the Agent or such Debtor, to, after the occurrence and during the continuance of an Event of Default, (i) endorse any note, checks, drafts, money orders or other instruments of payment (including payments payable under or in respect of any policy of insurance) in respect of the Collateral that may come into possession of the Agent; (ii) to sign and endorse any invoice, freight or express bill, bill of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications and notices in connection with accounts, and other documents relating to the Collateral; (iii) to pay or discharge taxes, liens, security interests or other encumbrances at any time levied or placed on or threatened against the Collateral; (iv) to demand, collect, receipt for, compromise, settle and sue for monies due in respect of the Collateral; (v) to transfer any Intellectual Property pledged as Collateral or provide licenses respecting any Intellectual Property pledged as Collateral; and (vi) generally, at the option of the Agent, and at the expense of the Debtors, at any time, or from time to time, to execute and deliver any and all documents and instruments and to do all acts and things which the Agent deems necessary to protect, preserve and realize upon the Collateral and the Security Interests granted therein in order to effect the intent of this Agreement and the Debentures all as fully and effectually as the Debtors might or could do, and each Debtor hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be

irrevocable for the term of this Agreement and thereafter as long as any of the Obligations shall be outstanding. The designation set forth herein shall be deemed to amend and supersede any inconsistent provision in the Organizational Documents or other documents or agreements to which any Debtor is subject or to which any Debtor is a party. Without limiting the generality of the foregoing, after the occurrence and during the continuance of an Event of Default, the Agent is specifically authorized to execute and file any applications for or instruments of transfer and assignment of any patents, trademarks, copyrights or other Intellectual Property pledged as Collateral with the United States Patent and Trademark Office and the United States Copyright Office.

(b) Subject to any exclusions and thresholds specifically set forth herein, on a continuing basis, each Debtor will take all such action as may reasonably be deemed necessary or advisable, or as reasonably requested by the Agent, to perfect the Security Interests granted hereunder and otherwise to carry out the intent and purposes of this Agreement, or for assuring and confirming to the Agent the grant or perfection of a perfected security interest in all the Collateral under the UCC.

16. **Notices.** All notices, requests, demands and other communications hereunder shall be in writing and subject to the notice provision of the Purchase Agreement and sent to the address of the applicable Purchaser and Company set forth therein, or, with respect to the Agent, to the address set forth in the Purchase Agreement.

17. **Other Security.** To the extent that the Obligations are now or hereafter secured by property other than the Collateral or by the guarantee, endorsement or property of any other person, firm, corporation or other entity, then the Agent shall have the right, in its sole discretion, to pursue, relinquish, subordinate, modify or take any other action with respect thereto, without in any way modifying or affecting any of the Secured Parties' rights and remedies hereunder.

18. **Appointment of Agent.** The Secured Parties hereby appoint JGB Collateral LLC to act as their agent for purposes of exercising any and all rights and remedies of the Secured Parties hereunder and under the other Transaction Documents. The Agent shall have the rights, responsibilities and immunities set forth in the Purchase Agreement.

19. **Termination of Security Interests; Release of Collateral.**

(a) Upon termination of this Agreement in accordance with *Section 14* hereof (other than contingent indemnification obligations), the Security Interests shall automatically terminate and all rights to the Collateral shall automatically revert to the Debtors. Upon any such termination of the Security Interests or release of such Collateral, the Agent will, at the expense of the Debtors will promptly, on or prior to the Termination Date (and in any event within 30 Business Days), execute and deliver to the Debtors such documents as the Debtors shall reasonably request, but without recourse or warranty to the Agent, including but not limited to written authorization to file termination statements to evidence the termination of the Security Interests in such Collateral.

(b) The Agent and Secured Parties hereby agree that the Security Interests held on any Collateral constituting property being sold, transferred or disposed of in a disposition permitted hereunder or under the Debentures shall automatically be released upon such sale, transfer or disposal permitted hereunder or under the Debentures. Upon any such termination of the Security Interests or release of such Collateral, the Agent will, at the expense of the Debtors, execute and delivery to the Company such documents as the Debtors shall reasonably request, but without recourse or warranty to the Agent, including but not limited to written authorization to file termination statements to evidence the termination of the Security Interests in such Collateral.

20. Miscellaneous.

(a) No course of dealing between the Debtors and the Secured Parties, nor any failure to exercise, nor any delay in exercising, on the part of the Secured Parties, any right, power or privilege hereunder or under the Debentures shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

(b) All of the rights and remedies of the Agent, on behalf of the Secured Parties, with respect to the Collateral, whether established hereby or by the Debentures or by any other agreements, instruments or documents or by law shall be cumulative and may be exercised singly or concurrently.

(c) This Agreement, together with the exhibits and schedules hereto, contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into this Agreement and the exhibits and schedules hereto. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Debtors and the Agent (or, in the event that the Agent no longer holds any Debentures, in a written instrument signed by the Debtors and the Majority in Interest), or, in the case of a waiver, by the party against whom enforcement of any such waived provision is sought.

(d) If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(e) No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right.

(f) This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Company and the Guarantors may not assign this Agreement or any rights or obligations hereunder without the prior written consent of each Secured Party and any assignment in contravention herewith shall be null and void. Any Secured Party may assign any or all of its rights under this Agreement to any Person to whom such Secured Party assigns or transfers any Obligations, provided such transferee agrees in writing to be bound, with respect to the transferred Obligations, by the provisions of this Agreement that apply to the "Secured Parties".

(g) Each party shall take such further action and execute and deliver such further documents as may be necessary or appropriate in order to carry out the provisions and purposes of this Agreement.

(h) Except to the extent mandatorily governed by the jurisdiction or situs where the Collateral is located, all questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Except to the extent mandatorily governed by the jurisdiction or situs where the Collateral is located, each party hereto agrees that all proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and the Debentures (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York, Borough of Manhattan. Except to the extent mandatorily governed by the jurisdiction or situs where the Collateral is located, each party hereto hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such proceeding is improper. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under the Purchase Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

(i) This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and, all of which taken together shall constitute one and the same Agreement. In the event that any signature is delivered by facsimile transmission, such signature shall create a valid binding obligation of the party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such facsimile signature were the original thereof.

(j) All Debtors shall jointly and severally be liable for the obligations of each Debtor to the Secured Parties hereunder.

(k) Each Debtor shall indemnify, reimburse and hold harmless the Agent and the Secured Parties and their respective partners, members, shareholders, officers, directors, employees and agents (and any other persons with other titles that have similar functions) (collectively, "*Indemnitees*") from and against any and all losses, claims, liabilities, damages, penalties, suits, costs and expenses, of any kind or nature, (including fees relating to the cost of investigating and defending any of the foregoing) imposed on, incurred by or asserted against such Indemnitee in any way related to or arising from or alleged to arise from this Agreement or the Collateral, except any such losses, claims, liabilities, damages, penalties, suits, costs and expenses which result from the gross negligence or willful misconduct of the Indemnitee as determined by a final, nonappealable decision of a court of competent jurisdiction. This indemnification provision is in addition to, and not in limitation of, any other indemnification provision in the Debentures, the Purchase Agreement or any other agreement, instrument or other document executed or delivered in connection herewith or therewith.

(l) Nothing in this Agreement shall be construed to subject Agent or any Secured Party to liability as a partner in any Debtor or any of its direct or indirect subsidiaries that is a partnership or as a member in any Debtor or any of its direct or indirect subsidiaries that is a limited liability company, nor shall Agent or any Secured Party be deemed to have assumed any obligations under any partnership agreement or limited liability company agreement, as applicable, of any such Debtor or any of its direct or indirect subsidiaries or otherwise, unless and until any such Secured Party exercises its right to be substituted for such Debtor as a partner or member, as applicable, pursuant hereto.

(m) To the extent that the grant of the security interest in the Collateral and the enforcement of the terms hereof require the consent, approval or action of any partner or member, as applicable, of any Debtor or any direct or indirect subsidiary of any Debtor or compliance with any provisions of any of the Organizational Documents, the Debtors hereby grant such consent and approval and waive any such noncompliance with the terms of said documents.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed on the day and year first above written.

DEBTORS:

ASPEN GROUP, INC.

By: /s/ Michael Mathews
Name: Michael Mathews
Title: Chief Executive Officer

SUBSIDIARY GUARANTORS:

ASPEN UNIVERSITY, INC.

By: /s/ Michael Mathews
Name: Michael Mathews
Title: Chief Executive Officer

UNITED STATES UNIVERSITY, INC.

By: /s/ Michael Mathews
Name: Michael Mathews
Title: Chief Executive Officer

AGENT:

JGB COLLATERAL LLC

By: /s/ Brett Cohen
Name: Brett Cohen
Title: President

[SIGNATURE PAGE OF HOLDERS FOLLOWS]

[SIGNATURE PAGE OF HOLDERS TO ASPEN GROUP, INC.]

Name of Investing Entity: JGB CAPITAL, L.P., a Delaware limited partnership

Signature of Authorized Signatory of Investing entity: /s/ Brett Cohen

Name of Authorized Signatory: Brett Cohen

Title of Authorized Signatory: President

Name of Investing Entity: JGB PARTNERS, L.P., a Delaware limited partnership

Signature of Authorized Signatory of Investing entity: /s/ Brett Cohen

Name of Authorized Signatory: Brett Cohen

Title of Authorized Signatory: President

Name of Investing Entity: JGB (CAYMAN) ANCONA, LTD., a Cayman Islands exempted
company

Signature of Authorized Signatory of Investing entity: /s/ Brett Cohen

Name of Authorized Signatory: Brett Cohen

Title of Authorized Signatory: President

SUBSIDIARY GUARANTEE

THIS **SUBSIDIARY GUARANTEE**, dated as of May 12, 2023 (this "**Guarantee**"), is made by each of the signatories hereto (together with any other entity that may become a party hereto as provided herein, the "**Guarantors**"), in favor of the Secured Parties defined below.

WITNESSETH:

WHEREAS, pursuant to that certain Securities Purchase Agreement, dated as of the date hereof, by and between Aspen Group, Inc., a Delaware corporation (the "**Company**") and the Purchasers (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "**Purchase Agreement**"), the Company has agreed to sell and issue to the Purchasers, and the Purchasers have agreed to purchase from the Company, the Debentures, subject to the terms and conditions set forth therein; and

WHEREAS, each Guarantor is a direct or indirect Subsidiary of the Company and will directly benefit from the extension of credit to the Company represented by the issuance of the Debentures; and

NOW, THEREFORE, in consideration of the promises contained therein and to induce the Purchasers to enter into the Purchase Agreement and to carry out the transactions contemplated thereby, each Guarantor hereby agrees with the Purchasers as follows:

1. **Definitions.** Unless otherwise defined herein, terms defined in the Purchase Agreement and used herein shall have the meanings given to them in the Purchase Agreement. The words "hereof", "herein", "hereto" and "hereunder" and words of similar import when used in this Guarantee shall refer to this Guarantee as a whole and not to any particular provision of this Guarantee, and Section and Schedule references are to this Guarantee unless otherwise specified. The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms. The following terms shall have the following meanings:

"**Agent**" means JGB Collateral, LLC, a Delaware limited liability company.

"**Company**" shall have the meaning assigned to such term in the preambles hereof.

"**Guarantee**" shall have the meaning assigned to such term in the preambles hereof.

"**Guarantors**" shall have the meaning assigned to such term in the preambles hereof.

"Obligations" means, in addition to all other costs and expenses of collection incurred by Purchasers or Agent in enforcing any of such Obligations and/or this Guarantee, all of the liabilities and obligations (primary, secondary, direct, contingent, sole, joint or several) due or to become due or, or that are now or may be hereafter contracted or acquired, or owing by, the Company or any Guarantor to any Secured Party under this Guarantee, the Debentures, the other Transaction Documents and any other instruments, agreements or other documents executed and/or delivered in connection herewith or therewith, in each case, whether now or hereafter existing, voluntary or involuntary, direct or indirect, absolute or contingent, liquidated or unliquidated, whether or not jointly owed with others, and whether or not from time to time decreased or extinguished and later increased, created or incurred, and all or any portion of such obligations or liabilities that are paid, to the extent all or any part of such payment is avoided or recovered directly or indirectly from any of the Secured Parties as a preference, fraudulent transfer or otherwise as such obligations may be amended, supplemented, converted, extended or modified from time to time. Without limiting the generality of the foregoing, the term "Obligations" shall include, without limitation: (i) principal of, and interest on the Debentures and the loans extended pursuant thereto; (ii) any and all other fees, prepayment charges, indemnities, costs, obligations and liabilities of the Company or any Guarantor from time to time under or in connection with this Guarantee, the Debentures, the other Transaction Documents and any other instruments, agreements or other documents executed and/or delivered in connection herewith or therewith; and (iii) all amounts (including but not limited to post-petition interest) in respect of the foregoing that would be payable but for the fact that the obligations to pay such amounts are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving the Company or any Guarantor.

"Purchase Agreement" shall have the meaning assigned to such term in the preambles hereof.

"Secured Parties" means the Agent, the Purchasers, and each of their respective successors or assigns.

2. Guarantee.

(a) Guarantee.

(i) The Guarantors hereby, jointly and severally, unconditionally and irrevocably, guarantee to the Secured Parties and their respective successors, indorsees, transferees and assigns, the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations.

(ii) Anything herein or in any other Transaction Document to the contrary notwithstanding, the maximum liability of each Guarantor

hereunder and under the other Transaction Documents shall in no event exceed the amount which can be guaranteed by such Guarantor under applicable federal and state laws, including laws relating to the insolvency of debtors, fraudulent conveyance or transfer or laws affecting the rights of creditors generally (after giving effect to the right of contribution established in *Section 2(b)*).

(iii) Each Guarantor agrees that the Obligations may at any time and from time to time exceed the amount of the liability of such Guarantor hereunder without impairing the guarantee contained in this *Section 2* or affecting the rights and remedies of the Secured Parties hereunder.

(iv) The guarantee contained in this *Section 2* shall remain in full force and effect until all the Obligations (other than contingent indemnification or reimbursement obligations) shall have been satisfied by indefeasible payment in full.

(v) No payment made by the Company, any of the Guarantors, any other guarantor or any other Person or received or collected by any Secured Party from the Company, any of the Guarantors, any other guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the Obligations shall be deemed to modify, reduce (other than a reduction of the amount owed hereunder, if applicable), release or otherwise affect the liability of any Guarantor hereunder which shall, notwithstanding any such payment (other than any payment made by such Guarantor in respect of the Obligations or any payment received or collected from such Guarantor in respect of the Obligations), remain liable for the Obligations up to the maximum liability of such Guarantor hereunder until the Obligations are indefeasibly paid in full.

(b) **Right of Contribution.** Subject to *Section 2(c)*, each Guarantor hereby agrees that to the extent that a Guarantor shall have paid more than its proportionate share of any payment made hereunder, such Guarantor shall be entitled to seek and receive contribution from and against any other Guarantor hereunder which has not paid its proportionate share of such payment. Each Guarantor's right of contribution shall be subject to the terms and conditions of *Section 2(c)*. The provisions of this *Section 2(b)* shall in no respect limit the obligations and liabilities of any Guarantor to the Secured Parties and each Guarantor shall remain liable to the Secured Parties for the full amount guaranteed by such Guarantor hereunder.

(c) **No Subrogation.** Notwithstanding any payment made by any Guarantor hereunder or any set-off or application of funds of any Guarantor by any

Secured Party, no Guarantor shall be entitled to be subrogated to any of the rights of any Secured Party against the Company or any other Guarantor or any collateral security or guarantee or right of offset held by any Secured Party for the payment of the Obligations, nor shall any Guarantor seek or be entitled to seek any contribution or reimbursement from the Company or any other Guarantor in respect of payments made by such Guarantor hereunder, until all amounts owing to the Secured Parties by the Company on account of the Obligations are indefeasibly paid in full. If any amount shall be paid to any Guarantor on account of such subrogation rights at any time when all of the Obligations shall not have been paid in full, such amount shall be held by such Guarantor in trust for the Secured Parties, segregated from other funds of such Guarantor, and shall, forthwith upon receipt by such Guarantor, be turned over to the Secured Parties in the exact form received by such Guarantor (duly indorsed by such Guarantor to the Secured Parties, if required), to be applied against the Obligations, whether matured or unmatured, in such order as the Secured Parties may determine.

(d) **Amendments, Etc. With Respect to the Obligations.** Each Guarantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Guarantor and without notice to or further assent by any Guarantor, any demand for payment of any of the Obligations made by any Secured Party may be rescinded by any Secured Party and any of the Obligations continued, and the Obligations, or the liability of any other Person upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Secured Parties, and the Purchase Agreement and the other Transaction Documents and any other documents executed and delivered in connection therewith may, subject to any necessary consents required therein, be amended, modified, supplemented or terminated, in whole or in part, as any Purchaser and/or Agent, as applicable, may deem advisable from time to time, and any collateral security, guarantee or right of offset at any time held by the Secured Parties for the payment of the Obligations may be sold, exchanged, waived, surrendered or released. The Secured Parties shall have no obligation to protect, secure, perfect or insure any Lien at any time held by the Agent for the benefit of the Secured Parties as security for the Obligations or for the guarantee contained in this *Section 2* or any property subject thereto.

(e) **Guarantee Absolute and Unconditional.** Each Guarantor waives any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by the Secured Parties upon the guarantee contained in this *Section 2* or acceptance of the guarantee contained in this *Section 2*; the Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon the guarantee contained in this *Section 2*; and all dealings between the Company and any of the Guarantors, on the one hand, and any Secured Party, on the other hand, likewise shall be conclusively presumed to have been had

or consummated in reliance upon the guarantee contained in this *Section 2*. Each Guarantor waives, to the extent permitted by law, diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon the Company or any of the Guarantors with respect to the Obligations. Each Guarantor understands and agrees that the guarantee contained in this *Section 2* shall be construed as a continuing, absolute and unconditional guarantee of payment and performance without regard to (a) the validity or enforceability of the Purchase Agreement or any other Transaction Document, any of the Obligations or any other collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by the Secured Parties, (b) any defense, set-off or counterclaim (other than a defense of payment or performance or of fraud by Secured Parties) which may at any time be available to or be asserted by the Company or any other Person against the Secured Party, or (c) any other circumstance whatsoever (with or without notice to or knowledge of the Company or such Guarantor) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Company for the Obligations, or of such Guarantor under the guarantee contained in this *Section 2*, in bankruptcy or in any other instance. When making any demand hereunder or otherwise pursuing its rights and remedies hereunder against any Guarantor, the Secured Parties may, but shall be under no obligation to, make a similar demand on or otherwise pursue such rights and remedies as they may have against the Company, any other Guarantor or any other Person or against any collateral security or guarantee for the Obligations or any right of offset with respect thereto, and any failure by the Secured Parties to make any such demand, to pursue such other rights or remedies or to collect any payments from the Company, any other Guarantor or any other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the Company, any other Guarantor or any other Person or any such collateral security, guarantee or right of offset, shall not relieve any Guarantor of any obligation or liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the Secured Parties against any Guarantor. For the purposes hereof, "demand" shall include the commencement and continuance of any legal proceedings. For the avoidance of doubt, no Secured Party shall be obligated to file any claim relating to the Obligations in the event that the Company becomes subject to a bankruptcy, reorganization or similar proceeding, and the failure of Secured Parties so to file shall not affect the Guarantors' obligations hereunder.

(f) **Reinstatement.** The guarantee contained in this *Section 2* shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the any Secured Party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Company or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Company or any Guarantor or any substantial part of its property, or for any other reason otherwise, all as though such payments had not been made.

(g) **Payments.** Each Guarantor hereby guarantees that payments hereunder will be paid to the Purchasers or Agent, as applicable, without set-off or counterclaim in U.S. dollars at the address set forth or referred to in the Signature Pages to the Purchase Agreement.

3. **Representations and Warranties.** Each Guarantor hereby makes the following representations and warranties to Secured Parties as of the date hereof:

(a) **Organization and Qualification.** Such Guarantor is a corporation, partnership or limited liability company, duly organized, validly existing and in good standing under the laws of the applicable jurisdiction set forth on *Schedule 1*, with the requisite corporate, partnership, limited liability company or other power and authority to own and use its properties and assets and to carry on its business as currently conducted. Such Guarantor has no subsidiaries other than those identified as such on the Disclosure Schedules to the Purchase Agreement. Such Guarantor is duly qualified to do business and is in good standing as a foreign corporation, partnership or limited liability company in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) **Authorization; Enforcement.** Such Guarantor has the requisite corporate, partnership, limited liability company or other power and authority to enter into and to consummate the transactions contemplated by this Guarantee, and otherwise to carry out its obligations hereunder. The execution and delivery of this Guarantee by such Guarantor and the consummation by it of the transactions contemplated hereby have been duly authorized by all requisite corporate, partnership, limited liability company or other action on the part of such Guarantor. This Guarantee has been duly executed and delivered by such Guarantor and constitutes the valid and binding obligation of such Guarantor enforceable against such Guarantor in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors' rights generally, and remedies generally, (ii) as limited by equitable principles and laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and (iii) insofar as indemnification and contribution provisions may be limited by applicable law including the Securities Act of 1933 and the Securities Exchange Act of 1934.

(c) **No Conflicts.** The execution, delivery and performance of this Guarantee by such Guarantor and the consummation by such Guarantor of the transactions contemplated thereby do not and will not (i) conflict with or violate any provision of its organizational documents or (ii) conflict with, constitute a default (or an event which with notice or lapse of time or both would become a

default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument (evidencing debt or otherwise) to which such Guarantor is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which such Guarantor is subject (including Federal and State securities laws and regulations), or by which any material property or asset of such Guarantor is bound or affected, except in the case of each of clauses (ii) and (iii), such conflicts, defaults, terminations, amendments, accelerations, cancellations and violations as could not, individually or in the aggregate, have or result in a Material Adverse Effect. The business of such Guarantor is not being conducted in violation of any law, ordinance or regulation of any governmental authority, except for violations which, individually or in the aggregate, do not have a Material Adverse Effect.

(d) **Consents and Approvals.** Such Guarantor is not required to obtain any consent, waiver, authorization or order of, or make any filing or registration with, any court or other federal, state, local, foreign or other governmental authority or other person in connection with the execution, delivery and performance by such Guarantor of this Guarantee, except where such failure could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(e) **Purchase Agreement.** The representations and warranties of the Company set forth in the Purchase Agreement as they relate to such Guarantor, each of which is hereby incorporated herein by reference, are true and correct in all material respects as of each time such representations are deemed to be made pursuant to such Purchase Agreement, and the Secured Parties shall be entitled to rely on each of them as if they were fully set forth herein, provided that each reference in each such representation and warranty to the Company's knowledge shall, for the purposes of this *Section 3*, be deemed to be a reference to such Guarantor's knowledge.

4. **Covenants.**

(a) Each Guarantor covenants and agrees with the Purchasers that, from and after the date of this Guarantee until the Obligations (other than contingent indemnification or reimbursement obligations) shall have been indefeasibly paid in full, such Guarantor shall take, and/or shall refrain from taking, as the case may be, each commercially reasonable action that is necessary to be taken or not taken, as the case may be, in order to prevent the occurrence and continuance of an Event of Default (as defined in the Debentures).

(b) So long as any of the Obligations (other than contingent indemnification or reimbursement obligations) are outstanding, unless the Agent shall have otherwise given prior written consent (or, in the event that the Agent no longer holds any Debentures, the Purchasers holding at least 50.1% of the outstanding principal amount of the Debentures shall have otherwise given prior

written consent), each Guarantor will not directly or indirectly on or after the date of this Guarantee take any action that would result in a breach or violation of Section 7 of the Debentures.

5. **Miscellaneous.**

(a) **Amendments in Writing.** None of the terms or provisions of this Guarantee may be waived, amended, supplemented or otherwise modified except in writing by the Agent (or, in the event that the Agent no longer holds any Debentures, in a writing by the Purchasers holding at least 50.1% of the outstanding principal amount of the Debentures shall have otherwise given prior written consent).

(b) **Notices.** All notices, requests and demands to or upon the Purchasers, Agent or any Guarantor hereunder shall be in writing and effected in the manner provided for in the Purchase Agreement, provided that any such notice, request or demand to or upon any Guarantor shall be addressed to such Guarantor at its notice address set forth on *Schedule 1*.

(c) **No Waiver By Course Of Conduct; Cumulative Remedies.** The Secured Parties shall not by any act (except by a written instrument pursuant to *Section 5(a)*), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any default under the Transaction Documents or Event of Default. No failure to exercise, nor any delay in exercising, on the part of the Secured Parties, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Secured Parties of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which any Secured Party would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

(d) **Enforcement Expenses; Indemnification.**

(i) Each Guarantor agrees to pay, or reimburse the Secured Parties for, all its reasonable costs and expenses incurred in collecting against such Guarantor under the guarantee contained in *Section 2* or otherwise enforcing or preserving any rights under this Guarantee and the other Transaction Documents to which such Guarantor is a party, including, without limitation, the reasonable fees and disbursements of counsel to the Secured Parties.

(ii) Each Guarantor agrees to pay, and to save the Secured Parties harmless from, any and all liabilities with respect to, or resulting

from any delay in paying, any and all stamp, excise, sales or other taxes which may be payable or determined to be payable in connection with any of the transactions contemplated by this Guarantee.

(iii) Each Guarantor agrees to pay, and to save the Secured Parties harmless from, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Guarantee to the extent the Company would be required to do so pursuant to the Purchase Agreement.

(iv) The agreements in this Section shall survive repayment of the Obligations and all other amounts payable under the Purchase Agreement and the other Transaction Documents.

(e) **Successor and Assigns.** This Guarantee shall be binding upon the successors and assigns of each Guarantor and shall inure to the benefit of the Secured Parties and their respective successors and assigns; provided that no Guarantor may assign, transfer or delegate any of its rights or obligations under this Guarantee without the prior written consent of the Agent (with any requisite consent of the Purchasers as required by the Transaction Documents), and any assignment in violation herewith shall be null and void.

(f) **Set-Off.** Each Guarantor hereby irrevocably authorizes the Secured Parties at any time and from time to time while an Event of Default under any of the Transaction Documents shall have occurred and be continuing, without notice to such Guarantor or any other Guarantor, any such notice being expressly waived by each Guarantor, to set-off and appropriate and apply any and all deposits, credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by the Secured Parties to or for the credit or the account of such Guarantor, or any part thereof in such amounts as the Secured Parties may elect, against and on account of the obligations and liabilities of such Guarantor to the Secured Parties hereunder and claims of every nature and description of the Secured Parties against such Guarantor, in any currency, whether arising hereunder, under the Purchase Agreement, any other Transaction Document or otherwise, as the Secured Parties may elect, whether or not the Secured Parties have made any demand for payment and although such obligations, liabilities and claims may be contingent or unmatured. The Secured Parties shall notify such Guarantor promptly of any such set-off and the application made by any Secured Party of the proceeds thereof, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Secured Parties under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) which the Secured Parties may have.

(g) **Counterparts.** This Guarantee may be executed by one or more of the parties to this Guarantee on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

(h) **Severability.** Any provision of this Guarantee which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

(i) **Section Headings.** The Section headings used in this Guarantee are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

(j) **Integration.** This Guarantee and the other Transaction Documents represent the agreement of the Guarantors and the Secured Parties with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Secured Parties relative to subject matter hereof and thereof not expressly set forth or referred to herein or in the other Transaction Documents.

(k) **Governing Laws.** All questions concerning the construction, validity, enforcement and interpretation of this Guarantee shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each of the Company and the Guarantors agree that all proceedings concerning the interpretation, enforcement and defense of the transactions contemplated by this Guarantee (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York, Borough of Manhattan. Each of the Company and the Guarantors hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such proceeding is improper. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Guarantee and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each party hereto hereby irrevocably waives, to the fullest extent

permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Guarantee or the transactions contemplated hereby.

(l) **Acknowledgements.** Each Guarantor hereby acknowledges that:

(i) it has been advised by counsel in the negotiation, execution and delivery of this Guarantee and the other Transaction Documents to which it is a party;

(ii) the Secured Parties have no fiduciary relationship with or duty to any Guarantor arising out of or in connection with this Guarantee or any of the other Transaction Documents, and the relationship between the Guarantors, on the one hand, and the Secured Parties, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(iii) no joint venture is created hereby or by the other Transaction Documents or otherwise exists by virtue of the transactions contemplated hereby among the Guarantors and the Secured Parties.

(m) **Additional Guarantors.** The Company shall cause each of its Domestic Subsidiaries formed or acquired on or subsequent to the date hereof to become a Guarantor for all purposes of this Guarantee by executing and delivering an Assumption Agreement in the form of *Annex I* hereto.

(n) **Release of Guarantors.** Each Guarantor will be released from all liability hereunder concurrently with the indefeasible repayment in full of all Obligations (other than contingent indemnification or reimbursement obligations).

(Signature Page Follows)

IN WITNESS WHEREOF, each of the undersigned has caused this Guarantee to be duly executed and delivered as of the date first above written.

GUARANTORS:

ASPEN GROUP, INC.

By: /s/ Michael Mathews
Name: Michael Mathews
Title: Chief Executive Officer

ASPEN UNIVERSITY, INC.

By: /s/ Michael Mathews
Name: Michael Mathews
Title: Chief Executive Officer

UNITED STATES UNIVERSITY, INC.

By: /s/ Michael Mathews
Name: Michael Mathews
Title: Chief Executive Officer

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (this “*Agreement*”) is made as of May 12, 2023, by and among (1) _____, as lender (“*Subordinated Lender*”), (2) ASPEN GROUP, INC. a Delaware corporation (the “*Company*”), UNITED STATES UNIVERSITY, INC. (“*USUI*”), a Delaware corporation, and ASPEN UNIVERSITY, INC. (“*AUI*”) and each of Company, USUI and AUI collectively and individually, “*Obligor*”), a Delaware corporation, and (3) JGB Collateral, LLC, a Delaware limited liability company, having an address at _____, in its capacity as collateral agent (“*Agent*”) for the Senior Lenders (as defined below).

Recitals

A. Obligor has requested and/or obtained certain loans or other credit accommodations from the Senior Lenders or is otherwise indebted to the Senior Lenders (which loan credit accommodations and debts are or may be from time to time be secured by assets and property of Obligor) pursuant to the terms of: (i) those certain 15% Original Issue Discount Senior Secured Debentures in the aggregate original principal amount of \$12,389,743 (the “*Debentures*” and capitalized terms used herein but not defined herein shall have the respective meanings give such terms in the Debentures), dated as of the date hereof, by and among the Company, as the issuer, and each of JGB Capital LP, JGB Partners LP and JGB (Cayman) Ancona LP, as the holders thereof (collectively, the “*Senior Lenders*”); (ii) that certain Securities Purchase Agreement, dated as of the date hereof, by and among Company, the Senior Lenders and Agent, (iii) that certain Subsidiary Guaranty, dated as of the date hereof, by and among Agent, as beneficiary, and USUI, AUI and any future Subsidiaries of the Company that at any time hereafter agree to guarantee the Company’s obligations under the Debentures, as guarantors, and (iv) the Security Agreement, dated as of the date hereof, by and among Obligor, as grantors, and Agent, as secured party for the benefit of the Senior Lenders, and (v) each other Transaction Document executed by Obligor in favor or for the benefit of the Senior Lenders and/or Agent (the agreements described in clauses (i) through (iv), the “*Senior Loan Documents*”).

B. Subordinated Lender has extended loans or other credit accommodations to Obligor or Obligor is otherwise indebted to the Subordinated Lender, including without limitation pursuant to that certain Convertible Promissory Note and Security Agreement dated March 14, 2022, made by the Company in favor of the Subordinated Lender (the “*Subordinated Note*”) and together with any other promissory notes, loan agreements, evidences of indebtedness, subsidiary guaranties, and/or security instruments (collectively, the “*Subordinated Loan Documents*”).

C. Subordinated Lender is willing to subordinate all of Obligor’s indebtedness and obligations to Subordinated Lender pursuant to the Subordinated Loan Documents or otherwise, including, without limitation, all interest, premium payments, make-wholes and other obligations and liabilities arising thereunder whatsoever, whether presently existing or arising in the future (the “*Subordinated Debt*”) to all of Obligor’s indebtedness and obligations under the Senior Loan Documents, including, without limitation, all interest, premium payments, make-wholes and other obligations and liabilities whatsoever, to the Senior Lenders.

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NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Subordinated Lender hereby subordinates any security interest and/or lien that Subordinated Lender may have in any assets of Obligor in respect of the Subordinated Loan Documents (the “*Junior Liens*”) to the security interest and/or liens that Senior Lenders and Agent now or hereafter acquires in the assets of Obligor pursuant to the Senior Loan Documents (the “*Senior Liens*”). Notwithstanding the respective dates of attachment or perfection of the Junior Liens and the Senior Liens, the Senior Liens shall at all times be prior and senior to the Junior Liens.

2. All Subordinated Debt is subordinated in right of payment to all obligations of Obligor to the Senior Lenders and Agent, now existing or hereafter arising, under the Senior Loan Documents together with all costs of collecting such obligations, including, without limitation, all accrued and unpaid interest, original issue discount, all premium payments, make-whole payments, exit charges, interest accruing after the commencement by or against Obligor of any bankruptcy, reorganization or similar proceeding, attorneys’ fees, reimbursement obligations, and all other obligations and liabilities of Obligor arising under the Senior Loan Documents (the “*Senior Debt*”).

3. Subordinated Lender will not demand or receive from Obligor (and Obligor will not pay to Subordinated Lender) all or any part of the Subordinated Debt, by way of payment, prepayment, setoff, lawsuit or otherwise, whether in cash or in kind; *provided, however*, that notwithstanding the foregoing, so long as no event of default has occurred and is continuing under the Senior Debt or would result from the following payments, the Obligor may pay, and the Subordinated Lender may receive, accept and keep, an aggregate amount not to exceed (i) \$85,000 per month for monthly payments of interest on the Subordinated Note, and (ii) \$325,000 per year for Subordinated Lender’s documented expenses.

4. Subordinated Lender will not exercise any remedy with respect to the Subordinated Debt or the Junior Liens, nor will Subordinated Lender commence, or cause to commence, prosecute or participate in any administrative, legal or equitable action against any Obligor; provided, however, and without limiting any of the terms and conditions of this Agreement, Subordinated Lender may commence, or cause to commence, prosecute or participate in any administrative, legal or equitable action against any Obligor following the date which is ninety (90) days after the date upon which Subordinated Lender shall have given written notice to the Obligor and the Senior Lenders of its intention to take such action. Notwithstanding the foregoing, Subordinated Lender may (i) file proofs of claim against any Obligor in any proceeding involving such Obligor, (ii) make filings and take other administrative actions to preserve any claims or rights of Subordinated Lender with respect to or against any Obligor, (iii) file any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any person objecting to or otherwise seeking the disallowance of any claims or rights of Subordinated Lender with respect to or against any Obligor, and (iv) file and pursue equitable remedies with respect to non-compliance with the non-monetary covenants of the Subordinated Loan Documents that do not result in the payment of money by any Obligor.

Subordinated Lender shall promptly deliver to the Senior Lenders in the form received (except for endorsement or assignment by Subordinated Lender where required by the Senior Lenders) for application to the Senior Debt any payment, distribution, security or proceeds received by Subordinated Lender with respect to the Subordinated Debt other than in accordance with this Agreement.

5. In the event of Obligor’s bankruptcy, insolvency, reorganization or any case or proceeding under any bankruptcy or insolvency law or laws relating to the relief of debtors, the provisions of this Agreement shall remain in full force and effect, and the Senior Lenders’ claims against Obligor shall be paid in full before any payment is made to the Subordinated Lender.

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6. Senior Lenders and Agent shall have the exclusive right to enforce rights, exercise remedies in respect of the Senior Debt and the Senior Liens (including set-off and the right to credit bid the Senior Debt) and make determinations regarding the release, disposition, or restrictions with respect to any collateral for the Senior Debt (the “*Collateral*”) without any notice to, consultation with or consent of the Subordinated Lender. Subordinated Lender will, in connection with the Senior Lenders’ and Agents’ exercise of their rights and remedies under the Senior Loan Documents, immediately, upon the written request of Senior Lenders, release any Junior Lien in any Collateral foreclosed on or realized upon by the Senior Lenders. Senior Lenders may enforce the provisions of the Senior Loan Documents and exercise remedies thereunder in such order and in such manner as it may determine in its sole discretion and such exercise and enforcement shall include the rights to sell or otherwise dispose of Collateral upon foreclosure, to incur expenses in connection with such sale or disposition, and to exercise all the rights and remedies of a secured lender under the Uniform Commercial Code of any applicable jurisdiction, of a secured creditor under Title 11 of the United States Code (the “*Bankruptcy Code*”) and under other applicable law.

7. Prior to May 11, 2027, Subordinated Lender will not object to the forbearance by Senior Lenders from commencing or pursuing any foreclosure action or proceeding or any other enforcement or exercise of any rights or remedies with respect to all or any part of the Collateral.

8. Subordinated Lender agrees that it will not support or vote in favor of any plan of reorganization in any bankruptcy, insolvency or similar proceeding unless such plan

either (x) results in the Senior Debt being paid in full in cash on the effective date of such plan, (y) is accepted by the class of holders of the Senior Debt voting thereon and is supported by the Senior Lenders or (z) incorporates this Agreement by reference and continues the rights and priorities of the Senior Lenders and Subordinated Lender after the effective date of such plan.

9. For so long as any of the Senior Debt remains unpaid, Subordinated Lender irrevocably appoints Agent as Subordinated Lender's attorney-in-fact, and grants to Agent a power of attorney with full power of substitution, in the name of Subordinated Lender or in the name of Agent, for the use and benefit of the Senior Lenders, without notice to Subordinated Lender, to perform at Agent's option the following acts in any bankruptcy, insolvency or similar proceeding involving Obligor:

- (i) To file the appropriate claim or claims in respect of the Subordinated Debt on behalf of Subordinated Lender if Subordinated Lender does not do so prior to 30 before the expiration of the time to file claims in such proceeding and if Agent elects, in its sole discretion, to file such claim or claims; and
- (ii) To accept or reject any plan of reorganization or arrangement on behalf of Subordinated Lender and to otherwise vote Subordinated Lender's claims in respect any Subordinated Debt in any manner that Agent deems appropriate for the enforcement of its rights hereunder.

10. In the event of Obligor's bankruptcy, insolvency, reorganization or any case or proceeding, arrangement or transaction under any federal or state bankruptcy or insolvency law or similar laws or proceedings involving Obligor, for so long as any of the Senior Debt remains unpaid, if the Senior Lenders shall seek to provide Obligor with any financing under Section 364 of the Bankruptcy Code, or the Senior Lenders support or consent to such financing provided by a third party, or consents to any order for the use of cash collateral under Section 363 of the Bankruptcy Code (each, a "**DIP Financing**" or "**Cash Collateral Use**"), with such DIP Financing or Cash Collateral Use to be secured by all or any portion of the Collateral (including assets that, but for the application of Section 552 of the Bankruptcy Code (or any similar provision of any foreign laws relating to the relief of debtors) would be Collateral), then Subordinated Lender agrees that it will not raise any objection and will not support, directly or indirectly, any objection to such DIP Financing or Cash Collateral Use nor object to the liens or claims granted in connection therewith on any grounds, including a failure to provide "adequate protection" for the liens, if any, securing any Subordinated Debt (and will not request any adequate protection as a result of such DIP Financing or Cash Collateral Use, and will not support any debtor-in-possession financing or Cash Collateral Use which would compete with such DIP Financing or Cash Collateral Use which is provided to or consented to by the Senior Lenders). In addition, Subordinated Lender agrees that it will not provide nor seek to provide or support any debtor-in-possession financing without the prior written consent of the Senior Lenders and Agent.

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11. No amendment of the Subordinated Loan Documents shall directly or indirectly modify the provisions of this Agreement in any manner which might terminate or impair the subordination of the Subordinated Debt or the subordination of the Junior Liens. In addition, such instruments shall not be amended in any manner adverse to the Senior Lenders without the prior written consent of the Senior Lenders. For the avoidance of doubt, any amendment that increases the principal amount of the Subordinated Debt, increases the rate of interest payable thereon, advances the maturity date of the Subordinated Debt to a date that is earlier than the current maturity date thereof, or imposes more burdensome conditions on Obligor shall be deemed adverse to the Senior Lenders.

12. This Agreement shall remain effective for so long as any Senior Lender has any obligation to make credit extensions to Obligor or Obligor under the Senior Loan Documents owes any amounts to any Senior Lender or Agent on account of the Senior Debt or the Senior Liens. If, at any time after payment in full of the Senior Debt any payments of the Senior Debt must be disgorged by the Senior Lenders for any reason (including, without limitation, the bankruptcy of Obligor), this Agreement and the relative rights and priorities set forth herein shall be reinstated as to all such disgorged payments as though such payments had not been made and Subordinated Lender shall immediately pay over to the Senior Lenders all payments received with respect to the Subordinated Debt to the extent that such payments would have been prohibited hereunder. At any time and from time to time, without notice to Subordinated Lender, the Senior Lenders may take such actions with respect to the Senior Debt as the Senior Lenders in their sole discretion, may deem appropriate, including, without limitation, terminating advances to Obligor, increasing the principal amount of the Debenture (which may include any DIP Financing) but in any event not in excess of \$2,500,000 over the original principal amount of the Debentures, extending the time of payment but in any event not past May 11, 2027, increasing applicable interest rates on the Debenture (but not in excess of 20% per annum), renewing, compromising or otherwise amending the terms of any documents affecting the Senior Debt and any Collateral, and enforcing or failing to enforce any rights against Obligor or any other person. No such action or inaction shall impair or otherwise affect the Senior Lenders' or Agent's rights hereunder. Obligor shall promptly provide to Subordinated Lender written notice of each action taken in accordance herewith.

13. This Agreement shall bind any successors or assignees of a Subordinated Lender and shall benefit any successors or assigns of the Senior Lenders and/or Agent. This Agreement is solely for the benefit of Subordinated Lender, the Senior Lenders and Agent and not for the benefit of Obligor or any other party. Subordinated Lender has not assigned or transferred any of the Subordinated Debt, any interest therein or any collateral or security pertaining thereto and will not assign or transfer the same to any person unless such transferee has entered into a subordination agreement in respect of the Subordinated Debt in form and substance reasonably satisfactory to Senior Lenders and Agent.

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14. Subordinated Lender hereby waives the right to assert any claim or cause of action to avoid any transfer to the Senior Lenders contemplated by and made pursuant to the Senior Loan Documents that may exist by virtue of any federal or state statute providing for such avoidance.

15. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

16. This Agreement was negotiated in the State of New York, which State the parties agree has a substantial relationship to the parties and to the underlying transaction embodied hereby, and in all respects, including matters of construction, validity and performance, this Agreement and the obligations arising hereunder shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and performed in such State and any applicable law of the United States of America.

17. This Agreement represents the entire agreement with respect to the subject matter hereof, and supersedes all prior negotiations, agreements and commitments. Subordinated Lender is not relying on any representations by the Senior Lenders or Obligor in entering into this Agreement, and Subordinated Lender has kept and will continue to keep itself fully apprised of the financial and other condition of Obligor. This Agreement may be amended only by written instrument signed by Subordinated Lender, the Senior Lenders and Agent. The Subordinated Lender has reviewed and is familiar with the Senior Loan Documents.

[signature pages follow]

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IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

SENIOR LENDERS:

By: _____

Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[Senior Lender Signature Page to Subordination Agreement]

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AGENT:

JGB COLLATERAL, LLC, AS COLLATERAL AGENT

By: _____
Name: _____
Title: _____

[Agent Signature Page to Subordination Agreement]

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OBLIGOR:

ASPEN GROUP, INC.

By: _____
Name: _____
Title: _____

UNITED STATES UNIVERSITY, INC.

By: _____
Name: _____
Title: _____

ASPEN UNIVERSITY, INC.

By: _____
Name: _____
Title: _____

[Obligor's Signature Page to Subordination Agreement]

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SUBORDINATED LENDER:

By: _____
Name: _____
Title: _____

[Subordinated Parties Signature Page to Subordination Agreement]



FOR IMMEDIATE RELEASE: May 16, 2023

Aspen Group, Inc. Announces Closing of \$12.4 Million Private Placement

NEW YORK, NY, May 16, 2023 (GLOBE NEWSWIRE) - Aspen Group, Inc. ("AGI") (OTC Pink: ASPU), an education technology holding company, today announced that it has closed on a private placement of debentures with JGB Management Inc. for gross proceeds of \$12.4 million, before an 11% original issue discount, fees and other financing expenses, from the issuance of a senior secured debenture. AGI also issued the investors a total of 2.2 million five-year warrants. The Company intends to use the proceeds from the private placement to refinance existing debt and for working capital purposes.

Michael Mathews, Chairman and CEO of Aspen Group, stated, "We are thrilled to announce the successful closure of this financing with the JGB team, which has significantly improved Aspen Group's financial position. This will enable us to effectively manage changes in the timing of financial aid-related cash flow and pay off our outstanding \$5 million line of credit. As we continue to work towards achieving our goals, marketing is a key catalyst to increasing enrollment in our highly sought-after Aspen University post-licensure nursing degree programs and USU's MSN-FNP (Family Nurse Practitioner) degree program, among others. With the implementation of cost reductions which improves our cash flow from operations, we now have the opportunity to increase our marketing budget and position the company to continue maintaining a positive Adjusted EBITDA."

The 36-month debentures, issued on May 11, 2023, bear interest at 15% per annum, are paid monthly, and are not convertible. The AGI's obligations under the debentures are secured by substantially all of AGI's and its subsidiaries' assets. The debentures also contain customary affirmative and negative covenants, events of defaults and other customary terms for senior secured debentures. Each warrant entitles the holder to purchase one share of the company's common stock at an exercise price of US \$0.01 per share for 5-years following the closing date of the offering.

The company filed its Quarterly Report on Form 10-Q for the three months ended January 31, 2023 with the Securities and Exchange Commission today, May 16, 2023. For further details on the terms and covenants related to this financing agreement, please refer to the footnote section in the 10-Q.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including the plan to increase marketing and continue to achieve positive Adjusted EBITDA. The words "believe," "may," "estimate," "continue," "anticipate," "intend," "should," "plan," "could," "target," "potential," "is likely," "will," "expect" and similar expressions, as they relate to us, are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. Important factors that could cause actual results to differ from those in the forward-looking statements include our ability to enroll new students and generate revenue from our new marketing program, the impact of a declining economy, inflation, higher interest rates, the banking crisis, the continued attraction of online learning as COVID-19 has receded, student attrition, the competitive impact from the trend of non-profit universities using online education and consolidation among our competitors. Other risks are included in our filings with the SEC including our Form 10-K for the year ended April 30, 2022. Any forward-looking statement made by us herein speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

About Aspen Group, Inc.

Aspen Group, Inc. is an education technology holding company that leverages its infrastructure and expertise to allow its two universities, Aspen University and United States University, to deliver on the vision of making college affordable again. For more information, visit www.aspu.com.

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