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): **March 13, 2012**

ASPEN GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware	**333-165685**	**27-1933597**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

720 South Colorado Boulevard, Suite 1150N, Denver, CO 80246
(Address of Principal Executive Office) (Zip Code)

(646) 450-1843
(Registrant's telephone number, including area code)

301 Kinderkamack Road, Suite A-2
Westwood, NJ 07675
(Former name or former address, if changed since last report)

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))

ITEM 2.01 COMPLETION OF ACQUISITION OR DISPOSITION OF ASSETS.

On March 13, 2012, Aspen Group, Inc. f/k/a Elite Nutritional Brands, Inc., a Delaware Corporation (the "Public Company") entered into an Agreement and Plan of Merger and Reorganization (the "Merger Agreement") by and among the Public Company, Aspen University Inc., a privately-held Delaware corporation ("Aspen"), and Aspen Acquisition Sub., Inc. ("AcquisitionCo"), a wholly-owned subsidiary of the Public Company. The merger transaction contemplated under the Merger Agreement (the "Reverse Merger") closed on March 13, 2012, at which time AcquisitionCo was merged with and into Aspen, and Aspen, as the surviving corporation, became a wholly-owned subsidiary of the Public Company.

The Public Company's sole director approved the Merger Agreement, the Reverse Merger and the other transactions contemplated under the Merger Agreement on behalf of the Public Company as the sole shareholder of AcquisitionCo. All of the directors and a majority of the outstanding voting power of Aspen approved the Merger Agreement, the Reverse Merger and the other transactions contemplated thereunder. Immediately following the closing of the Reverse Merger, the Public Company changed its business plan and operations to that of Aspen.

As of the closing of the Reverse Merger, the Public Company had 9,760,000 shares of common stock outstanding and $20,000 of convertible notes convertible into 20,000 shares of common stock. The Public Company issued Aspen shareholders 25,515,204 shares of common stock. The Public Company also agreed to assume $500,000 of Aspen convertible notes, convertible at $1.00 per share and 456,000 warrants exercisable at $1.00 per share upon cancellation of the Aspen notes and warrants.

The Public Company was a "shell company" (as such term is defined in Rule 12b-2 under the Securities Exchange Act of 1934 (the "Exchange Act")) immediately before the completion of the Reverse Merger. Accordingly, pursuant to the requirements of Item 2.01 of Form 8-K, set forth below is the information that would be required if the Public Company were filing a general form for registration of a class of securities on Form 10 under the Exchange Act, with such information reflecting the Public Company and its securities upon consummation of the Reverse Merger.

Changes to the Business. The Public Company intends to carry on the business of Aspen as its sole line of business. Upon closing of the Reverse Merger, we relocated our offices to the offices of Aspen.

Changes to the Board of Directors and Executive Officers. Upon the closing of the Reverse Merger, the sole director of the Public Company resigned and the directors of Aspen were appointed as directors of the Public Company together with one additional director designee. In addition, upon the closing of the Reverse Merger, the sole officer of the Public Company resigned and the officers of Aspen were appointed as the officers of the Public Company.

Accounting Treatment. The Reverse Merger is being accounted for as a reverse-merger and recapitalization. Aspen is the acquirer for financial reporting purposes and the Public Company is the acquired company. Consequently, the assets and liabilities and the operations that will be reflected in the historical financial statements prior to the Reverse Merger will be those of Aspen and will be recorded at the historical cost basis of Aspen, and the consolidated financial statements after completion of the Reverse Merger will include the assets and liabilities of the Public Company and Aspen, and the historical operations of Aspen and operations of the Public Company from the closing date of the Merger.

Tax Treatment; Small Reporting Company. The Reverse Merger is intended to constitute a reorganization within the meaning of the Internal Revenue Code of 1986 (the "Code"), or such other tax free reorganization exemptions that may be available under the Code. Following the Reverse Merger, the Public Company will continue to be a "smaller reporting company," as defined in Item 10(f)(1) of Regulation S-K, as promulgated by the Securities and Exchange Commission ("SEC").

Corporate History. The Public Company was incorporated on February 23, 2010 in Florida as a home improvement company intending to develop products and sell them on a wholesale basis to home improvement retailers. The Public Company was unable to execute its business plan. In June 2011, the Public Company changed its name to Elite Nutritional Brands, Inc. and terminated all operations. In February 2012, the Public Company reincorporated in Delaware under the name Aspen Group, Inc. It also effected a reverse stock split, and the officer and director of the Public Company prior to the Reverse Merger returned to the Public Company's treasury all but 2,000,000 of his personally-owned shares of common stock.

Aspen was incorporated on September 30, 2004 in Delaware. Its predecessor was a Delaware limited liability company organized in Delaware in 1999.

EGC Merger. In May 2011, Aspen entered into an Agreement and Plan of Merger and merged with Education Growth Corporation (the "EGC Merger") Aspen survived the merger. Education Growth Corporation ("EGC") was a start-up company controlled by Mr. Michael Mathews. Mr. Mathews became Aspen's Chief Executive Officer upon closing the EGC Merger. Mr. Patrick Spada, the founder of Aspen, remained as Chairman and by virtue of his ownership of Series C Preferred Stock ("Series C") retained control of Aspen.

Developments Related to Change of Control of Aspen. In September 2011, the founder of Aspen, Mr. Spada decided to retire as an officer and director of Aspen. As a result, Aspen closed a transaction pursuant to which Mr. Spada agreed to retire as an officer and director, to sell some of his voting stock of Aspen to current shareholders and directors of Aspen, and to sign a Consulting Agreement with Aspen. See "Related Person Transactions" at page 85 of this report. Concurrently with this September 2011 transaction, Aspen completed a financing and raised gross proceeds of $1,700,000. On September 16, 2011, Mr. Spada's corporation, Higher Education Management Group, Inc. ("HEMG") issued an irrevocable proxy to Aspen's Board of Directors (the "Board") permitting the Board to vote HEMG's shares of Series C in favor of a merger or share exchange with a public company.

Description of Business

As used in this Form 8-K, all references to "we," "our" and "us" for periods prior to the closing of the Reverse Merger refer to Aspen, as a privately owned company, and for periods subsequent to the closing of the Reverse Merger refer to the Public Company and its subsidiaries (including Aspen), unless the context otherwise indicates. In referring to academic matters, these words refer solely to Aspen University Inc.

Founded in 1987, Aspen's mission is to become an institution of choice for adult learners by offering cost-effective, comprehensive, and relevant online education. We are dedicated to helping our students exceed their personal and professional objectives in a socially conscious and economically sensible way. Aspen's mission in fact is to help students achieve their long-term goals of upward mobility and long-term economic success through providing superior education, exerting financial prudence, and supporting our students' career advancement goals. Aspen is dedicated to providing the highest quality education experiences taught by top-tier professors - 67% of our adjunct professors hold doctorate degrees.

Because we believe higher education should be a catalyst to our students' long-term economic success, we exert financial prudence by offering affordable tuition that is one of the greatest values in online education. We have expanded our degree offerings broadly but the vision remains the same: to provide students with the best value in high quality education and to help them achieve their academic and career goals.

One of the key differences between Aspen and other publicly-traded, exclusively online, for-profit universities is that 88% of our full-time degree-seeking students as of December 31, 2011 were enrolled in a graduate degree program (master or doctorate degree program). As of December 31, 2011, 1,477 students were enrolled full-time at Aspen, with 1,297 students, or 88%, of Aspen's full-time, degree-seeking student body enrolled in master or doctoral degree programs. In addition, 496 students are enrolled in a certificate or continuing education program. Aspen is committed to maintaining its focus on being a predominantly graduate school for the foreseeable future.

Today, Aspen offers certificate programs and associate, bachelor, master and doctoral degree programs in a broad range of areas, including business and organization management, education, nursing, information technology, and general studies. In terms of enrollments, our most popular schools are our school of business and our school of nursing. Specifically, our Master of Business Administration and Master of Science in Nursing represent the two largest degree programs among our full-time, degree-seeking student body as of December 31, 2011.

We are accredited by the Distance Education and Training Council ("DETC"), a "national accrediting agency" recognized by the U.S. Department of Education ("DOE"). Aspen first received DETC accreditation in 1993 and most recently received re-accreditation in January 2009. In February 2012, DETC informed Aspen that it had approved the change of ownership application related to the Reverse Merger, subject to customary conditions. Additionally, Aspen is authorized by the Colorado Commission on Higher Education, a departmental division of the Colorado Department of Higher Education ("CDHE"), to operate in Colorado as a private university under the Degree Authorization Act. In January 2012, the CDHE informed Aspen that it would remain in good standing with CDHE after the Reverse Merger, provided Aspen retained its accreditation after the acquisition. In February 2012, Aspen informed CDHE regarding DETC's approval of the change in ownership and control related to the Reverse Merger. In February 2009 , the DOE provisionally certified Aspen to participate in the federal student financial aid programs authorized under Title IV of the Higher Education Act ("Title IV"). Under such certification, Aspen is restricted to a limit of 500 student recipients for Title IV funding for the duration of this provisional certification. As of December 31, 2011, Aspen had 171 students that were participating in the Title IV programs. During the duration of Aspen's provisional certification, a total of 243 Aspen students have received Title IV aid. We applied timely for re-certification in June 2011, but the application remained pending at the time of the Reverse Merger. Aspen submitted a voluntary pre-acquisition review application to the DOE in connection with the Reverse Merger, but the DOE had not acted on that application at the time of the Reverse Merger. Consistent with the Higher Education Act, Aspen's certification to participate in Title IV programs terminated after closing of the Reverse Merger, and Aspen must apply to DOE to reestablish its eligibility and certification to participate in the Title IV programs. However, in order to avoid significant disruption in disbursements of Title IV funds, the DOE may temporarily and provisionally certify an institution that is seeking approval of a change in ownership, like Aspen, under certain circumstances while the DOE reviews the institution's application. On March 15, 2012 the DOE asked Aspen to notify it in writing whether Aspen would be able to provide to the DOE by March 28, 2012 a letter of credit in the amount of $105,865, which is 10% of Aspen's Title IV receipts in 2011. Aspen has timely informed the DOE that it will provide the requested letter of credit by March 28, 2012.

Furthermore, DOE may impose additional or different terms and conditions in any final provisional program participation agreement that it may issue after it reviews Aspen's application for approval of the change in ownership and control, including growth restrictions or limitation on the number of students who may receive Title IV aid.

In 2008, Aspen received accreditation of its Master of Science in Nursing Program with the Commission on Collegiate Nursing Education (the "Nursing Commission"). Officially recognized by the DOE, the Nursing Commission is a nongovernmental accrediting agency, which ensures the quality and integrity of education programs in preparing effective nurses. Aspen's Master of Science in Nursing program most recently underwent accreditation review by the Nursing Commission in March 2011. At that time, the program's accreditation was reaffirmed, with the accreditation term to expire December 30, 2021. The program is next scheduled for on-site evaluation by the Nursing Commission in Spring 2012. We currently offer a variety of nursing degrees including: RN-to-MSN Bridge Program (seven course program), Masters of Science in Nursing Education, and Masters of Science in Nursing Administration and Management. Students may apply to the RN-to MSN bridge program if they hold an associate nursing degree. Students that complete our RN-to-MSN Bridge program matriculate into our Master of Nursing program, allowing them to bypass the Bachelor of Nursing program offered at other universities.

Aspen is a Global Charter Education Provider for the Project Management Institute ("PMI") and a Registered Education Provider (R.E.P.) of the PMI. The PMI recognizes select Aspen Project Management Courses as Professional Development Units. These courses help prepare individuals to sit for the Project Management Professional ("PMP") certification examination. PMP certification is the project management profession's most recognized and respected certification credential. Project management professionals may take the PMI approved Aspen University courses to fulfill continuing education requirements for maintaining their PMP certification.

In connection with our Bachelor and Master degrees in Psychology of Addiction and Counseling, the National Association of Alcoholism and Drug Abuse Counselors ("NAADAC") has approved Aspen as an "academic education provider." NAADAC-approved education providers offer training and education for those who are seeking to become certified, and those who want to maintain their certification, as alcohol and drug counselors. In connection with the approval process, NAADAC reviews all educational training programs for content applicability to state and national certification standards.

In 2012, Aspen plans to add five new degree or certificate programs and one specialization. Aspen plans to seek DETC approval for the following:

- Certificate in Internet Marketing;
- Doctorate of Nursing Practice;
- Bachelor of Science in Technology (with specialization in telecommunications and digitally integrated premise design);
- Bachelor of Fine Arts;
- Associate in Fine Arts; and
- MBA Specialization in Internet Marketing.

Aspen also plans to seek DOE approval for the above programs in order to award Title IV aid to students participating in such programs. See "Regulation" beginning at page 15 of this report. These programs and certificates focus on Aspen's strategic goal of increasing enrollments in business, nursing, and technology program areas.

Competitive Strengths - We believe that we have the following competitive strengths:

Exclusively Online Education **-** We have designed our courses and programs specifically for online delivery, and we recruit and train faculty exclusively for online instruction. We provide students the flexibility to study and interact at times that suit their schedules. We design our online sessions and materials to be interactive, dynamic and user friendly.

Debt Minimization - We are committed to offering among the lowest tuition rates in the sector, which to date has alleviated the need for a significant majority of our students to require debt financing to fund Aspen's tuition requirements.

Commitment to Academic Excellence - We are committed to continuously improving our academic programs and services, as evidenced by the level of attention and resources we apply to instruction and educational support. We are committed to achieving high course completion and graduation rates compared to competitive distance learning, for-profit schools. 67% of our adjunct faculty members hold a doctorate degree. One-on-one contact with our highly experienced faculty brings knowledge and great perspective to the learning experience. Faculty members are available by telephone and email to answer questions, discuss assignments and provide help and encouragement to our students. The new faculty service department will offer a continuing faculty development program (training and courses) as well as a centralized instructional design component. For example, the faculty service department will offer training on the new technology and tools that Aspen adopted in 2011. This training will enable Aspen's faculty to implement optimally the new technology and tools. The faculty service department will also include an instructional design department, which will centralize preparation of course materials.

Highly Scalable and Profitable Business Model - We believe our exclusively online education model, our relatively low student acquisition costs, and our variable faculty cost model will enable us to expand our operating margins. If we increase student enrollments we will be able to scale on a variable basis the number of adjunct faculty members after we reach certain enrollment metrics (not before). A single adjunct faculty member can work with as little as two students or as many as 25 over the course of an enrollment period.

"One Student at a Time" personal care - We are committed to providing our students with fast and personal individualized support. Every student is assigned an academic advisor who becomes an advocate for the student's success. Our one-on-one approach assures contact with faculty members when a student needs it and monitoring to keep them on course. Our administrative staff is readily available to answer any questions and works with a student from initial interest through the application process and enrollment, and most importantly while the student is pursuing a degree or studies. Based on Aspen's 2011 DETC Annual Report of student satisfaction survey results, calculated in accordance with applicable DETC policy, 95% - 98% of students on average expressed satisfaction with their recently completed course.

Admissions

In considering candidates for acceptance into any of our certificate or degree programs, we look for those who are serious about pursuing – or advancing in – a professional career, and who want to be both prepared and academically challenged in the process. We strive to maintain the highest standards of academic excellence, while maintaining a friendly learning environment designed for educational, personal and professional success. A desire to meet those standards is a prerequisite. Because our programs are designed for self-directed learners who know how to manage their time, successful students have a basic understanding of management principles and practices, as well as good writing and research skills. Admission to Aspen is based on thorough assessment of each applicant's potential to complete successfully the program. Additionally, we require students to complete an essay as part of their admission process – as we are looking for students not only with the potential to succeed but also with the motivation to succeed.

Industry Overview

The U.S. market for postsecondary education is a large, growing market. According to a 2011 publication by the National Center for Education Statistics ("NCES"), the number of postsecondary learners enrolled as of Fall 2009 in U.S. institutions that participate in Title IV programs was approximately 21 million (including both undergraduate and graduate students), up from 18.2 million in the Fall of 2007. We believe the growth in postsecondary enrollment is a result of a number of factors, including the significant and measurable personal income premium that is attributable to postsecondary education, and an increase in demand by employers for professional and skilled workers, partially offset in the near term by current economic conditions. According to the NCES, in 2009, the median earnings of young adults with a bachelor's degree was $51,000 for men and $40,100 for women compared to $40,000 for men and $35,000 for women with an associate's degree and $32,900 for men and $25,000 for women with a high school diploma.

Eduventures, Inc., an education consulting and research firm, estimates that 20% of all postsecondary students will be in fully-online programs by 2014, with perhaps another 20% taking courses online. The estimated increase in students online increased 18% in 2010. We believe that the higher growth in demand for fully-online education is largely attributable to the flexibility and convenience of this instructional format, as well as the growing recognition of its educational efficacy.

Competition

There are more than 4,200 U.S. colleges and universities serving traditional college age students and adult students. Any reference to universities in this report also includes colleges. Competition is highly fragmented and varies by geography, program offerings, delivery method, ownership, quality level, and selectivity of admissions. No one institution has a significant share of the total postsecondary market. While we compete in a sense with traditional "brick and mortar" universities, our primary competitors are with online universities. Our online university competitors that are publicly traded include: Apollo Group, Inc. (Nasdaq: APOL), American Public Education, Inc. (Nasdaq: APEI), DeVry Inc. (NYSE: DV), Grand Canyon Education, Inc. (Nasdaq: LOPE), ITT Educational Services, Inc. (NYSE: ESI), Capella Education Company (Nasdaq: CPLA), Career Education Corporation (Nasdaq: CECO) and Bridgepoint Education, Inc. (NYSE: BPI). American Public Education, Inc. and Capella Education Company are wholly online while the others are not. Based upon public information, Apollo Group, which includes University of Phoenix, is the market leader with University of Phoenix having degree enrollments exceeding 373,000 students (based upon APOL's Form 10-Q filed on January 5, 2012). As of December 31, 2011, Aspen had 1,973 students currently enrolled. These competitors have substantially more financial and other resources.

The primary mission of most accredited four-year universities is to serve generally full-time students and conduct research. Aspen acknowledges the differences in the educational needs between working and full-time students at "brick and mortar" schools and provides programs and services that allow our students to earn their degrees without major disruption to their personal and professional lives.

We also compete with public and private degree-granting regionally and nationally accredited universities. An increasing number of universities enroll working students in addition to the traditional 18 to 24 year-old students, and we expect that these universities will continue to modify their existing programs to serve working learners more effectively, including by offering more distance learning programs. We believe that the primary factors on which we compete are the following:

- active and relevant curriculum development that considers the needs of employers;
- the ability to provide flexible and convenient access to programs and classes;
- high-quality courses and services;
- comprehensive student support services;
- breadth of programs offered;
- the time necessary to earn a degree;
- qualified and experienced faculty;
- reputation of the institution and its programs;
- the variety of geographic locations of campuses;
- regulatory approvals;
- cost of the program;
- name recognition; and
- convenience.

Curricula

Certificates Certificate in Information Technology with specializations in • Information Systems Management • Java Development • Object Oriented Application Development • Smart Home Integration • Web Development Certificate in Project Management
Associates Degrees Associate of General Studies Associate of Applied Science Early Childhood Education
Bachelors Degrees Bachelor of General Studies Bachelor of Arts in Psychology and Addiction Counseling Bachelor of Science in Alternative Energy Bachelor of Science in Business Administration Bachelor of Science in Business Administration, (Completion Program) Bachelor of Science in Criminal Justice Bachelor of Science in Criminal Justice, (Completion Program) Bachelor of Science in Criminal Justice with specializations in •• Criminal Justice Administration •• Major Crime Investigation Procedure •• Major Crime Investigation Procedure, (Completion Program) Bachelor of Science in Early Childhood Education Bachelor of Science in Early Childhood Education, (Completion Program) Bachelor of Science in Early Childhood Education with a specialization in •• Infants and Toddlers •• Infants and Toddlers, (Completion Program) •• Preschool •• Preschool, (Completion Program) Bachelor of Science in Foodservice Operations and Restaurant Management Bachelor of Science in Medical Managements

Masters

Master of Arts Psychology and Addiction Counseling
Master of Science in Criminal Justice
Master of Science in Criminal Justice with a specialization in

- Forensic Sciences
- Law Enforcement Management
- Terrorism and Homeland Security

Master of Science in Information Management with a specialization in

- Management
- Project Management
- Technologies

Master of Science in Information Systems with a specialization in

- Enterprise Application Development
- Web Development

Master of Science in Information Technology
Master of Science in Nursing with a specialization in

- Administration and Management
- Administration and Management, (RN to MSN Bridge Program)
- Nursing Education
- Nursing Education, (RN to MSN Bridge Program)

Master of Science in Physical Education and Sports Management
Master of Science in Technology and Innovation with a specialization in

- Business Intelligence and Data Management
- Electronic Security
- Project Management
- Systems Design
- Technical Languages
- Vendor and Change Control Management

Master in Business Administration
Master in Business Administration with specializations in

- Entrepreneurship
- Finance
- Information Management
- Pharmaceutical Marketing and Management
- Project Management

Master in Education

- Curriculum Development and Outcomes Assessment
- Education Technology
- Transformational Leadership

Doctorates
Doctorate of Science in Computer Science
Doctorate in Education Leadership and Learning
Doctorate in Education Leadership and Learning with specializations

- Education Administration
- Faculty Leadership
- Instructional Design
- Leadership and Learning

Independent online classes start on the 1st and the 16th of every month and students may enroll in up to a maximum of three courses at a time. Online interactive courses are offered five times a year.

Sales and Marketing

Prior to the EGC Merger, Aspen had conducted minimal efforts and spent immaterial sums on sales and marketing. During the second half of 2011, Mr. Michael Mathews and his team made significant changes to our sales and marketing program and spent a significant amount of time and resources on our marketing program.

What is unique about Aspen's marketing program is that we have no plans in the near future to utilize third-party lead generation companies to attract prospective students. To our knowledge, most if not all for-profit online universities utilize multiple third-party lead generation companies to obtain a meaningful percentage of their prospective student leads. Aspen's executive officers have many years of expertise in the online lead generation and Internet advertising industry, which for the foreseeable future will allow Aspen to cost-effectively drive all prospective student leads internally. This is a competitive advantage for Aspen because third-party leads are typically non-exclusive (lead generation firms typically sell prospective student leads to multiple universities), therefore the conversion rate for those leads tends to be appreciably lower than internally generated, proprietary leads.

In May 2011, Aspen expanded on its current search engine marketing initiatives related to Google. Aspen expanded the use of Aspen keyword search terms and keywords related to its MBA program and nursing program. Aspen also refined its testing of keywords, marketing messages and the establishment of program specific informational pages that have been matched to those keywords. Landing pages and keywords have been further optimized in order to facilitate streamlined communication of Aspen's programs, degrees and courses offered in order to ensure that prospective students are provided with information necessary to make an informed decision regarding Aspen and to begin a dialogue with an Aspen advisor. The search engine marketing program was expanded in July 2011, to include the Microsoft and Yahoo search engines for general university terms, MBA and nursing programs, utilizing the same paradigm of directing prospective students to an informational page about their desired interest within those programs.

In October 2011, Aspen began to advertise directly on website publisher sites, reaching prospective students who would benefit from the programs we offer within nursing and business programs.

In November 2011, Aspen complemented its search and social media marketing programs by utilizing proprietary email networks to send Aspen branded email advertisements specific to the nursing and business programs. These email networks are provided with Aspen marketing advertisements which relate to those programs and direct students to program specific informational pages. At all times marketing serves to provide prospective students with information about Aspen and their indicated program of interest, so that students may make an informed decision regarding Aspen. All networks are carefully vetted and only utilize advertisements created and approved by Aspen in order to ensure the messages adhere to our rigorous quality and integrity standards.

Aspen's marketing plan in 2012 is consistent with the changes made in 2011. In the fiscal quarter ending March 31, 2012, Aspen intends to increase its marketing spend rates during the course of 2012 assuming Aspen is able to raise sufficient capital. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" later in this report. Aspen recently hired an Executive Vice President of Marketing, who will supervise the opening of a new call center in the Phoenix-metro area in 2012, subject to any required regulatory approvals. This executive has prior experience in marketing with an online university competitor and, more recently, an online lead generation company.

This change in marketing coincided with our new tuition plan which we launched effective July 15, 2011. Our new plan features increased tuition rates on a per course basis; i.e. $300/credit hour for master or doctorate program, with a pre-payment option that offers students a discount of approximately 33% off the $300/credit hour standard payment plan.

Previously in June 2010, Aspen initiated a combination pre-payment/low per course plan that charged students tuition of only $3,600 for the entire 12-course Master or Doctorate program (the pre-payment option offered the student the ability to pre-pay $2,700 for the first four courses or 12 credit hours, followed by $112.50 per course or $37.50/credit hour for the remaining eight courses.) This program was terminated as of July 15, 2011. In 2011, 29% of our revenue were derived from the 2010 plan and 49% of our full-time students were on this plan.

Anticipating significant growth from our new marketing efforts, we spent approximately $1.1 million in 2011 upgrading our information technology.

Employees

We have 34 full-time employees. As of the date of this report, we had 67 adjunct professors. None of our employees are parties to any collective bargaining arrangement. We believe our relationships with our employees are good.

Property

Our corporate headquarters are located in a facility in Denver, Colorado, consisting of approximately 3,900 square feet of office space under a lease that expires in September 2015. This facility accommodates our academic operations. We believe that our existing facilities are suitable and adequate and that we have sufficient capacity to meet our current anticipated needs. Our executive offices are in New York City where we lease 2,000 square feet under a month-to-month sublease.

Regulation

Students attending Aspen finance their education through a combination of individual resources, corporate reimbursement programs and federal financial aid programs. The discussion which follows outlines the extensive regulations that affect our business. Complying with these regulations entails significant effort from our executives and other employees. Our President has two unique roles: overseeing our accreditation and regulatory compliance and seeking to improve our academic performance. Accreditation and regulatory compliance is also expensive. Beyond the internal costs, we began using education regulatory counsel in the summer of 2011, as our current Chief Executive Officer focused his attention on compliance. Aspen participates in the federal student financial aid programs authorized under Title IV. For the year ended December 31, 2011, approximately 7% of our cash-basis revenues for eligible tuition and fees were derived from Title IV programs. In connection with a student's receipt of Title IV aid, we are subject to extensive regulation by the DOE, state education agencies and the DETC. In particular, the Title IV programs, and the regulations issued thereunder by the DOE, subject us to significant regulatory scrutiny in the form of numerous standards that we must satisfy. To participate in Title IV programs, a school must, among other things, be:

- authorized to offer its programs of instruction by the applicable state education agencies in the states in which it is physically located (in our case, Colorado);
- accredited by an accrediting agency recognized by the Secretary of the DOE; and
- certified as an eligible institution by the DOE.

The DOE recently enacted new regulations relating to the Title IV programs. Many of those regulations were effective July 1, 2011. Under these new regulations, an institution, like ours, that offers postsecondary education through distance education to students in a state in which the institution is not physically located or in which it is otherwise subject to state jurisdiction as determined by that state, must meet any state requirements to offer legally postsecondary education to students in that state. The institution must be able to document state approval for distance education if requested by the DOE. These new rules were to become effective July 1, 2011, although the DOE indicated in an April 20, 2011 guidance letter that it would not initiate any action to establish repayment liabilities or limit student eligibility for distance education activities undertaken before July 1, 2014, provided the institution was making a good faith effort to identify and obtain necessary state authorization before that date. However, on July 12, 2011, a federal judge for the U.S. District Court for the District of Columbia vacated the portion of the DOE's state authorization regulation that requires online education providers to obtain any required authorization from all states in which their students reside, finding that the DOE had failed to provide sufficient notice and opportunity to comment on the requirement. Should the requirements be enforced, however, and if we fail to obtain required state authorization to provide postsecondary distance education in a specific state, we could lose our ability to award Title IV aid to students within that state. In addition, a state may impose penalties on an institution for failure to comply with state requirements related to an institution's activities in a state, including the delivery of distance education to persons in that state.

We enroll students in all 50 states, as well as the District of Columbia and Puerto Rico. We have sought and received confirmation that our operations do not require state licensure or authorization, or we have been notified that we are exempt from licensure or authorization requirements, in three states. We have submitted or are in the process of submitting applications for approval or exemption in 12 states and are continuing to assess whether we are required to obtain authorization from the remaining states or jurisdictions.

We are subject to extensive regulations by the states in which we become authorized or licensed to operate. State laws typically establish standards for instruction, qualifications of faculty, administrative procedures, marketing, recruiting, financial operations and other operational matters. State laws and regulations may limit our ability to offer educational programs and to award degrees. Some states may also prescribe financial regulations that are different from those of the DOE. If we fail to comply with state licensing requirements, we may lose our state licensure or authorizations. Failure to comply with state requirements could result in Aspen losing its authorization from the Colorado Commission on Higher Education, its eligibility to participate in Title IV programs, or its ability to offer certain programs, any of which may force us to cease operations.

Additionally, Aspen is a Delaware corporation. Delaware law requires an institution to obtain approval from the Delaware Department of Education ("Delaware DOE") before it may incorporate with the power to confer degrees. Aspen did not obtain such approval. It has begun communications with the Delaware DOE and is taking steps to obtain Delaware DOE approval. An application to the State of Delaware has been made and we are awaiting a decision or additional guidance.

Accreditation

Aspen has been accredited since 1993 by the DETC, an accrediting agency recognized by the DOE. Accreditation is a non-governmental system for recognizing educational institutions and their programs for student performance, governance, integrity, educational quality, faculty, physical resources, administrative capability and resources, and financial stability. In the U.S., this recognition comes primarily through private voluntary associations that accredit institutions and programs. To be recognized by the DOE, accrediting agencies must adopt specific standards for their review of educational institutions. Accrediting agencies establish criteria for accreditation, conduct peer-review evaluations of institutions and programs for accreditation, and publicly designate those institutions or programs that meet their criteria. Accredited institutions are subject to periodic review by accrediting agencies to determine whether such institutions maintain the performance, integrity and quality required for accreditation.

Accreditation by the DETC is important. Accreditation is a reliable indicator of an institution's quality and is an expression of peer institution confidence. Universities depend, in part, on accreditation in evaluating transfers of credit and applications to graduate schools. Accreditation also provides external recognition and status. Employers rely on the accredited status of institutions when evaluating an employment candidate's credentials. Corporate and government sponsors under tuition reimbursement programs look to accreditation for assurance that an institution maintains quality educational standards. Moreover, institutional accreditation awarded from an accrediting agency recognized by the DOE is necessary for eligibility to participate in Title IV programs. From time to time, DETC adopts or makes changes to its policies, procedures and standards. If we fail to comply with any of DETC's requirements, our accreditation status and, therefore, our eligibility to participate in Title IV programs could be at risk. The National Advisory Committee on Institutional Quality and Integrity (the panel charged with advising DOE on whether to recognize accrediting agencies for federal purposes, including Title IV program purposes) is next scheduled to review DETC for recognition purposes in Spring 2012. Aspen is next scheduled for accreditation renewal by DETC in January 2014.

Nature of Federal, State and Private Financial Support for Postsecondary Education

An institution that applies to participate in Title IV programs for the first time, if approved, will be provisionally certified for no more than one complete award year. Furthermore, an institution that undergoes a change in ownership resulting in a change of control must apply to the DOE in order to reestablish its eligibility to participate in Title IV programs. If the DOE determines to approve the application, it issues a provisional certification, which extends for a period expiring not later than the end of the third complete award year following the date of the provisional certification. Prior to the Reverse Merger, Aspen was provisionally certified because it was a new participant in the Title IV programs. If the DOE approves the change in ownership and control, Aspen will be provisionally certified. A provisionally certified institution must apply for and receive DOE approval of substantial changes and must comply with any additional conditions included in its program participation agreement. If the DOE determines that a provisionally certified institution is unable to meet its responsibilities under its program participation agreement, the DOE may seek to revoke the institution's certification to participate in Title IV programs with fewer due process protections for the institution than if it were fully certified.

The federal government provides a substantial part of its support for postsecondary education through the Title IV programs, in the form of grants and loans to students. Students can use those funds at any institution that has been certified by the DOE to participate in the Title IV programs. Aid under Title IV programs is primarily awarded on the basis of financial need, generally defined as the difference between the cost of attending the institution and the amount a student can reasonably contribute to that cost. All recipients of Title IV program funds must maintain satisfactory academic progress and must progress in a timely manner toward completion of their program of study. In addition, each school must ensure that Title IV program funds are properly accounted for and disbursed in the correct amounts to eligible students.

Our students receive loans and grants to fund their education under the following Title IV programs: (1) the Federal Direct Loan program ("Direct Loan") and (2) the Federal Pell Grant ("Pell") program.

Currently, the majority of Aspen students self-finance all or a portion of their education. Additionally, students may receive full or partial tuition reimbursement from their employers. Eligible students can also access private loans through a number of different lenders for funding at current market interest rates.

Under the Direct Loan program, the DOE makes loans directly to students.The Direct Loan Program includes the Direct Subsidized Loan, the Direct Unsubsidized Loan, the Direct PLUS Loan (including loans to graduate and professional students), and the Direct Consolidation Loan. The Budget Control Act of 2011 ("BCA"), signed into law in August 2011, eliminated Direct Subsidized Loans for graduate and professional students, as of July 1, 2012. The terms and conditions of subsidized loans originated prior to July 1, 2012 are unaffected by the law. In 2011, Direct Subsidized Loans were 3% of Aspen's cash revenues as calculated in accordance with the DOE's 90/10 rule. Cash revenues are not revenues reported on Aspen's Consolidated Financial Statements contained in this report.

For Pell grants, the DOE makes grants to undergraduate students who demonstrate financial need. To date, few Aspen students have received Pell Grants. Accordingly, the Federal Pell Grant program currently is not material to Aspen given the fact that Pell Grant's represented less than 1% of Aspen's cash revenues as calculated in accordance with the DOE's 90/10 rule.

Regulation of Federal Student Financial Aid Programs

The substantial amount of federal funds disbursed through Title IV programs, the large number of students and institutions participating in these programs, and allegations of fraud and abuse by certain for-profit institutions have prompted the DOE to exercise considerable regulatory oversight over for-profit institutions of higher learning. Accrediting agencies and state education agencies also have responsibilities for overseeing compliance of institutions in connection with Title IV program requirements. As a result, our institution is subject to extensive oversight and review. Because the DOE periodically revises its regulations and changes its interpretations of existing laws and regulations, we cannot predict with certainty how the Title IV program requirements will be applied in all circumstances. See the “Risk Factors” contained in this report which disclose comprehensive regulatory risks.

In addition to the state authorization requirements and other regulatory requirements described herein, other significant factors relating to Title IV programs that could adversely affect us include the following legislative action and regulatory changes:

Congress reauthorizes the Higher Education Act approximately every five to eight years. Congress most recently reauthorized the Higher Education Act in August 2008. We cannot predict with certainty whether or when Congress might act to amend further the Higher Education Act. The elimination of additional Title IV programs, material changes in the requirements for participation in such programs, or the substitution of materially different programs could increase our costs of compliance and could reduce the ability of certain students to finance their education at our institution.

On December 23, 2011, President Obama signed into law the Consolidated Appropriations Act of 2012. The law includes a number of provisions that significantly affect the Title IV programs. For example, it reduces the income threshold at which students are assigned “an automatic zero expected family contribution” for purposes of awarding financial aid for the 2012-2013 award year. Under the Act, students who do not have a high school diploma or a recognized equivalent (e.g., GED) or do not meet an applicable home school requirement and who first enroll in a program of study on or after July 1, 2012 will not be eligible to receive Title IV aid. The Act also makes certain changes to the Pell Grant Program and temporarily eliminates the interest subsidy that is provided for Direct Subsidized Loans during the six-month grace period immediately following termination of enrollment.

Over the last several years, Congressional committees have held hearings related to for-profit postsecondary education institutions. Additionally, the chairmen of the House and Senate education committees, along with other members of Congress, asked the General Accounting Office (the "GAO") to review various aspects of the for-profit education sector, including recruitment practices, educational quality, student outcomes, the sufficiency of integrity safeguards against waste, fraud and abuse in Title IV programs, and the degree to which for-profit schools' revenue is comprised of Title IV and other federal funding sources. In 2010, the GAO released a report based on a three-month undercover investigation of recruiting practices at for-profit schools. The report concluded that employees at a non-random sample of 15 for-profit schools (which did not include Aspen) made deceptive statements to students about accreditation, graduation rates, job placement, program costs, or financial aid. On October 31, 2011, the GAO released a second report following an additional undercover investigation related to enrollment, cost, financial aid, course structure, substandard student performance, withdrawal, and exit counseling. The report concluded that while some of the 15 unidentified for-profit schools investigated appeared to follow existing policies, others did not. Although the report identified a number of deficiencies in specific instances, it made no recommendations. On December 7, 2011, the GAO released a report that attempted to compare the quality of education provided by for-profit, nonprofit, and public institutions based upon multiple outcome measures including graduation rates, pass rates on licensing exams, employment outcomes, and student loan default rates. The report found that students at for-profit institutions had higher graduation rates for certificate programs, similar graduation rates for associate's degree programs, and lower graduation rates for bachelor's degree programs than students at nonprofit and public institutions. It also found that a higher proportion of bachelor's degree recipients from for-profit institutions took out loans than did degree recipients from other institutions and that some evidence exists that students at for-profits institutions default on their student loans at higher rates. On nine of the ten licensing exams reviewed, graduates of for-profit institutions had lower pass rates than students from nonprofit and public institutions.

As described earlier in this report, certain DOE regulations have been challenged and the lawsuit is currently before a federal appeals court. The same plaintiff in that lawsuit also filed a lawsuit in the U.S. District Court for the District of Columbia challenging the DOE's final regulations on gainful employment, which are discussed below. The lawsuit is currently pending.

The DOE currently is in the process of developing proposed regulations to amend regulations pertinent to the Title IV loan programs and teacher education. We are unable to predict the timing or the proposed or final form of any regulations that the DOE ultimately may adopt and the impact of such regulations on our business.

Administrative Capability. DOE regulations specify extensive criteria by which an institution must establish that it has the requisite "administrative capability" to participate in Title IV programs. Failure to satisfy any of the standards may lead the DOE to find the institution ineligible to participate in Title IV programs or to place the institution on provisional certification as a condition of its participation. To meet the administrative capability standards, an institution must, among other things:

- comply with all applicable Title IV program regulations;
- have capable and sufficient personnel to administer the federal student financial aid programs;
- have acceptable methods of defining and measuring the satisfactory academic progress of its students;
- not have cohort default rates above specified levels;
- have various procedures in place for safeguarding federal funds;
- not be, and not have any principal or affiliate who is, debarred or suspended from federal contracting or engaging in activity that is cause for debarment or suspension;
- provide financial aid counseling to its students;
- refer to the DOE's Office of Inspector General any credible information indicating that any applicant, student, employee, or agent of the institution, has been engaged in any fraud or other illegal conduct involving Title IV programs;
- report annually to the Secretary of Education on any reasonable reimbursements paid or provided by a private education lender or group of lenders to any employee who is employed in the institution's financial aid office or who otherwise has responsibilities with respect to education loans;
- develop and apply an adequate system to identify and resolve conflicting information with respect to a student's application for Title IV aid;
- submit in a timely manner all reports and financial statements required by the regulations; and
- not otherwise appear to lack administrative capability.

Among other things, new DOE regulations require that an institution must evaluate satisfactory academic progress (1) at the end of each payment period if the length of the educational program is one academic year or less or (2) for all other educational programs, at the end of each payment period or at least annually to correspond to the end of a payment period. Second, the new DOE regulations add an administrative capability standard related to the existing requirement that students must have a high school diploma or its recognized equivalent in order to be eligible for Title IV aid. Under the new administrative capability standard, institutions must develop and follow procedures for evaluating the validity of a student's high school diploma if the institution or the Secretary of Education has reason to believe that the student's diploma is not valid.

If an institution fails to satisfy any of these criteria or any other DOE regulation, the DOE may:

- require the repayment of Title IV funds;
- transfer the institution from the "advance" system of payment of Title IV funds to cash monitoring status or to the "reimbursement" system of payment;
- place the institution on provisional certification status; or
- commence a proceeding to impose a fine or to limit, suspend or terminate the participation of the institution in Title IV programs.

If we are found not to have satisfied the DOE's "administrative capability" requirements, we could lose, or be limited in our access to, Title IV program funding.

Distance Education. We offer all of our existing degree and certificate programs via Internet-based telecommunications from our headquarters in Colorado. Under the Higher Education Opportunity Act, an accreditor that evaluates institutions offering distance education must require such institutions to have processes through which the institution establishes that a student who registers for a distance education program is the same student who participates in and receives credit for the program. Under recent DOE regulations, if an institution offers postsecondary education through distance education to students in a state in which the institution is not physically located or in which it is otherwise subject to state jurisdiction as determined by the state, the institution must meet any state requirements for it to offer legally postsecondary distance education in that state. The institution must be able to document state approval for distance education if requested by the DOE. In addition, states must have a process to review and take appropriate action on complaints concerning postsecondary institutions. These new rules were to become effective July 1, 2011, although the DOE indicated in an April 20, 2011 guidance letter that it would not initiate any action to establish repayment liabilities or limit student eligibility for distance education activities undertaken before July 1, 2014, provided the institution was making a good faith effort to identify and obtain necessary state authorization before that date. As described earlier in this report, certain DOE regulations have been vacated by a federal court pending appeal.

Financial Responsibility. The Higher Education Act and DOE regulations establish extensive standards of financial responsibility that institutions such as Aspen must satisfy to participate in Title IV programs. These standards generally require that an institution provide the resources necessary to comply with Title IV program requirements and meet all of its financial obligations, including required refunds and any repayments to the DOE for liabilities incurred in programs administered by the DOE.

The DOE evaluates institutions on an annual basis for compliance with specified financial responsibility standards that include a complex formula that uses line items from the institution's audited financial statements. In addition, the financial responsibility standards require an institution to receive an unqualified opinion from its accountants on its audited financial statements, maintain sufficient cash reserves to satisfy refund requirements, meet all of its financial obligations, and remain current on its debt payments. The formula focuses on three financial ratios: (1) equity ratio (which measures the institution's capital resources, financial viability, and ability to borrow); (2) primary reserve ratio (which measures the institution's viability and liquidity); and (3) net income ratio (which measures the institution's profitability or ability to operate within its means). An institution's financial ratios must yield a composite score of at least 1.5 for the institution to be deemed financially responsible without the need for further federal oversight. The DOE may also apply such measures of financial responsibility to the operating company and ownership entities of an eligible institution. We have applied the composite score analysis to Aspen's financial statements as of and for the year ended December 31, 2011, and calculated a composite score of 1.75 out of a maximum score of 3.0. We therefore believe that we meet the DOE's composite score standards. However, our audited financial statements for the year ended December 31, 2011 contain a going concern opinion. Under DOE regulations, even if an institution meets all of the other financial responsibility requirements, it is not considered to be financially responsible if the relevant financial statement audits contain a going concern opinion. If the DOE were to determine that we do not meet its financial responsibility standards, we may be able to establish financial responsibility on an alternative basis. Alternative bases include, for example:

- posting a letter of credit in an amount equal to at least 50% of the total Title IV program funds received by us during our most recently completed fiscal year;
- posting a letter of credit in an amount equal to at least 10% of such prior year's Title IV program funds received by us, accepting provisional certification, complying with additional DOE monitoring requirements and agreeing to receive Title IV program funds under an arrangement other than the DOE's standard advance payment arrangement such as the "reimbursement" system of payment or cash monitoring; or
- complying with additional DOE monitoring requirements and agreeing to receive Title IV program funds under an arrangement other than the DOE's standard advance payment arrangement such as the "reimbursement" system of payment or cash monitoring.

Failure to meet the DOE's "financial responsibility" requirements, either because we do not meet the DOE's financial responsibility standards or are unable to establish financial responsibility on an alternative basis, would cause us to lose access to Title IV program funding.

As stated earlier, consistent with the Higher Education Act, Aspen's certification to participate in Title IV programs terminated after closing of the Reverse Merger, and Aspen must apply to DOE to reestablish its eligibility and certification to participate in the Title IV programs. However, in order to avoid significant disruption in disbursements of Title IV funds, the DOE may temporarily and provisionally certify an institution that is seeking approval of a change in ownership, like Aspen, under certain circumstances while the DOE reviews the institution's application. On March 15, 2012 the DOE asked Aspen to notify it in writing whether Aspen would be able to provide to the DOE by March 28, 2012 a letter of credit in the amount of $105,865, which is 10% of Aspen's Title IV receipts in 2011. Aspen has timely informed the DOE that it will provide the requested letter of credit by March 28, 2012. The DOE may impose additional terms and conditions in any temporary provisional program participation agreement that it may issue pending review of Aspen's application for approval of the change in ownership and control. Furthermore, DOE may impose additional or different terms and conditions in any final provisional program participation agreement that it may issue after it reviews Aspen's application for approval of the change in ownership and control.

Third-Party Servicers. DOE regulations permit an institution to enter into a written contract with a third-party servicer for the administration of any aspect of the institution's participation in Title IV programs. The third-party servicer must, among other obligations, comply with Title IV requirements and be jointly and severally liable with the institution to the Secretary of Education for any violation by the servicer of any Title IV provision. An institution must report to the DOE new contracts with or any significant modifications to contracts with third-party servicers as well as other matters related to third-party servicers. We contract with a third-party servicer which performs certain activities related to our participation in Title IV programs. If our third-party servicer does not comply with applicable statute and regulations including the Higher Education Act, we may be liable for its actions, and we could lose our eligibility to participate in Title IV programs.

Title IV Return of Funds. Under the DOE's return of funds regulations, when a student withdraws, an institution must return unearned funds to the DOE in a timely manner. An institution must first determine the amount of Title IV program funds that a student "earned." If the student withdraws during the first 60% of any period of enrollment or payment period, the amount of Title IV program funds that the student earned is equal to a pro rata portion of the funds for which the student would otherwise be eligible. If the student withdraws after the 60% threshold, then the student has earned 100% of the Title IV program funds. The institution must return to the appropriate Title IV programs, in a specified order, the lesser of (i) the unearned Title IV program funds and (ii) the institutional charges incurred by the student for the period multiplied by the percentage of unearned Title IV program funds. An institution must return the funds no later than 45 days after the date of the institution's determination that a student withdrew. If such payments are not timely made, an institution may be subject to adverse action, including being required to submit a letter of credit equal to 25% of the refunds the institution should have made in its most recently completed year. Under DOE regulations, late returns of Title IV program funds for 5% or more of students sampled in the institution's annual compliance audit constitutes material non-compliance. Aspen's academic calendar structure is a non-standard term with rolling start dates with defined length of term (16 week term).

The "90/10 Rule." A requirement of the Higher Education Act commonly referred to as the "90/10 Rule," applies only to "proprietary institutions of higher education," which includes Aspen. An institution is subject to loss of eligibility to participate in the Title IV programs if it derives more than 90% of its revenues (calculated on a cash basis and in accordance with a DOE formula) from Title IV programs for two consecutive fiscal years. An institution whose rate exceeds 90% for any single fiscal year will be placed on provisional certification for at least two fiscal years and may be subject to other conditions specified by the Secretary of the DOE. For the year ended December 31, 2011, we derived approximately 7% of our revenues (calculated on a cash basis and in accordance with a DOE formula) from Title IV program funds.

Student Loan Defaults. Under the Higher Education Act, an education institution may lose its eligibility to participate in some or all of the Title IV programs if defaults on the repayment of Direct Loan Program loans by its students exceed certain levels. (For each federal fiscal year, a rate of student defaults (known as a "cohort default rate") is calculated for each institution with 30 or more borrowers entering repayment in a given federal fiscal year by determining the rate at which borrowers who become subject to their repayment obligation in that federal fiscal year default by the end of the following federal fiscal year. For such institutions, the DOE calculates a single cohort default rate for each federal fiscal year that includes in the cohort all current or former student borrowers at the institution who entered repayment on any Direct Loan Program loans during that year.

If the DOE notifies an institution that its cohort default rates for each of the three most recent federal fiscal years are 25% or greater, the institution's participation in the Direct Loan Program and the Federal Pell Grant Program ends 30 days after the notification, unless the institution appeals in a timely manner that determination on specified grounds and according to specified procedures. In addition, an institution's participation in Title IV ends 30 days after notification that its most recent fiscal year cohort default rate is greater than 40%, unless the institution timely appeals that determination on specified grounds and according to specified procedures. An institution whose participation ends under these provisions may not participate in the relevant programs for the remainder of the fiscal year in which the institution receives the notification, as well as for the next two fiscal years.

If an institution's cohort default rate equals or exceeds 25% in any single year, the institution may be placed on provisional certification status. Provisional certification does not limit an institution's access to Title IV program funds; however, an institution with provisional status is subject to closer review by the DOE and may be subject to summary adverse action if it violates Title IV program requirements. If an institution's default rate exceeds 40%, the institution may lose eligibility to participate in some or all Title IV programs. Since Aspen has only recently begun to participate in Title IV programs and our certification limits the number of Aspen students who may receive Title IV aid, we do not yet have reporting data on our cohort default rates for the three most recent federal fiscal years for which cohort default rates have been officially calculated, namely 2007, 2008 and 2009. The primary reason is that we have not yet had students who have begun to repay their Title IV loans.

The Higher Education Opportunity Act extended by one year the period for measuring the cohort default rate, effective with cohort default rates for federal fiscal year 2009. The current method of calculating rates will remain in effect and will be used to determine any sanctions on institutions because of their cohort default rates until three consecutive years of official cohort default rates calculated under the new formula are available – i.e., in 2014. Effective in 2012, the threshold for ending an institution's participation in the relevant Title IV programs increases from 25% to 30%.

Incentive Compensation Rules. As a part of an institution's program participation agreement with the DOE and in accordance with the Higher Education Act, an institution may not provide any commission, bonus or other incentive payment to any person or entity engaged in any student recruitment, admissions or financial aid awarding activity based directly or indirectly on success in securing enrollments or financial aid. Failure to comply with the incentive payment rule could result in termination of participation in Title IV programs, limitation on participation in Title IV programs, or financial penalties.

In recent years, other postsecondary educational institutions have been named as defendants to whistleblower lawsuits, known as "qui tam" cases, brought by current or former employees pursuant to the Federal False Claims Act, alleging that their institution's compensation practices did not comply with the incentive compensation rule. A qui tam case is a civil lawsuit brought by one or more individuals, referred to as a relator, on behalf of the federal government for an alleged submission to the government of a false claim for payment. The relator, often a current or former employee, is entitled to a share of the government's recovery in the case, including the possibility of treble damages. A qui tam action is always filed under seal and remains under seal until the government decides whether to intervene in the case. If the government intervenes, it takes over primary control of the litigation. If the government declines to intervene in the case, the relator may nonetheless elect to continue to pursue the litigation at his or her own expense on behalf of the government. Any such litigation could be costly and could divert management's time and attention away from the business, regardless of whether a claim has merit.

The GAO released a report finding that the DOE has inadequately enforced the current ban on incentive payments. In response, the DOE has undertaken to increase its enforcement efforts by, among other approaches, strengthening procedures provided to auditors reviewing institutions for compliance with the incentive payments ban and updating its internal compliance guidance in light of the GAO findings and the recently amended DOE incentive payment rule.

Code of Conduct Related to Student Loans. As part of an institution's program participation agreement with the DOE, Higher Education Opportunity Act ("HEOA") requires that institutions that participate in Title IV programs adopt a code of conduct pertinent to student loans. For financial aid office or other employees who have responsibility related to education loans, the code must forbid, with limited exceptions, gifts, consulting arrangements with lenders, and advisory board compensation other than reasonable expense reimbursement. The code also must ban revenue-sharing arrangements, "opportunity pools" that lenders offer in exchange for certain promises, and staffing assistance from lenders. The institution must post the code prominently on its website and ensure that its officers, employees, and agents who have financial aid responsibilities are informed annually of the code's provisions. In addition to the code of conduct requirements that apply to institutions, HEOA contains provisions that apply to private lenders, prohibiting such lenders from engaging in certain activities as they interact with institutions. Failure to comply with the code of conduct provision could result in termination of our participation in Title IV programs, limitations on participation in Title IV programs, or financial penalties.

Misrepresentation. The Higher Education Act and current regulations authorize the DOE to take action against an institution that participates in Title IV programs for any "substantial misrepresentation" made by that institution regarding the nature of its educational program, its financial charges, or the employability of its graduates. Effective July 1, 2011, DOE regulations expand the definition of "substantial misrepresentation" to cover additional representatives of the institution and additional substantive areas and expands the parties to whom a substantial misrepresentation cannot be made. The regulations also augment the actions the DOE may take if it determines that an institution has engaged in substantial misrepresentation. Under the final regulations, the DOE may revoke an institution's program participation agreement, impose limitations on an institution's participation in Title IV programs, or initiate proceedings to impose a fine or to limit, suspend, or terminate the institution's participation in Title IV programs.

Credit Hours. The Higher Education Act and current regulations use the term "credit hour" to define an eligible program and an academic year and to determine enrollment status and the amount of Title IV aid an institution may disburse during a payment period. Recently, both Congress and the DOE have increased their focus on institutions' policies for awarding credit hours. Recent DOE regulations define the previously undefined term "credit hour" in terms of a certain amount of time in class and outside class, or an equivalent amount of work. The regulations also require accrediting agencies to review the reliability and accuracy of an institution's credit hour assignments. If an accreditor identifies systematic or significant noncompliance in one or more of an institution's programs, the accreditor must notify the Secretary of Education. If the DOE determines that an institution is out of compliance with the credit hour definition, the DOE could require the institution to repay the incorrectly awarded amounts of Title IV aid. In addition, if the DOE determines that an institution has significantly overstated the amount of credit hours assigned to a program, the DOE may fine the institution, or limit, suspend, or terminate its participation in the Title IV programs.

Compliance Reviews. We are subject to announced and unannounced compliance reviews and audits by various external agencies, including the DOE, its Office of Inspector General, state licensing agencies, and accrediting agencies. As part of the DOE's ongoing monitoring of institutions' administration of Title IV programs, the Higher Education Act and DOE regulations require institutions to submit annually a compliance audit conducted by an independent certified public accountant in accordance with Government Auditing Standards and applicable audit standards of the DOE. These auditing standards differ from those followed in the audit of our financial statements filed with this report. In addition, to enable the DOE to make a determination of financial responsibility, institutions must annually submit audited financial statements prepared in accordance with DOE regulations. Furthermore, the DOE regularly conducts program reviews of education institutions that are participating in the Title IV programs, and the Office of Inspector General of the DOE regularly conducts audits and investigations of such institutions. In August 2010, the Secretary of Education announced in a letter to several members of Congress that, in part in response to recent allegations against proprietary institutions of deceptive trade practices and noncompliance with DOE regulations, the DOE planned to strengthen its oversight of Title IV programs through, among other approaches, increasing the number of program reviews by 50%, from 200 conducted in 2010 to up to 300 reviews in 2011.

Potential Effect of Regulatory Violations. If we fail to comply with the regulatory standards governing Title IV programs, the DOE could impose one or more sanctions, including transferring Aspen to the reimbursement or cash monitoring system of payment, seeking to require repayment of certain Title IV program funds, requiring Aspen to post a letter of credit in favor of the DOE as a condition for continued Title IV certification, taking emergency action against us, referring the matter for criminal prosecution or initiating proceedings to impose a fine or to limit, condition, suspend or terminate our participation in Title IV programs.

We also may be subject, from time to time, to complaints and lawsuits relating to regulatory compliance brought not only by our regulatory agencies, but also by other government agencies and third parties, such as present or former students or employees and other members of the public.

Restrictions on Adding Educational Programs. State requirements and accrediting agency standards may, in certain instances, limit our ability to establish additional programs. Many states require approval before institutions can add new programs under specified conditions. The Colorado Commission on Higher Education, and other state educational regulatory agencies that license or authorize us and our programs, may require institutions to notify them in advance of implementing new programs, and upon notification may undertake a review of the institution's licensure or authorization.

In addition, we were advised by the DOE that because we were provisionally certified due to being a new Title IV program participant, we could not add new degree or non-degree programs for Title IV program purposes, except under limited circumstances and only if the DOE approved such new program, until the DOE reviewed a compliance audit that covered one complete fiscal year of Title IV program participation. That fiscal year ended on December 31, 2010, and we timely submitted our compliance audit and financial statements to the DOE. In addition, in June 2011, Aspen timely applied for recertification to participate in Title IV programs. At the time of the Reverse Merger, the DOE had not acted on our 2010 financial statements and compliance audits, nor had it acted on our recertification application.

Recent DOE regulations establish a new process under which an institution must apply for approval to offer a program that, under the Higher Education Act, must prepare students for "gainful employment in a recognized occupation" in order to be eligible for Title IV funds. An institution must notify the DOE at least 90 days before the first day of classes when it intends to add a program that prepares students for gainful employment. The DOE may, as a condition of certification to participate in Title IV programs, require prior approval of programs or otherwise restrict the number of programs an institution may add.

DETC requires pre-approval of new courses, programs, and degrees that are characterized as a "substantive change." An institution must obtain written notice approving such change before it may be included in the institution's grant of accreditation. An institution is further prohibited from advertising or posting on its website information about the course or program before it has received approval. The process for obtaining approval generally requires submission of a report and course materials and may require a follow-up on-site visit by an examining committee. As stated earlier, we are seeking DETC's approval permitting us to offer new degrees and certificate programs.

Gainful Employment. Under the Higher Education Act, proprietary schools are eligible to participate in Title IV programs only in respect of education programs that lead to gainful employment in a recognized occupation. Under the DOE rules, with respect to each gainful employment program, a proprietary institution of higher education must provide prospective students with the identities of the occupations that the program prepares students to enter, total program cost, on-time completion rate, job placement rate (if applicable), and median loan debt of students who complete the program. Under these reporting rules, with respect to each gainful employment program, an institution must annually submit information to the DOE regarding each enrolled student, including the amount of debt incurred. Institutions must report information no earlier than September 30 of the calendar year in which the award year ends but no later than the deadline established by the DOE. Under the new program requirements, institutions are required to notify the DOE at least 90 days before the commencement of new gainful employment programs which must include information on the demand for the program, a wage analysis, an institutional program review and approval process, and a demonstration of accreditation. On September 27, 2011 the DOE issued a notice of proposed rulemaking in which it proposed, among other changes, to define a smaller group of gainful employment programs for which an institution must obtain approval from the DOE, including only programs that are the same as or substantially similar to programs performing poorly under the gainful employment metrics.

The DOE also recently established three standards that will be used annually to measure whether a program prepares students for gainful employment, beginning July 1, 2012. An academic program that passes any one standard is considered to be preparing students for gainful employment. The standards are:

1. Annual loan repayment rate – three to four years after entering repayment on federal student loans, at least 35% of student loans incurred by the applicable cohort of borrowers to fund the costs of a program must be in satisfactory repayment.

2. Discretionary income threshold – three to four years after entering repayment, the median annual loan payment amount for the applicable cohort of students (calculated as described below) may not be greater than 30% of the greater of their average or median discretionary income (annual earnings of a program completer minus 150% of the U.S. Department of Health and Human Services poverty guideline for a single person).

3. Actual earnings threshold – three to four years after entering repayment, the median annual loan payment amount for the applicable cohort of students (calculated as described below) may not be greater than 12% of the greater of their average or median annual earnings.

The annual loan repayment for the debt-to-earnings ratios is derived by determining the median loan debt of the applicable cohort of students who completed the program and includes federal student loans, private loans and debt obligations arising from institutional financing plans. The payment amounts are calculated on the basis of the interest rate then charged on federal direct unsubsidized student loans and the following amortization terms:

- 10 years for programs that lead to an undergraduate or post-baccalaureate certificate or to an associate's degree;
- 15 years for programs that lead to a bachelor's or master's degree; and
- 20 years for programs that lead to a doctoral or first-professional degree.

If an academic program fails all three metrics, the institution will have the opportunity to improve the performance of that program. After one failure, the institution must disclose the amount by which the program missed minimal acceptable performance and the program's plan for improvement. After two failures within three years, the institution must inform students in the failing program that their debts may be unaffordable, that the program may lose eligibility, and what transfer options exist. After three failures within four years, the academic program loses eligibility to participate in Title IV programs for at least three years, although the program could be continued without federal student aid. If a particular program ceased to be eligible for Title IV funding, it would be very important to consider the practicality of continuing to offer that program under our current business model

The gainful employment standards will be calculated on a federal fiscal year basis beginning with federal fiscal year 2012. The first year for which eligibility could be lost for a program is 2015, which would occur if the program fails all three standards for each of 2012, 2013, and 2014. For that first year of potential ineligibility, however, the DOE will limit the number of programs subject to loss of eligibility by sector, taking into account the lowest repayment rates and the numbers of students affected.

The requirements for reporting information relating to our programs to the DOE and to our students will substantially increase our administrative burdens, particularly during the implementation phase. These reporting and the other procedural changes in the new rules could affect student enrollment, persistence and retention in ways that we cannot now predict. For example, if our reported program information compares unfavorably with other reporting education institutions, it could adversely affect demand for our programs.

Although the final rules regarding gainful employment metrics provide opportunities to address program deficiencies before the loss of Title IV eligibility, the continuing eligibility of our educational programs for Title IV funding is at risk due to factors beyond our control, such as changes in the actual or deemed income level of our graduates, changes in student borrowing levels, increases in interest rates, changes in the federal poverty income level relevant for calculating discretionary income, changes in the percentage of our former students who are current in repayment of their student loans, and other factors. In addition, even though deficiencies in the metrics may be correctible on a timely basis, the disclosure requirements to students following a failure to meet the standards may adversely impact enrollment in that program and may adversely impact the reputation of our education institution. The exposure to these external factors may reduce our ability to offer or continue confidently certain types of programs for which there is market demand, thus affecting our ability to maintain or grow our business.

Eligibility and Certification Procedures. Each institution must periodically apply to the DOE for continued certification to participate in Title IV programs. Such recertification is required every six years, but may be required earlier, including when an institution undergoes a change of control. An institution may come under the DOE's review when it expands its activities in certain ways, such as opening an additional location, adding a new program, or, in certain cases, when it modifies academic credentials that it offers.

The DOE may place an institution on provisional certification status if it finds that the institution does not fully satisfy all of the eligibility and certification standards and in certain other circumstances, such as when it undergoes a change in ownership and control. The DOE may more closely review an institution that is provisionally certified if it applies for approval to open a new location, add an educational program, acquire another school or make any other significant change.

In addition, during the period of provisional certification, the institution must comply with any additional conditions included in its program participation agreement. If the DOE determines that a provisionally certified institution is unable to meet its responsibilities under its program participation agreement, it may seek to revoke the institution's certification to participate in Title IV programs with fewer due process protections for the institution than if it were fully certified. Students attending provisionally certified institutions, like Aspen, remain eligible to receive Title IV program funds.

Change in Ownership Resulting in a Change of Control. In addition to school acquisitions, other types of transactions can also cause a change of control. The DOE, most state education agencies, and DETC all have standards pertaining to the change of control of schools, but those standards are not uniform. DOE regulations describe some transactions that constitute a change of control, including the transfer of a controlling interest in the voting stock of an institution or the institution's parent corporation. DOE regulations provide that a change of control of a publicly-traded corporation occurs in one of two ways: (i) if there is an event that would obligate the corporation to file a Report on Form 8-K with the SEC disclosing a change of control or (ii) if the corporation has a shareholder that owns at least 25% of the total outstanding voting stock of the corporation and is the largest shareholder of the corporation, and that shareholder ceases to own at least 25% of such stock or ceases to be the largest shareholder. A significant purchase or disposition of our voting stock could be determined by the DOE to be a change of control under this standard. Many states include the sale of a controlling interest of common stock in the definition of a change of control requiring approval. A change of control under the definition of one of these agencies would require us to seek approval of the change in ownership and control to maintain our accreditation, state authorization or licensure. The requirements to obtain such approval from the states and DETC vary widely. In some cases, approval of the change of ownership and control cannot be obtained until after the transaction has occurred. In December 2011, we provided details regarding the Reverse Merger to the CDHE. The CDHE indicated that under current regulations, as long as we maintain accreditation by DETC following the Reverse Merger, Aspen will remain in good standing with the CDHE. As described below, DETC has approved the change of ownership, with several customary conditions.

DETC recently revised its policy pertinent to changes in legal status, control, ownership, or management. The policy revisions add definitions of the situations under which DETC considers a change in legal status, control, ownership, or management to occur, describe the procedures that an institution must follow to obtain approval, and clarify the options available to DETC. Among other revisions, DETC defines a change of ownership and control as a change in the ability to direct or cause the direction of the actions of an institution, including, for example, the sale of a controlling interest in an institution's corporate parent. Failure to obtain prior approval of a change of ownership and control will result in withdrawal of accreditation under the new ownership. The policy also requires institutions to undergo a post-change examination within six months of a change of ownership. The revisions clarify that after such examination, DETC will make a final decision whether to continue the institution's accreditation. In addition, if an institution is acquired by an entity that owns or operates other distance education institutions, the amendments clarify that any such institutions must obtain DETC approval within two years of the change of ownership or accreditation may be withdrawn. The policy revisions define a change of management as the replacement of the senior level executive of the institution, for example the President or CEO. In addition, the revisions clarify that before undertaking such a change, an institution must seek DETC's prior approval by explaining when the change will occur, the rationale for the change, the executive's job description, the new executive's qualifications, and how the change will affect the institution's ability to comply with all DETC accreditation standards. DETC may take any action it deems appropriate in response to a change of management request. The Reverse Merger was considered a change of control event under DETC's policy. By letter dated February 9, 2012, DETC informed Aspen that it had approved the change of ownership, with several conditions that are consistent with DETC's change of ownership procedures and requirements. These conditions include: (1) that Aspen agree to undergo an examination visit by a committee no later than July 20, 2012; (2) that an updated Self-Evaluation Report be submitted four to six weeks prior to the on-site visit; (3) that Aspen submit a new Teach-Out Resolution form as soon as the Reverse Merger has closed; and (4) that Aspen provide written confirmation to DETC by February 20, 2012 that it agrees to and will comply with the stated conditions. We have provided the requested information to DETC.

While Aspen has received approval from DETC for the change of ownership and control resulting from the Reverse Merger and from its former Chairman ceasing to own 25% of its voting power, Aspen has not yet obtained approval from the DOE. The DOE does not approve a change in ownership and control until after it occurs. The Higher Education Act provides that an institution that undergoes a change in ownership resulting in a change in control loses its eligibility to participate in Title IV programs and must apply to the DOE in order to reestablish such eligibility. An institution is ineligible to receive Title IV program funds during the period prior to recertification. The Higher Education Act provides that the DOE may temporarily provisionally certify an institution seeking approval of a change in ownership and control based on preliminary review by the DOE of a materially complete application received by the DOE within 10 business days after the transaction. The DOE may continue such temporary, provisional certification on a month-to-month basis until it has rendered a final decision on the institution's application. If the DOE determines to approve the application after a change in ownership and control, it issues a provisional certification, which extends for a period expiring not later than the end of the third complete award year following the date of provisional certification. The DOE considers the Reverse Merger to be a change in ownership resulting in a change in control. Accordingly, Aspen's certification to participate in Title IV programs terminated after closing the Reverse Merger, and Aspen must apply to the DOE to reestablish its eligibility and certification to participate in the Title IV programs. However, in order to avoid significant disruption in disbursements of Title IV funds, the DOE may temporarily and provisionally certify an institution that is seeking approval of a change in ownership, like Aspen, under certain circumstances while the DOE reviews the institution's application. On March 15, 2012 the DOE asked Aspen to notify it in writing whether Aspen would be able to provide to the DOE by March 28, 2012 a letter of credit in the amount of $105, 865, which is 10% of Aspen's Title IV receipts in 2011. Aspen has timely informed the DOE that it will provide the requested letter of credit by March 28, 2012. The DOE may impose additional terms and conditions in any temporary provisional program participation agreement that it may issue pending review of Aspen's application for approval of the change in ownership and control, including growth restrictions or limitation on the number of students who may receive Title IV aid. Furthermore, DOE may impose additional or different terms and conditions in any final provisional program participation agreement that it may issue after it reviews Aspen's application for approval of the change in ownership and control, including growth restrictions or limitation on the number of students who may receive Title IV aid.

When a change of ownership resulting in a change of control occurs at a for-profit institution, the DOE applies a different set of financial tests to determine the financial responsibility of the institution in conjunction with its review and approval of the change of ownership. The institution generally is required to submit a same-day audited balance sheet reflecting the financial condition of the institution immediately following the change in ownership. The institution's same-day balance sheet must demonstrate an acid test ratio of at least 1:1, which is calculated by adding cash and cash equivalents to current accounts receivable and dividing the sum by total current liabilities (and excluding all unsecured or uncollateralized related party receivables). The same-day balance sheet must demonstrate positive tangible net worth. If the institution does not satisfy these requirements, the DOE may condition its approval of the change of ownership on the institution's agreeing to post a letter of credit, provisional certification, and/or additional monitoring requirements, as described in the above section on Financial Responsibility. The time required for the DOE to act on a post-change in ownership and control application may vary substantially.

A change of control also could occur as a result of future transactions in which Aspen is involved. Some corporate reorganizations and some changes in the Board are examples of such transactions. Moreover, the potential adverse effects of a change of control could influence future decisions by us and our shareholders regarding the sale, purchase, transfer, issuance or redemption of our stock. In addition, the regulatory burdens and risks associated with a change of control also could discourage bids for your shares of common stock and could have an adverse effect on the market price of your shares.

Possible Acquisitions. In addition to the planned expansion through Aspen's new marketing program, we may expand through acquisition of related or synergistic businesses. Our internal growth is subject to monitoring and ultimately approval by the DETC. If the DETC finds that the growth may adversely affect our academic quality, the DETC can request us to slow the growth and potentially withdraw accreditation and require us to re-apply for accreditation. The DOE may also impose growth restrictions on an institution, including in connection with a change in ownership and control. While acquisitions of online universities would be subject to approval by the DETC, approval of businesses which supply services to online universities or which provide educational services and/or products may not be subject to regulatory approval or extensive regulation.

Legal Proceedings

From time to time, we are party to certain legal proceedings that arise in the ordinary course and are incidental to our business. There are currently no such pending proceedings to which we are a party that our management believes will have a material adverse effect on the Public Company's consolidated financial position or results of operations. However, future events or circumstances, currently unknown to management, will determine whether the resolution of pending or threatened litigation or claims will ultimately have a material effect on our consolidated financial position, liquidity or results of operations in any future reporting periods.

Risk Factors

Investing in our common stock involves a high degree of risk. You should carefully consider the following Risk Factors before deciding whether to invest. Additional risks and uncertainties not presently known to us, or that we currently deem immaterial, may also impair our business operations or our financial condition. If any of the events discussed in the Risk Factors below occur, our business, consolidated financial condition, results of operations or prospects could be materially and adversely affected. In such case, the value and marketability of the common stock could decline.

Risks Related to Our Business

Our ability to continue as a going concern is in doubt absent obtaining adequate new debt or equity financing.

We incurred a net loss of approximately $2.1 million in 2011. We anticipate losses will continue until we are able to increase our enrollment under our new tuition plan and these new students paying higher rates have taken at least two courses. Additionally, our audited financial statements contain a going concern opinion. Our continued existence is dependent upon obtaining adequate financing in order to implement our marketing plan. We cannot assure you that we will raise enough money or generate sufficient revenue to meet our future working capital needs. In such event, we may not be able to remain in business. Furthermore, this qualified opinion may affect our ability to obtain DOE certification for Title IV purposes. See the Risk Factor at page 57 of this report.

Because our management has a limited recent operating history on which to evaluate our potential for future success and to determine if we will be able to execute our business plan, it is difficult to evaluate our future prospects and the risk of success or failure of our business.

Our management team began the process of taking control of Aspen from its founder and Chairman in May 2011 and embarked upon changes in Aspen's business including adopting a new tuition plan, revamping its marketing approach, substantially increasing marketing expenditures, and upgrading Aspen's technology infrastructure. While initial results are very encouraging, the limited time period makes it difficult to project whether we will be successful.

Our business may be adversely affected by a further economic slowdown in the U.S. or abroad or by an economic recovery in the U.S.

The U.S. and much of the world economy are experiencing difficult economic circumstances. We believe the recent economic downturn in the U.S., particularly the continuing high unemployment rate, has contributed to a portion of our recent enrollment growth as an increased number of working students seek to advance their education to improve job security or reemployment prospects. This effect cannot be quantified. However, to the extent that the economic downturn and the associated unemployment have increased demand for our programs, an improving economy and increased employment may eliminate this effect and reduce such demand as fewer potential students seek to advance their education. This reduction could have a material adverse effect on our business, financial condition, results of operations and cash flows. Conversely, a worsening of economic and employment conditions could adversely affect the ability or willingness of prospective students to pay our tuition and our former students to repay student loans, which could increase our bad debt expense, impair our ability to offer students loans under Title IV, and require increased time, attention and resources to manage defaults.

Because of the severity of the global economic recession, we may be hampered in raising the needed capital to support our operations and planned marketing, which would have a material and adverse effect on our future operating results and financial condition.

One of the effects of the severe global economic recession is smaller businesses typically have more difficulty in raising capital needed for their operations. We estimate that we need to raise approximately $6 million to fully support our current operations and grow our student enrollment to create the forecasted profits. If we cannot raise this capital, it will result in a number of adverse effects upon us including reducing our future revenue, our future gross profit margins, and our ability to grow our business. These events would have a material and adverse effect upon our future operating results and financial condition. Furthermore, the future price for our stock would be reduced.

Because a significant portion of our revenues historically have been attributable to one corporate customer, and if we are unable to maintain this key relationship or establish new relationships with additional corporate customers, our revenues will be adversely affected.

In 2011 and 2010, revenues from Verizon accounted for approximately 45% and 50% respectively, of our revenues. However, we pay a third party marketing company a material portion of the revenues from Verizon. Deducting these payments, Verizon accounted for 11% and 12% of our revenues for 2011 and 2010, respectively. The loss of one or more of our corporate customers, including Verizon, a reduction in enrollments from them, or difficulty or failure to collect payments from any customer under financial distress would adversely affect our revenues.

If we cannot manage our growth, our results of operations may suffer and could adversely affect our ability to comply with federal regulations.

The growth that we have experienced after our new management began in May 2011, as well as any future growth that we experience, may place a significant strain on our resources and increase demands on our management information and reporting systems and financial management controls. We do not have experience scheduling courses and administering programs for more students than our current enrollment, and except for the President, our senior management has limited experience in online education. If growth negatively impacts our ability to manage our business, the learning experience for our students could be adversely affected, resulting in a higher rate of student attrition and fewer student referrals. Future growth will also require continued improvement of our internal controls and systems, particularly those related to complying with federal regulations under the Higher Education Act, as administered by the DOE, including as a result of our participation in federal student financial aid programs under Title IV of the Higher Education Act. If we are unable to manage our growth, we may also experience operating inefficiencies that could increase our costs and adversely affect our profitability and results of operations.

Because there is strong competition in the postsecondary education market, especially in the online education market, our cost of acquiring students may increase and our results of operations may be harmed.

Postsecondary education is highly fragmented and competitive. We compete with traditional public and private two-year and four-year brick and mortar colleges as well as other for-profit schools, particularly those that offer online learning programs. Public and private colleges and universities, as well as other for-profit schools, offer programs similar to those we offer. Public institutions receive substantial government subsidies, and public and private institutions have access to government and foundation grants, tax-deductible contributions that create large endowments and other financial resources generally not available to for-profit schools. Accordingly, public and private institutions may have instructional and support resources that are superior to those in the for-profit sector. In addition, some of our competitors, including both traditional colleges and universities and online for-profit schools, have substantially greater name recognition and financial and other resources than we have, which may enable them to compete more effectively for potential students. We also expect to face increased competition as a result of new entrants to the online education market, including established colleges and universities that have not previously offered online education programs.

We may not be able to compete successfully against current or future competitors and may face competitive pressures including price pressures that could adversely affect our business or results of operations and reduce our operating margins. We may also face increased competition if our competitors pursue relationships with the military and government educational programs with which we already have relationships. These competitive factors could cause our enrollments, revenues and profitability to decrease significantly.

In the event that we are unable to update and expand the content of existing programs and develop new programs and specializations on a timely basis and in a cost-effective manner, our results of operations may be harmed.

The updates and expansions of our existing programs and the development of new programs and specializations may not be accepted by existing or prospective students or employers. If we cannot respond to changes in market requirements, our business may be adversely affected. Even if we are able to develop acceptable new programs, we may not be able to introduce these new programs as quickly as students require or as quickly as our competitors introduce competing programs. To offer a new academic program, we may be required to obtain appropriate federal, state and accrediting agency approvals, which may be conditioned or delayed in a manner that could significantly affect our growth plans. In addition, a new academic program that must prepare students for gainful employment must be approved by the DOE for Title IV purposes if the institution is provisionally certified, which we will be if the DOE approves our change in ownership and control. If we are unable to respond adequately to changes in market requirements due to financial constraints, regulatory limitations or other factors, our ability to attract and retain students could be impaired and our financial results could suffer.

Establishing new academic programs or modifying existing programs may require us to make investments in management and faculty, incur marketing expenses and reallocate other resources. If we are unable to increase the number of students, or offer new programs in a cost-effective manner, or are otherwise unable to manage effectively the operations of newly established academic programs, our results of operations and financial condition could be adversely affected.

Because our future growth and profitability will depend in large part upon the effectiveness of our marketing and advertising efforts, if those efforts are unsuccessful we may not be profitable in the future.

Our future growth and profitability will depend in large part upon our media performance, including our ability to:

- Create greater awareness of our school and our programs;
- Identify the most effective and efficient level of spending in each market and specific media vehicle;
- Determine the appropriate creative message and media mix for advertising, marketing and promotional expenditures; and
- Effectively manage marketing costs (including creative and media).

Our marketing expenditures may not result in increased revenue or generate sufficient levels of brand name and program awareness. If our media performance is not effective, our future results of operations and financial condition will be adversely affected.

Although our new management is spearheading a new marketing and advertising program, it may not be successful.

Mr. Michael Mathews, our Chief Executive Officer, and Mr. Brad Powers, our Chief Marketing Officer, have developed a new marketing campaign designed to substantially increase our student enrollment. While initial results have been as anticipated, there are no assurances that this new marketing campaign will continue to be successful. Among the risks are the following:

- Our ability to compete with existing online colleges which have substantially greater financial resources, deeper management and academic resources, and enhanced public reputations;
- the emergence of more successful competitors;
- factors related to our marketing, including the costs of Internet advertising and broad-based branding campaigns;
- limits on our ability to attract and retain effective employees because of the new incentive payment rule;
- performance problems with our online systems;

- failure to maintain accreditation;
- student dissatisfaction with our services and programs;
- adverse publicity regarding us, our competitors or online or for-profit education generally;
- a decline in the acceptance of online education;
- a decrease in the perceived or actual economic benefits that students derive from our programs;
- potential students may not be able to afford the monthly payments; and
- potential students may not react favorably to our marketing and advertising campaigns.

If our new marketing campaign and tuition plan are not favorably received, our revenues may not increase.

If we incur system disruptions to our online computer networks, it could impact our ability to generate revenue and damage our reputation, limiting our ability to attract and retain students.

In 2011, we spent approximately $1.3 million to update our computer network primarily to permit accelerated student enrollment and enhance our students' learning experience. The performance and reliability of our technology infrastructure is critical to our reputation and ability to attract and retain students. Any system error or failure, or a sudden and significant increase in bandwidth usage, could result in the unavailability of our online classroom, damaging our ability to generate revenue and could cause a loss in enrollment. Our technology infrastructure could be vulnerable to interruption or malfunction due to events beyond our control, including natural disasters, terrorist activities and telecommunications failures.

Although three of our directors have pledged shares of common stock to secure payment of a loan payable from our founder and former chairman, it is possible that the future market price of the Public Company's common stock will be less than $1.00 in which case the Public Company will incur an adverse impact to its future operating results and financial condition.

In March 2012, three of our directors pledged a total of 2,209,960 shares of Aspen common stock which they own personally. The shares were pledged to secure payment of a $2,209,960 loan receivable from Aspen's founder and former chairman representing funds he (and his company, which is Aspen's principal shareholder) borrowed over the years. There is no agreement with the former chairman that this sum is due and in fact he has denied liability and even claimed that Aspen owes him money. The Stock Pledge Agreement provides that the shares will be cancelled at the rate of $1.00 per share in the event that Aspen is unable to collect this loan whether through unsuccessful litigation or because it decides to write the loan off as uncollectable. If Aspen is unable to collect this loan, there are a number of consequences, including:

- The amount written off will be a non-cash charge against future results of operations;
- The amount written off will reduce total assets on the Public Company's balance sheet;
- If the Public Company's common stock is less than $1.00 per share, it will be damaged to the extent it seeks to sell the treasury shares at a price of less than $1.00; or
- If the founder institutes litigation against Aspen and is successful, Apsen will be required to pay any adverse judgment or otherwise consummate a settlement. As a consequence, in addition to this out-of-pocket damage, any litigation will be expensive, result in substantial attorney's fees, accounting fees, expert witness fees and divert management from our business.

If we experience any interruption to our technology infrastructure, it could prevent students from accessing their courses, could have a material adverse effect on our ability to attract and retain students and could require us to incur additional expenses to correct or mitigate the interruption.

Our computer networks may also be vulnerable to unauthorized access, computer hackers, computer viruses and other security problems. A user who circumvents security measures could misappropriate proprietary information, personal information about our students or cause interruptions or malfunctions in operations. As a result, we may be required to expend significant resources to protect against the threat of these security breaches or to alleviate problems caused by these breaches.

Because we rely on third parties to provide services in running our operations, if any of these parties fail to provide the agreed services at an acceptable level, it could limit our ability to provide services and/or cause student dissatisfaction, either of which could adversely affect our business.

We rely on third parties to provide us with services in order for us to efficiently and securely operate our business including our computer network and the courses we offer to students. Any interruption in our ability to obtain the services of these or other third parties or deterioration in their performance could impair the quality of our educational product and overall business. Generally, there are multiple sources for the services we purchase. Our business could be disrupted if we were required to replace any of these third parties, especially if the replacement became necessary on short notice, which could adversely affect our business and results of operations.

If we or our service providers are unable to update the technology that we rely upon to offer online education, our future growth may be impaired.

We believe that continued growth will require our service providers to increase the capacity and capabilities of their technology infrastructure. Increasing the capacity and capabilities of the technology infrastructure will require these third parties to invest capital, time and resources, and there is no assurance that even with sufficient investment their systems will be scalable to accommodate future growth. Our service providers may also need to invest capital, time and resources to update their technology in response to competitive pressures in the marketplace. If they are unwilling or unable to increase the capacity of their resources or update their resources appropriately and we cannot change over to other service providers efficiently, our ability to handle growth, our ability to attract or retain students, and our financial condition and results of operations could be adversely affected.

Because we rely on third party administration and hosting of open source software for our online classroom, if that third party were to cease to do business or alter its business practices and services, it could have an adverse impact on our ability to operate.

Our online classroom employs the Moodle learning management system which is an open source learning platform and is supported by the open source community. The system is a web-based portal that stores and delivers course content, provides interactive communication between students and faculty, and supplies online evaluation tools. While Moodle is an open source learning platform, we rely on third parties to host and help with the administration of it. We further rely on third parties, the Moodlerooms, Inc. agreement and the open source community as well as our internal staff for ongoing support and customization and integration of the system with the rest of our technology infrastructure. If Moodlerooms or the open source community that supports it were unable or unwilling to continue to provide us with service, we may have difficulty maintaining the software required for our online classroom or updating it for future technological changes. Any failure to maintain our online classroom would have an adverse impact on our operations, damage our reputation and limit our ability to attract and retain students.

Because the personal information that we or our vendors collect may be vulnerable to breach, theft or loss, any of these factors could adversely affect our reputation and operations.

Possession and use of personal information in our operations subjects us to risks and costs that could harm our business. Aspen uses a third party to collect and retain large amounts of personal information regarding our students and their families, including social security numbers, tax return information, personal and family financial data and credit card numbers. We also collect and maintain personal information of our employees in the ordinary course of our business. Some of this personal information is held and managed by certain of our vendors. Errors in the storage, use or transmission of personal information could result in a breach of student or employee privacy. Possession and use of personal information in our operations also subjects us to legislative and regulatory burdens that could require notification of data breaches, restrict our use of personal information, and cause us to lose our certification to participate in the Title IV programs. We cannot guarantee that there will not be a breach, loss or theft of personal information that we store or our third parties store. A breach, theft or loss of personal information regarding our students and their families or our employees that is held by us or our vendors could have a material adverse effect on our reputation and results of operations and result in liability under state and federal privacy statutes and legal or administrative actions by state attorneys general, private litigants, and federal regulators any of which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Because the CAN-SPAM Act imposes certain obligations on the senders of commercial emails, it could adversely impact our ability to market Aspen's educational service, and otherwise increase the costs of our business.

The Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 ("CAN-SPAM Act") establishes requirements for commercial email and specifies penalties for commercial email that violates the CAN-SPAM Act. In addition, the CAN-SPAM Act gives consumers the right to require third parties to stop sending them commercial email.

The CAN-SPAM Act covers email sent for the primary purpose of advertising or promoting a commercial product, service, or Internet website. The Federal Trade Commission, a federal consumer protection agency, is primarily responsible for enforcing the CAN-SPAM Act, and the Department of Justice, other federal agencies, State Attorneys General, and Internet service providers also have authority to enforce certain of its provisions.

The CAN-SPAM Act's main provisions include:

- Prohibiting false or misleading email header information;
- Prohibiting the use of deceptive subject lines;
- Ensuring that recipients may, for at least 30 days after an email is sent, opt out of receiving future commercial email messages from the sender;
- Requiring that commercial email be identified as a solicitation or advertisement unless the recipient affirmatively permitted the message; and
- Requiring that the sender include a valid postal address in the email message.

The CAN-SPAM Act also prohibits unlawful acquisition of email addresses, such as through directory harvesting and transmission of commercial emails by unauthorized means, such as through relaying messages with the intent to deceive recipients as to the origin of such messages.

Violations of the CAN-SPAM Act's provisions can result in criminal and civil penalties, including statutory penalties that can be based in part upon the number of emails sent, with enhanced penalties for commercial email companies who harvest email addresses, use dictionary attack patterns to generate email addresses, and/or relay emails through a network without permission.

The CAN-SPAM Act acknowledges that the Internet offers unique opportunities for the development and growth of frictionless commerce, and the CAN-SPAM Act was passed, in part, to enhance the likelihood that wanted commercial email messages would be received.

The CAN-SPAM Act preempts, or blocks, most state restrictions specific to email, except for rules against falsity or deception in commercial email, fraud and computer crime. The scope of these exceptions, however, is not settled, and some states have adopted email regulations that, if upheld, could impose liabilities and compliance burdens in addition to those imposed by the CAN-SPAM Act.

Moreover, some foreign countries, including the countries of the European Union, have regulated the distribution of commercial email and the online collection and disclosure of personal information. Foreign governments may attempt to apply their laws extraterritorially or through treaties or other arrangements with U.S. governmental entities.

If we lose the services of key personnel, it could adversely affect our business.

Our future success depends, in part, on our ability to attract and retain key personnel. Our future also depends on the continued services of Mr. Michael Mathews, our Chief Executive Officer, and Dr. Gerald Williams, our President, who are critical to the management of our business and operations and the development of our strategic direction and would also be difficult to replace. The loss of the services of Mr. Mathews and/or Dr. Williams and other key individuals and the process to replace these individuals would involve significant time and expense and may significantly delay or prevent the achievement of our business objectives.

If we are unable to attract and retain our faculty, administrators, management and skilled personnel, we may not be able to support our growth strategy.

To execute our growth strategy, we must attract and retain highly qualified faculty, administrators, management and skilled personnel. Competition for hiring these individuals is intense, especially with regard to faculty in specialized areas. If we fail to attract new skilled personnel or faculty or fail to retain and motivate our existing faculty, administrators, management and skilled personnel, our business and growth prospects could be severely harmed. The DOE's revised incentive payment rule, which took effect July 1, 2011, may affect the manner in which we attract, retain, and motivate new and existing employees.

If we are unable to protect our intellectual property, our business could be harmed.

In the ordinary course of our business, we develop intellectual property of many kinds that is or will be the subject of copyright, trademark, service mark, trade secret or other protections. This intellectual property includes but is not limited to courseware materials, business know-how and internal processes and procedures developed to respond to the requirements of operating and various education regulatory agencies. We rely on a combination of copyrights, trademarks, service marks, trade secrets, domain names, agreements and registrations to protect our intellectual property. We rely on service mark and trademark protection in the U.S. to protect our rights to the mark "ASPEN UNIVERSITY" as well as distinctive logos and other marks associated with our services. We rely on agreements under which we obtain rights to use course content developed by faculty members and other third party content experts. We cannot assure you that the measures that we take will be adequate or that we have secured, or will be able to secure, appropriate protections for all of our proprietary rights in the U.S. or select foreign jurisdictions, or that third parties will not infringe upon or violate our proprietary rights. Despite our efforts to protect these rights, unauthorized third parties may attempt to duplicate or copy the proprietary aspects of our curricula, online resource material and other content, and offer competing programs to ours.

In particular, third parties may attempt to develop competing programs or duplicate or copy aspects of our curriculum, online resource material, quality management and other proprietary content. Any such attempt, if successful, could adversely affect our business. Protecting these types of intellectual property rights can be difficult, particularly as it relates to the development by our competitors of competing courses and programs.

We may encounter disputes from time to time over rights and obligations concerning intellectual property, and we may not prevail in these disputes. Third parties may raise a claim against us alleging an infringement or violation of the intellectual property of that third party.

If we are subject to intellectual property infringement claims, it could cause us to incur significant expenses and pay substantial damages.

Third parties may claim that we are infringing or violating their intellectual property rights. Any such claims could cause us to incur significant expenses and, if successfully asserted against us, could require that we pay substantial damages and prevent us from using our intellectual property that may be fundamental to our business. Even if we were to prevail, any litigation regarding the intellectual property could be costly and time-consuming and divert the attention of our management and key personnel from our business operations.

If we incur liability for the unauthorized duplication or distribution of class materials posted online during our class discussions, it may affect our future operating results and financial condition.

In some instances, our faculty members or our students may post various articles or other third party content on class discussion boards. We may incur liability for the unauthorized duplication or distribution of this material posted online for class discussions. Third parties may raise claims against us for the unauthorized duplication of this material. Any such claims could subject us to costly litigation and impose a significant strain on our financial resources and management personnel regardless of whether the claims have merit. As a result we may be required to alter the content of our courses or pay monetary damages.

Because we are an exclusively online provider of education, we are entirely dependent on continued growth and acceptance of exclusively online education and, if the recognition by students and employers of the value of online education does not continue to grow, our ability to grow our business could be adversely impacted.

We believe that continued growth in online education will be largely dependent on additional students and employers recognizing the value of degrees from online institutions. If students and employers are not convinced that online schools are an acceptable alternative to traditional schools or that an online education provides value, or if growth in the market penetration of exclusively online education slows, growth in the industry and our business could be adversely affected. Because our business model is based on online education, if the acceptance of online education does not grow, our ability to continue to grow our business and our financial condition and results of operations could be materially adversely affected.

As Internet commerce develops, federal and state governments may draft and propose new laws to regulate Internet commerce, which may negatively affect our business.

The increasing popularity and use of the Internet and other online services have led and may lead to the adoption of new laws and regulatory practices in the U.S. and to new interpretations of existing laws and regulations. These new laws and interpretations may relate to issues such as online privacy, copyrights, trademarks and service marks, sales taxes, fair business practices and the requirement that online education institutions qualify to do business as foreign corporations or be licensed in one or more jurisdictions where they have no physical location or other presence. New laws, regulations or interpretations related to doing business over the Internet could increase our costs and materially and adversely affect our enrollments, revenues and results of operations.

If there is new tax treatment of companies engaged in Internet commerce, this may adversely affect the commercial use of our marketing services and our financial results.

Due to the growing budgetary problems facing state and local governments, it is possible that governments might attempt to tax our activities. New or revised tax regulations may subject us to additional sales, income and other taxes. We cannot predict the effect of current attempts to impose taxes on commerce over the Internet. New or revised taxes and, in particular, sales or use taxes, would likely increase the cost of doing business online which could have an adverse effect on our business and results of operations.

Risks Related to the Regulation of Our Industry

If we fail to comply with the extensive regulatory requirements for our business, we could face penalties and significant restrictions on our operations, including our students, loss of access to Title IV loans.

We are subject to extensive regulation by (1) the federal government through the DOE and under the Higher Education Act, (2) state regulatory bodies and (3) accrediting agencies recognized by the DOE, including the DETC. The U.S. Department of Defense and the U.S. Department of Veterans Affairs regulate our participation in the military's tuition assistance program and the VA's veterans' education benefits program, respectively. The regulations, standards and policies of these agencies cover the vast majority of our operations, including our educational programs, facilities, instructional and administrative staff, administrative procedures, marketing, recruiting, financial operations and financial condition. These regulatory requirements can also affect our ability to add new or expand existing educational programs and to change our corporate structure and ownership.

Institutions of higher education that grant degrees, diplomas, or certificates must be authorized by an appropriate state education agency or agencies. In addition, in certain states as a condition of continued authorization to grant degrees and in order to participate in various federal programs, including tuition assistance programs of the United States Armed Forces, a school must be accredited by an accrediting agency recognized by the U.S. Secretary of Education. Accreditation is a non-governmental process through which an institution submits to qualitative review by an organization of peer institutions, based on the standards of the accrediting agency and the stated aims and purposes of the institution. The Higher Education Act requires accrediting agencies recognized by the DOE to review and monitor many aspects of an institution's operations and to take appropriate action when the institution fails to comply with the accrediting agency's standards.

Our operations are also subject to regulation due to our participation in Title IV programs. Title IV programs, which are administered by the DOE, include loans made directly to students by the DOE. Title IV programs also include several grant programs for students with economic need as determined in accordance with the Higher Education Act and DOE regulations. To participate in Title IV programs, a school must receive and maintain authorization by the appropriate state education agencies, be accredited by an accrediting agency recognized by the U.S. Secretary of Education, and be certified as an eligible institution by the DOE. Our growth strategy is partly dependent on enrolling more students who are attracted to us because of our continued participation in the Title IV programs.

The regulations, standards, and policies of the DOE, state education agencies, and our accrediting agencies change frequently. Recent and impending changes in, or new interpretations of, applicable laws, regulations, standards, or policies, or our noncompliance with any applicable laws, regulations, standards, or policies, could have a material adverse effect on our accreditation, authorization to operate in various states, activities, receipt of funds under tuition assistance programs of the United States Armed Forces, our ability to participate in Title IV programs, receipt of veterans education benefits funds, or costs of doing business. Findings of noncompliance with these regulations, standards and policies also could result in our being required to pay monetary damages, or being subjected to fines, penalties, injunctions, limitations on our operations, termination of our ability to grant degrees, revocation of our accreditation, restrictions on our access to Title IV program funds or other censure that could have a material adverse effect on our business.

If we do not maintain authorization in Colorado, our operations would be curtailed, and we may not grant degrees.

Aspen is headquartered in Colorado and is authorized by the Colorado Commission on Higher Education to grant degrees, diplomas or certificates. If we were to lose our authorization from the Colorado Commission on Higher Education, we would be unable to provide educational services in Colorado and we would lose our eligibility to participate in the Title IV programs.

Our failure to comply with regulations of various states could have a material adverse effect on our enrollments, revenues, and results of operations.

Various states impose regulatory requirements on education institutions operating within their boundaries. Several states assert jurisdiction over online education institutions that have no physical location or other presence in the state but offer education services to students who reside in the state or advertise to or recruit prospective students in the state. State regulatory requirements for online education are inconsistent among states and not well developed in many jurisdictions. As such, these requirements change frequently and, in some instances, are not clear or are left to the discretion of state regulators.

State laws typically establish standards for instruction, qualifications of faculty, administrative procedures, marketing, recruiting, financial operations, and other operational matters. To the extent that we have obtained, or obtain in the future, additional authorizations or licensure, changes in state laws and regulations and the interpretation of those laws and regulations by the applicable regulators may limit our ability to offer education programs and award degrees. Some states may also prescribe financial regulations that are different from those of the DOE. If we fail to comply with state licensing or authorization requirements, we may be subject to the loss of state licensure or authorization. If we fail to comply with state requirements to obtain licensure or authorization, we may be the subject of injunctive actions or penalties. Loss of licensure or authorization or the failure to obtain required licensures or authorizations could prohibit us from recruiting or enrolling students in particular states, reduce significantly our enrollments and revenues and have a material adverse effect on our results of operations. We enroll students in all 50 states, as well as the District of Columbia and Puerto Rico. We have sought and received confirmation that our operations do not require state licensure or authorization, or we have been notified that we are exempt from licensure or authorization requirements, in three states. We have submitted or are in the process of submitting applications for approval or exemption in twelve states and are continuing to assess whether we are required to obtain authorization from the remaining states or jurisdictions.

Under DOE regulations, if an institution offers postsecondary education through distance education to students in a state in which the institution is not physically located or in which it is otherwise subject to state jurisdiction as determined by that state, the institution must have met any state requirements for it to be legally offering postsecondary distance education in that state. A federal court has vacated such requirement, and the case is currently on appeal. See page 16 of this report. Should the requirement be upheld or otherwise enforced, however, and if we fail to obtain required state authorization to provide postsecondary distance education in a specific state, we could lose our ability to award Title IV aid to students within that state.

The DOE's new requirement could lead some states to adopt new laws and regulatory practices affecting the delivery of distance education to students located in those states. In the event we are found not to be in compliance with a state's new or existing requirements for offering distance education within that state, the state could seek to restrict one or more of our business activities within its boundaries, we may not be able to recruit students from that state, and we may have to cease providing service to students in that state. In addition, under the DOE's regulation regarding state authorization and distance education, if and when the regulation is enforced or re-promulgated, we could lose eligibility to offer Title IV aid to students located in that state.

If we fail to maintain our institutional accreditation, we would lose our ability to participate in the tuition assistance programs of the U.S. Armed Forces and also to participate in Title IV programs.

Aspen is accredited by the DETC, which is a national accrediting agency recognized by the Secretary of Education for Title IV purposes. Accreditation by an accrediting agency that is recognized by the Secretary of Education is required for an institution to become and remain eligible to participate in Title IV programs as well as in the tuition assistance programs of the United States Armed Forces. DETC may impose restrictions on our accreditation or may terminate our accreditation. To remain accredited we must continuously meet certain criteria and standards relating to, among other things, performance, governance, institutional integrity, educational quality, faculty, administrative capability, resources and financial stability. Failure to meet any of these criteria or standards could result in the loss of accreditation at the discretion of the accrediting agency. The loss of accreditation would, among other things, render our students and us ineligible to participate in the tuition assistance programs of the U.S. Armed Forces or Title IV programs and have a material adverse effect on our enrollments, revenues and results of operations.

Because we have only recently begun to participate in Title IV programs, our failure to comply with the complex regulations associated with Title IV programs would have a significant adverse effect on our operations and prospects for growth.

We have only recently begun to participate in Title IV programs and approximatley 7% of our total cash-basis revenues are from students utilizing Title IV programs. However, compliance with the requirements of the Higher Education Act and Title IV programs is highly complex and imposes significant additional regulatory requirements on our operations, which require additional staff, contractual arrangements, systems and regulatory costs. We have a limited demonstrated history of compliance with these additional regulatory requirements. If we fail to comply with any of these additional regulatory requirements, the DOE could, among other things, impose monetary penalties, place limitations on our operations, and/or condition or terminate our eligibility to receive Title IV program funds, which would limit our potential for growth and adversely affect our enrollment, revenues and results of operations.

Because we recently underwent a change in ownership and control under DOE regulations, we must reestablish our eligibility and certification to participate in the Title IV programs, and there are no assurances that DOE will recertify us to participate in the Title IV programs.

An institution generally must seek recertification from the DOE at least every six years and possibly more frequently depending on various factors. In certain circumstances, the DOE provisionally certifies an institution to participate in Title IV programs, such as when it is an initial participant in Title IV programs or has undergone a change in ownership and control. At the time of the Reverse Merger, we were provisionally certified to participate in the Title IV programs and we had timely applied for recertification. Aspen submitted a voluntary pre-acquisition review application to the DOE in connection with the Reverse Merger, but the DOE had not acted on that application at the time of the Reverse Merger. Consistent with the Higher Education Act, Aspen's certification to participate in Title IV programs terminated after closing of the Reverse Merger, and Aspen must apply to DOE to reestablish its eligibility and certification to participate in the Title IV programs. However, in order to avoid significant disruption in disbursements of Title IV funds, the DOE may temporarily and provisionally certify an institution that is seeking approval of a change in ownership, like Aspen, under certain circumstances while the DOE reviews the institution's application. On March 15, 2012 the DOE asked Aspen to notify it in writing whether Aspen would be able to provide to the DOE by March 28, 2012 a letter of credit in the amount of $105,865, which is 10% of Aspen's Title IV receipts in 2011. Aspen has timely informed the DOE that it will provide the requested letter of credit by March 28, 2012. The DOE may impose additional terms and conditions in any temporary provisional program participation agreement that it may issue pending review of Aspen's application for approval of the change in ownership and control, including growth restrictions or limitation on the number of students who may receive Title IV aid. Furthermore, DOE may impose additional or different terms and conditions in any final provisional program participation agreement that it may issue after it reviews Aspen's application for approval of the change in ownership and control, including growth restrictions or limitation on the number of students who may receive Title IV aid. The DOE could also decline to recertify Aspen or otherwise limit its participation in the Title IV programs.

There can be no assurances that the DOE will recertify Aspen after its review of the Reverse Merger or that it will not impose restrictions with respect to any future recertification.

If the DOE does not approve our certification to participate in Title IV programs, our students would no longer be able to receive Title IV program funds, which would have a material adverse effect on our enrollments, revenues and results of operations. In addition, regulatory restraints related to the addition of new programs could impair our ability to attract and retain students and could negatively affect our financial results.

Because the DOE may conduct compliance reviews of us, we may be subject to adverse review and future litigation which could affect our ability to offer Title IV student loans.

Because we operate in a highly regulated industry, we are subject to compliance reviews and claims of non-compliance and lawsuits by government agencies, regulatory agencies, and third parties, including claims brought by third parties on behalf of the federal government. If the results of compliance reviews or other proceedings are unfavorable to us, or if we are unable to defend successfully against lawsuits or claims, we may be required to pay monetary damages or be subject to fines, limitations, loss of Title IV funding, injunctions or other penalties, including the requirement to make refunds. Even if we adequately address issues raised by an agency review or successfully defend a lawsuit or claim, we may have to divert significant financial and management resources from our ongoing business operations to address issues raised by those reviews or to defend against those lawsuits or claims. Claims and lawsuits brought against us may damage our reputation, even if such claims and lawsuits are without merit.

If our competitors are subject to further regulatory claims and adverse publicity, it may affect our industry and reduce our future enrollment.

We are one of a number of for-profit institutions serving the postsecondary education market. In recent years, regulatory investigations and civil litigation have been commenced against several companies that own for-profit educational institutions. These investigations and lawsuits have alleged, among other things, deceptive trade practices and non-compliance with DOE regulations. These allegations have attracted adverse media coverage and have been the subject of federal and state legislative hearings. Although the media, regulatory and legislative focus has been primarily on the allegations made against specific companies, broader allegations against the overall for-profit school sector may negatively affect public perceptions of other for-profit educational institutions, including Aspen. In addition, in recent years, reports on student lending practices of various lending institutions and schools, including for-profit schools, and investigations by a number of state attorneys general, Congress and governmental agencies have led to adverse media coverage of postsecondary education. Adverse media coverage regarding other companies in the for-profit school sector or regarding us directly could damage our reputation, could result in lower enrollments, revenues and operating profit, and could have a negative impact on our stock price. Such allegations could also result in increased scrutiny and regulation by the DOE, Congress, accrediting bodies, state legislatures or other governmental authorities with respect to all for-profit institutions, including us.

Due to new regulations or congressional action or reduction in funding for Title IV programs, our future enrollment may be reduced and costs of compliance increased.

The Higher Education Act comes up for reauthorization by Congress approximately every five to six years. When Congress does not act on complete reauthorization, there are typically amendments and extensions of authorization. Additionally, Congress reviews and determines appropriations for Title IV programs on an annual basis through the budget and appropriations process. There is no assurance that Congress will not in the future enact changes that decrease Title IV program funds available to students, including students who attend our institution. Any action by Congress that significantly reduces funding for Title IV programs or the ability of our school or students to participate in these programs would require us to arrange for other sources of financial aid and would materially decrease our enrollment. Such a decrease in enrollment would have a material adverse effect on our revenues and results of operations. Congressional action may also require us to modify our practices in ways that could result in increased administrative and regulatory costs and decreased profit margin.

We are not in position to predict with certainty whether any legislation will be passed by Congress or signed into law in the future. The reallocation of funding among Title IV programs, material changes in the requirements for participation in such programs, or the substitution of materially different Title IV programs could reduce the ability of students to finance their education at our institution and adversely affect our revenues and results of operations.

If our efforts to comply with DOE regulations are inconsistent with how the DOE interprets those provisions, either due to insufficient time to implement the necessary changes, uncertainty about the meaning of the rules, or otherwise, we may be found to be in noncompliance with such provisions and the DOE could impose monetary penalties, place limitations on our operations, and/or condition or terminate our eligibility to receive Title IV program funds. We cannot predict with certainty the effect the new and impending regulatory provisions will have on our business.

Investigations by state attorneys general, Congress and governmental agencies regarding relationships between loan providers and educational institutions and their financial aid officers may result in increased regulatory burdens and costs.

In the past few years, the student lending practices of postsecondary educational institutions, financial aid officers and student loan providers were subject to several investigations being conducted by state attorneys general, Congress and governmental agencies. These investigations concern, among other things, possible deceptive practices in the marketing of private student loans and loans provided by lenders pursuant to Title IV programs. HEOA contains new requirements pertinent to relationships between lenders and institutions. In particular, HEOA requires institutions to have a code of conduct, with certain specified provisions, pertinent to interactions with lenders of student loans, prohibits certain activities by lenders and guaranty agencies with respect to institutions, and establishes substantive and disclosure requirements for lists of recommended or suggested lenders of private student loans. In addition, HEOA imposes substantive and disclosure obligations on institutions that make available a list of recommended lenders for potential borrowers. State legislators have also passed or may be considering legislation related to relationships between lenders and institutions. Because of the evolving nature of these legislative efforts and various inquiries and developments, we can neither know nor predict with certainty their outcome, or the potential remedial actions that might result from these or other potential inquiries. Governmental action may impose increased administrative and regulatory costs and decreased profit margins.

Because we are subject to sanctions if we fail to calculate correctly and return timely Title IV program funds for students who stop participating before completing their educational program, our future operating results may be adversely affected.

A school participating in Title IV programs must correctly calculate the amount of unearned Title IV program funds that have been disbursed to students who withdraw from their educational programs before completion and must return those unearned funds in a timely manner, generally within 45 days after the date the school determines that the student has withdrawn. Under recently effective DOE regulations, institutions that use the last day of attendance at an academically-related activity must determine the relevant date based on accurate institutional records (not a student's certificate of attendance). For online classes, "academic attendance" means engaging in an academically-related activity, such as participating in class through an online discussion or initiating contact with a faculty member to ask a question; simply logging into an online class does not constitute "academic attendance" for purposes of the return of funds requirements. Because we only recently began to participate in Title IV programs, we have limited experience complying with return-to-Title IV regulations. Under DOE regulations, late return of Title IV program funds for 5% or more of students sampled in connection with the institution's annual compliance audit constitutes material non-compliance. If unearned funds are not properly calculated and timely returned, we may have to repay Title IV funds, post a letter of credit in favor of the DOE or otherwise be sanctioned by the DOE, which could increase our cost of regulatory compliance and adversely affect our results of operations. This may have an impact on our systems, our future operations and cash flows.

Because our financial statements are not unqualified, Aspen may lose its eligibility to participate in Title IV programs or be required to post a letter of credit in order to maintain eligibility to participate in Title IV programs.

To participate in Title IV programs, an eligible institution must satisfy specific measures of financial responsibility prescribed by the DOE, or post a letter of credit in favor of the DOE and possibly accept other conditions, such as additional reporting requirements or regulatory oversight, on its participation in Title IV programs. Our financial statements are qualified on our ability to continue as a going concern, which means the DOE may determine that we are not financially responsible under DOE regulations. The DOE may also apply its measures of financial responsibility to the operating company and ownership entities of an eligible institution and, if such measures are not satisfied by the operating company or ownership entities, require the institution to meet the alternative standards described under "Regulation" on page 15 of this report. Any of these alternative standards would increase our costs of regulatory compliance. If we were unable to meet these alternative standards, we would lose our eligibility to participate in Title IV programs. If we fail to demonstrate financial responsibility and thus lose our eligibility to participate in Title IV programs, our students would lose access to Title IV program funds for use in our institution, which would limit our potential for growth and adversely affect our enrollment, revenues and results of operations.

If we fail to demonstrate "administrative capability," we may lose eligibility to participate in Title IV programs.

DOE regulations specify extensive criteria an institution must satisfy to establish that it has the requisite "administrative capability" to participate in Title IV programs. If an institution fails to satisfy any of these criteria or comply with any other DOE regulations, the DOE may require the repayment of Title IV funds, transfer the institution from the "advance" system of payment of Title IV funds to cash monitoring status or to the "reimbursement" system of payment, place the institution on provisional certification status, or commence a proceeding to impose a fine or to limit, suspend or terminate the participation of the institution in Title IV programs. If we are found not to have satisfied the DOE's "administrative capability" requirements we could be limited in our access to, or lose, Title IV program funding, which would limit our potential for growth and adversely affect our enrollment, revenues and results of operations.

Because we rely on a third party to administer our participation in Title IV programs, its failure to comply with applicable regulations could cause us to lose our eligibility to participate in Title IV programs.

We have been eligible to participate in Title IV programs for a relatively short time, and we have not developed the internal capacity to handle without third-party assistance the complex administration of participation in Title IV programs. Educational Compliance Management, Inc. assists us with administration of our participation in Title IV programs, and if it does not comply with applicable regulations, we may be liable for its actions and we could lose our eligibility to participate in Title IV programs. In addition, if it is no longer able to provide the services to us, we may not be able to replace it in a timely or cost-efficient manner, or at all, and we could lose our ability to comply with the requirements of Title IV programs, which would limit our potential for growth and adversely affect our enrollment, revenues and results of operation.

If we pay impermissible commissions, bonuses or other incentive payments to individuals involved in recruiting, admissions or financial aid activities, we will be subject to sanctions.

A school participating in Title IV programs may not provide any commission, bonus or other incentive payment based, directly or indirectly, on success in enrolling students or securing financial aid to any person involved in student recruiting or admission activities or in making decisions regarding the awarding of Title IV program funds. If we pay a bonus, commission, or other incentive payment in violation of applicable DOE rules, we could be subject to sanctions, which could have a material adverse effect on our business. Effective July 1, 2011, the DOE abolished 12 safe harbors that described permissible arrangements under the incentive payment regulation. Abolition of the safe harbors and other aspects of the new regulation may create uncertainty about what constitutes impermissible incentive payments. The modified incentive payment rule and related uncertainty as to how it will be interpreted also may influence our approach, or limit our alternatives, with respect to employment policies and practices and consequently may affect negatively our ability to recruit and retain employees, and as a result our business could be materially and adversely affected.

In addition, the GAO has issued a report critical of the DOE's enforcement of the incentive payment rule, and the DOE has undertaken to increase its enforcement efforts. If the DOE determines that an institution violated the incentive payment rule, it may require the institution to modify its payment arrangements to the DOE's satisfaction. The DOE may also fine the institution or initiate action to limit, suspend, or terminate the institution's participation in the Title IV programs. The DOE may also seek to recover Title IV funds disbursed in connection with the prohibited incentive payments. In addition, third parties may file "qui tam" or "whistleblower" suits on behalf of the DOE alleging violation of the incentive payment provision. Such suits may prompt DOE investigations. Particularly in light of the uncertainty surrounding the new incentive payment rule, the existence of, the costs of responding to, and the outcome of, qui tam or whistleblower suits or DOE investigations could have a material adverse effect on our reputation causing our enrollments to decline and could cause us to incur costs that are material to our business, among other things. As a result, our business could be materially and adversely affected.

If our student loan default rates are too high, we may lose eligibility to participate in Title IV programs.

DOE regulations provide that an institution's participation in Title IV programs ends when historical default rates reach a certain level in a single year or for a number of years. Because of our limited experience enrolling students who are participating in these programs, we have no historical default rates. Relatively few students are expected to enter the repayment phase in the near term, which could result in defaults by a few students having a relatively large impact on our default rate. If Aspen loses its eligibility to participate in Title IV programs because of high student loan default rates, our students would no longer be eligible to use Title IV program funds in our institution, which would significantly reduce our enrollments and revenues and have a material adverse effect on our results of operations.

Increased scrutiny of accrediting agencies by the Secretary of Education and the U.S. Congress may result in increased scrutiny of institutions, particularly proprietary institutions, by accrediting agencies, and if our institutional accrediting agency loses its ability to serve as an accrediting agency for Title IV program purposes, we may lose our ability to participate in Title IV programs.

Increased regulatory scrutiny of accrediting agencies and their accreditation of universities is likely to continue. While Aspen is accredited by a DOE-recognized accrediting body, the DETC, if the DOE were to limit, suspend, or terminate the DETC's recognition, we could lose our ability to participate in the Title IV programs. The DOE is scheduled to consider its recognition of DETC at its Spring 2012 meeting. If we were unable to rely on DETC accreditation in such circumstances, among other things, our students and our institution would be ineligible to participate in the Title IV programs, and such consequence would have a material adverse effect on enrollments, revenues and results of operations. In addition, increased scrutiny of accrediting agencies by the Secretary of Education in connection with the DOE's recognition process may result in increased scrutiny of institutions by accrediting agencies.

Furthermore, because the for-profit education sector is growing at such a rapid pace, it is possible that accrediting bodies will respond to that growth by adopting additional criteria, standards and policies that are intended to monitor, regulate or limit the growth of for-profit institutions like us. Actions by, or relating to, an accredited institution, including any change in the legal status, form of control, or ownership/management of the institution, any significant changes in the institution's financial position, or any significant growth or decline in enrollment and/or programs, could open up an accredited institution to additional reviews by the DETC.

If Aspen fails to meet standards regarding "gainful employment," it may result in the loss of eligibility to participate in Title IV programs.

The DOE's regulations on gainful employment programs are effective July 1, 2012. Should a program fail the gainful employment metrics three times within a four year period, the DOE would terminate the program's eligibility for federal student aid (i.e., students in the program would immediately lose eligibility to participate in Title IV programs), and the institution would not be able to reestablish the program's eligibility for at least three years, though the program could continue to operate without Title IV funding. The earliest a program could lose eligibility under the gainful employment rule will be 2015, based on its 2012, 2013, and 2014 performance under the metrics. Because the DOE's gainful employment rules will be implemented over several years and are based at least in part on data that is unavailable to us, it is not possible at this time to determine with any degree of certainty whether these new regulations will cause any of our programs to become ineligible to participate in the Title IV programs. However, under this new regulation, the continuing eligibility of our educational programs for Title IV funding is at risk due to factors beyond our control, such as changes in the actual or deemed income level of our graduates, changes in student borrowing levels, increases in interest rates, changes in the federal poverty income level relevant for calculating discretionary income, changes in the percentage of our former students who are current in repayment of their student loans, and other factors. In addition, even though deficiencies in the metrics may be correctible on a timely basis, the disclosure requirements to students following a failure to meet the standards may adversely impact enrollment in that program and may adversely impact the reputation of our educational institutions.

Our failure to obtain DOE approval, where required, for new programs that prepare students for gainful employment in a recognized occupation could materially and adversely affect our business.

Under the DOE regulations, an institution must notify the DOE at least 90 days before the first day of class when it intends to add a program that prepares students for gainful employment in a recognized occupation. The institution may proceed to offer the program, unless the DOE advises the institution that the DOE must approve the program for Title IV purposes. In addition, if the institution does not provide timely notice to the DOE regarding the additional program, the institution must obtain approval of the program for Title IV purposes. If the DOE denies approval, the institution may not award Title IV funds in connection with the program. Were the DOE to deny approval to one or more of our new programs, our business could be materially and adversely affected. Furthermore, compliance with these new procedures could cause delay in our ability to offer new programs and put our business at a competitive disadvantage. Compliance could also adversely affect our ability to timely offer programs of interest to our students and potential students and adversely affect our ability to increase our revenues. As a result, our business could be materially and adversely affected.

Our failure to comply with the DOE's substantial misrepresentation rules could result in sanctions.

The DOE may take action against an institution in the event of substantial misrepresentation by the institution concerning the nature of its educational programs, its financial charges or the employability of its graduates. Under new regulations, the DOE has expanded the activities that constitute a substantial misrepresentation. Under the DOE regulations, an institution engages in substantial misrepresentation when the institution itself, one of its representatives, or an organization or person with which the institution has an agreement to provide educational programs, marketing, advertising, or admissions services, makes a substantial misrepresentation directly or indirectly to a student, prospective student or any member of the public, or to an accrediting agency, a state agency, or to the Secretary of Education. The final regulations define misrepresentation as any false, erroneous or misleading statement, and they define a misleading statement as any statement that has the likelihood or tendency to deceive or confuse. The final regulations define substantial misrepresentation as any misrepresentation on which the person to whom it was made could reasonably be expected to rely, or has reasonably relied, to the person's detriment. If the DOE determines that an institution has engaged in substantial misrepresentation, the DOE may revoke an institution's program participation agreement, impose limitations on an institution's participation in the Title IV programs, deny participation applications made on behalf of the institution, or initiate a proceeding against the institution to fine the institution or to limit, suspend or termination the institution's participation in the Title IV programs. We expect that there could be an increase in our industry of administrative actions and litigation claiming substantial misrepresentation, which at a minimum would increase legal costs associated with defending such actions, and as a result our business could be materially and adversely affected.

Failure to comply with the DOE's credit hour requirements could result in sanctions.

The DOE has defined "credit" hour for Title IV purposes. The credit hour is used for Title IV purposes to define an eligible program and an academic year and to determine enrollment status and the amount of Title IV aid that an institution may disburse in a payment period. The final regulations define credit hour as an institutionally established equivalency that reasonably approximates certain specified time in class and out of class and an equivalent amount of work for other academic activities. The final regulations also require institutional accreditors to review an institution's policies, procedures, and administration of policies and procedures for assignment of credit hours. An accreditor must take appropriate actions to address an institution's credit hour deficiencies and to notify the DOE if it finds systemic noncompliance or significant noncompliance in one or more programs. The DOE has indicated that if it finds an institution to be out of compliance with the credit hour definition for Title IV purposes, it may require the institution to repay the amount of Title IV awarded under the incorrect assignment of credit hours and, if it finds significant overstatement of credit hours, it may fine the institution or limit, suspend, or terminate its participation in Title IV programs, as a result of which our business could be materially and adversely affected.

The U.S. Congress recently conducted an examination of the for-profit postsecondary education sector that could result in legislation or additional DOE rulemaking that may limit or condition Title IV program participation of proprietary schools in a manner that may materially and adversely affect our business.

In recent years, the U.S. Congress has increased its focus on for-profit education institutions, including with respect to their participation in the Title IV programs, and has held hearings regarding such matters. In addition, the GAO released a series of reports following undercover investigations critical of for-profit institutions. We cannot predict the extent to which, or whether, these hearings and reports will result in legislation, further rulemaking affecting our participation in Title IV programs, or more vigorous enforcement of Title IV requirements. To the extent that any laws or regulations are adopted that limit or condition Title IV program participation of proprietary schools or the amount of federal student financial aid for which proprietary school students are eligible, our business could be materially and adversely affected.

Risks Related to Our Common Stock

Because our common stock is subject to the "penny stock" rules, brokers cannot generally solicit the purchase of our common stock which adversely affects its liquidity and market price.

The SEC has adopted regulations which generally define "penny stock" to be an equity security that has a market price of less than $5.00 per share, subject to specific exemptions. We expect that the market price of our common stock on the Over-The-Counter Bulletin Board ("Bulletin Board") will be substantially less than $5.00 per share and therefore we will be considered a "penny stock" according to SEC rules. This designation requires any broker-dealer selling these securities to disclose certain information concerning the transaction, obtain a written agreement from the purchaser and determine that the purchaser is reasonably suitable to purchase the securities. These rules limit the ability of broker-dealers to solicit purchases of our common stock and therefore reduce the liquidity of the public market for our shares.

Moreover, as a result of apparent regulatory pressure from the SEC and the Financial Industry Regulatory Authority, a growing number of broker-dealers decline to permit investors to purchase and sell or otherwise make it difficult to sell shares of penny stocks like Aspen. This may have a depressive effect upon our common stock price.

Our management will be able to exert control over us to the detriment of minority shareholders.

Our executive officers and directors own approximately 25% of our outstanding common stock. These shareholders, if they act together, may be able to control our management and affairs and all matters requiring shareholder approval, including significant corporate transactions. This concentration of ownership may have the effect of delaying or preventing our change in control and might affect the market price of our common stock. For more information, see "Security Ownership of Certain Beneficial Owners and Management."

Due to factors beyond our control, our stock price may be volatile.

Any of the following factors could affect the market price of our common stock:

- Our failure to generate increasing material revenues;
- Our failure to become profitable;
- Our failure to raise working capital;
- Our public disclosure of the terms of any financing which we consummate in the future;
- Actual or anticipated variations in our quarterly results of operations;
- Announcements by us or our competitors of significant contracts, new services, acquisitions, commercial relationships, joint ventures or capital commitments;
- The loss of Title IV funding or other regulatory actions;
- Our failure to meet financial analysts' performance expectations;
- Changes in earnings estimates and recommendations by financial analysts;
- Short selling activities; or
- Changes in market valuations of similar companies.

In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been instituted. A securities class action suit against us could result in substantial costs and divert our management's time and attention, which would otherwise be used to benefit our business.

We may issue preferred stock without the approval of our shareholders and have other anti-takeover defenses, which could make it more difficult for a third party to acquire us and could depress our stock price.

Our Board may issue, without a vote of our shareholders, one or more additional series of preferred stock that have more than one vote per share. This could permit our Board to issue preferred stock to investors who support Aspen and our management and give effective control of our business to Aspen and our management. Additionally, issuance of preferred stock could block an acquisition resulting in both a drop in our stock price and a decline in interest of our common stock. This could make it more difficult for shareholders to sell their common stock. This could also cause the market price of our common stock shares to drop significantly, even if our business is performing well.

An investment in Aspen may be diluted in the future as a result of the issuance of additional securities.

In order to raise additional capital to meet its working capital needs, we expects to issue additional shares of common stock or securities convertible, exchangeable or exercisable into common stock from time to time, which could result in substantial dilution to investors. Investors should anticipate being substantially diluted based upon the current condition of the capital and credit markets and their impact on small companies.

Because we may not be able to attract the attention of major brokerage firms, it could have a material impact upon the price of our common stock.

It is not likely that securities analysts of major brokerage firms will provide research coverage for our common stock since the firm itself cannot recommend the purchase of our common stock under the penny stock rules referenced in an earlier risk factor. The absence of such coverage limits the likelihood that an active market will develop for our common stock. It may also make it more difficult for us to attract new investors at times when we acquire additional capital.

Since we intend to retain any earnings for development of our business for the foreseeable future, you will likely not receive any dividends for the foreseeable future.

We have not and do not intend to pay any dividends in the foreseeable future, as we intend to retain any earnings for development and expansion of our business operations. As a result, you will not receive any dividends on your investment for an indefinite period of time.

Management Discussion and Analysis of Financial Condition and Results of Operations

This discussion should be read in conjunction with the other sections of Form 8-K, including the risk factors and the consolidated financial statements attached hereto as Exhibit 99.1 and the related exhibits. The various sections of this discussion contain a number of forward-looking statements, all of which are based on our current expectations and could be affected by the uncertainties and risk factors described throughout this Form 8-K as well as other matters over which we have no control See "Cautionary Note Regarding Forward-Looking Statements." Our actual results may differ materially.

Company Overview

Founded in 1987, Aspen's mission is to become an institution of choice for adult learners by offering cost-effective, comprehensive, and relevant online education. One of the key differences between Aspen and other publicly-traded, exclusively online, for-profit universities is that 88% of our full-time degree-seeking students (as of December 31, 2011) are enrolled in a graduate degree program (master or doctorate degree program). As of December 31, 2011, 1,477 students were enrolled full-time at Aspen, with 1,297 students or 88% of Aspen's full-time, degree-seeking student body, enrolled in a master or doctoral degree program. In addition, a further 496 students are enrolled in a certificate or continuing education program.

Among online, for-profit universities, Aspen ranks among the leaders relative to the closely analyzed industry metrics such as high student graduation rates, high student course completion rates and low revenue exposure to DOE federal student financial aid Title IV programs. During 2011, Aspen had a student graduation rate of 56%, and a student course completion rate of 81% (average of top 10 most popular courses), a federal student financial aid Title IV program participation rate of only 7% of revenues (this rate was calculated in accordance with the DOE regulations with revenues calculated on a cash basis). While most publicly-traded for-profit universities are near the 90/10 Title IV ratio limit, Aspen's ratio is only 7%.

We generate revenues predominantly from student tuition fees. Aspen installed a new senior management team during the second quarter of 2011. As a result, our business has substantially changed. These changes include:

- Effective July 15, 2011, Aspen substantially changed its tuition rates across all degree-seeking programs. We terminated a pre-payment option that charged students only $3,600 for the entire 12-course master or doctorate program (the pre-payment option offered the student the ability to pre-pay $2,700 for the first four courses or 12 credit hours, followed by $112.50 per course or $37.50 per credit hour for the remaining eight courses.) The new tuition policy effective July 15, 2011 is $300 per credit hour (compared to an average tuition rate of $100 per credit hour under the prior plan) for master or doctorate programs, with a pre-payment option that offers students a discount of approximately 33% off the $300 per credit hour standard payment plan. These rates do not include fees such as annual library/technology fee, or dissertation and internship fees.
- Our total enrollment grew over 47% from 1,342 students at December 31, 2010 to 1,973 students at December 31, 2011.
- We spent $981,546 revamping our e-commerce infrastructure including call center management software and services, lead management software and services and student management system upgrade.
- We enhanced our marketing techniques and increased our marketing budget.
- Late in 2011 we hired a new Executive Vice President of Marketing who will head our new call center opening in 2012, subject to any required regulatory approvals.

Results of Operations

Year Ended December 31, 2011 Compared with Year Ended December 31, 2010

Revenue

Revenue for the year ended December 31, 2011 increased to $4,477,931 from $3,153,699 for the year ended December 31, 2010, an increase of 42.0%. The increase is primarily attributable to the increase in Aspen student enrollments as tuition revenues increased to $2,481,403 from $1,572,819, an increase of 58%. The revenue Aspen derives from its corporate-sponsored employee certificate programs rose to $1,996,528 from $1,580,880, an increase of 26%.

Our 2011 and 2010 revenue was impacted by the 2010 pre-payment tuition plan (discontinued July 15, 2011) with its relatively low tuition rates. As of December 31, 2011, 35% of our full-time students were still enrolled under the 2010 tuition plan. Accordingly, much as 2011 was affected, 2012 revenue will experience a similar, but gradually diminishing, effect from the lower tuition under the 2010 tuition plan. The 2010 tuition plan produced immediate cash flow but created low gross margins.

Additionally, Aspen's largest corporate customer is Verizon, which represented 45% of our revenues in 2011and 50% in 2010. In 2012, Aspen projects revenues with corporate customers, while still growing, to decrease to 35% of revenues. Because of payments we make to a third party marketing company, our gross margins from corporate customers revenues is substantially less.

Costs and Expenses

Instructional Costs and Services

Instructional costs and services for the year ended December 31, 2011 increased to $2,493,341 from $1,759,140 for the year ended December 31, 2010, an increase of 41.7%. The increase is primarily attributable to higher charges associated with purchased courseware and payments to faculty due to the increase in class completions.

Marketing and Promotional

Marketing and promotional costs for the year ended December 31, 2011 increased to $1,181,558 from $242,134 for the year ended December 31, 2010, an increase of 388%. The increase is primarily attributable to expenses related to the launch and operation of Aspen's new marketing and student enrollment program.

General and Administrative

General and administrative costs for the year ended December 31, 2011 increased to $2,634,453 from $998,777 for the year ended December 31, 2010, an increase of 164%. The increase is primarily attributable to payroll costs associated with the expansion of our new management team in 2011, which resulted in compensation expense of $1,596,711, or $982,637 in additional compensation expense compared to 2010, which was a 160% increase. In 2012, we expect that compensation of our executive management team will be approximately $662,500 or approximately 19% less than 2011, not including any non-cash stock option charges. Included in the compensation expense, there were $440,735 in one-time costs associated with the resignation of the Company's former Chairman, Patrick Spada. In addition, there were severance costs of $41,833 related to the Company's former Chief Operating Officer, the Company's former Controller and the Company's former Secretary.

Depreciation and Amortization

Depreciation and amortization costs for the year ended December 31, 2011 decreased to $264,082 from $338,803 for the year ended December 31, 2010, a decrease of 22.1%. The decrease is primarily attributable to the run-off of prior-year curriculum investments and a partial period for the capitalized systems infrastructure investments. Included in amortization is $60,290 for technology infrastructure expenses which reflected approximately six months' amortization of capitalized costs that will be fully expensed over five years in line with Aspen's accounting policies.

Other Income (Expense)

Other income (expense) for the year ended December 31, 2011 increased to ($25,194) from ($18,391) for the year ended December 31, 2010, an increase of 37.0%. The increase is primarily attributable to higher levels of interest expense.

Income Taxes

Income taxes expense (benefit) for the year ended December 31, 2011 and the year ended December 31, 2010 were $0 as the company experienced operating losses in both periods. As management made a full valuation allowance against the deferred tax assets stemming from these losses, there was no tax benefit recorded in the income statement in both periods.

Net Loss

Net loss for the year ended December 31, 2011 increased to ($2,120,697) from ($203,546) for the year ended December 31, 2010, an increase of 942%. The increase is primarily attributable to the budgeted employee, infrastructure and marketing costs associated with Aspen's new programs to sustain future growth.

Capital Resources and Liquidity

Net cash used in operating activities during the year ended December 31, 2011 totaled $1,082,213 and resulted primarily from a net loss of $2,120,697, an increase in prepaid expenses of $97,684, and decreases in accrued expenses of $98,588 and deferred revenue of $54,510, partially offset by non-cash items, including bad debt expense of $21,200, depreciation and amortization of $264,082 and convertible notes issued for services of $22,000, and increases in accounts receivable of $196,229 and accounts payable of $780,703. Net cash from operating activities include non-recurring expenses of $482,568.

Net cash used in investing activities during the year ended December 31, 2011 totaled $1,276,653 and resulted primarily from purchases of property and equipment of $133,431, purchases of intangible assets of $981,546, and loans to shareholders of $388,210, offset by officer loan repayments received of $238,210.

Net cash provided by financing activities during the year ended December 31, 2011 was $2,830,630 and resulted primarily from proceeds from the issuance of preferred shares of $3,469,985, the issuance of convertible notes of $328,000, partially offset by proceeds used to repurchase treasury shares of $761,200, payments for shareholder rescissions of $165,000, and principal payments on notes payable of $30,871. Net cash from financing activities include non-recurring expenditures of $942,572.

In May 2011, Aspen had approximately $200,000 in cash when its new management team joined it in connection with the EGC merger. From June 2010 through the time of the EGC merger, Aspen had received $1,390,500 from the 2010 tuition plan which was designed to increase cash flow. To sustain its operations, Aspen raised $328,000 from the sale of convertible notes and $3,469,985 from the sale of convertible preferred stock at prices ranging from approximately $0.95 to $1.00 per share. Funds were used to repurchase $740,000 of common stock pursuant to a prior obligation, to repay $165,000 to investors who purchased Aspen common stock in prior years resulting from violation of state securities laws registration provisions, to repurchase $21,200 of common stock to investors requesting a return of their investments, and $2,871,785 for general corporate purposes including working capital.

We have limited working capital. As of the date of this report, we had $640,541 in available cash. To meet our working capital needs, the Public Company plans to raise up to $6,000,000. We are currently offering to sell $2,000,000 of convertible notes, convertible at $1.00 per share and due June 30, 2012, together with 500,000 five-year warrants exercisable at $1.00 per share. We have entered into a letter of intent with Laidlaw & Company (UK) Ltd. which agreed to use its best efforts to raise up to $6,000,000 (with an option to sell up to an additional $1,200,000) including the balance of the $2,000,000 offering. The $2,000,000 offering is being offered to retail investors. We are negotiating with Laidlaw the exact type of securities we intend to offer and their terms for the balance of the $6,000,000 offering (and any amount not sold in the $2,000,000 note offering), which will be primarily offered to institutional investors. If we do not raise approximately $3,000,000, we will not be able to expand as planned.

We expect to spend $1,500,000 in capital expenditures over the next 12 months.

Related Party Transactions

During 2011 and 2010, Aspen's former Chairman, Patrick Spada, without approval of Aspen's Board, caused Aspen to spend $289,069 and $214,455, respectively, in personal benefits. During these periods Mr. Spada did not receive salary or other compensation.

On September 16, 2011, Aspen prepaid $151,667 to HEMG, Mr. Spada's corporation, as prepaid consulting fees.

At December 31, 2011, we included as an asset a loan receivable of $2,209,960 and an account receivable of $772,793 from our principal shareholder. Although both are secured by stock pledges, there is a risk that we may not collect all or any of these sums. See the "Risk Factors" included in this report.

See "Related Person Transactions" later in this report which fully disclose these and other related person transactions.

New Accounting Pronouncements

See Note 2 to our consolidated financial statements included in this report for discussion of recent accounting pronouncements.

Cautionary Note Regarding Forward Looking Statements

This report contains forward-looking statements including future revenues, planned financings, capital expenditures, and liquidity.

All statements other than statements of historical facts contained in this report, including statements regarding our future financial position, liquidity, business strategy and plans and objectives of management for future operations, are forward-looking statements. 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.

The results anticipated by any or all of these forward-looking statements might not occur. Important factors, uncertainties and risks that may cause actual results to differ materially from these forward-looking statements are contained in the risk factors that follow. We undertake no obligation to publicly update or revise any forward-looking statements, whether as the result of new information, future events or otherwise.

Off Balance Sheet Arrangements

We do not engage in any activities involving variable interest entities or off-balance sheet arrangements.

Critical Accounting Policies and Estimates

In response to financial reporting release FR-60, Cautionary Advice Regarding Disclosure About Critical Accounting Policies, from the SEC, we have selected our more subjective accounting estimation processes for purposes of explaining the methodology used in calculating the estimate, in addition to the inherent uncertainties pertaining to the estimate and the possible effects on the our financial condition. The accounting estimates are discussed below and involve certain assumptions that, if incorrect, could have a material adverse impact on our results of operations and financial condition.

Revenue Recognition and Deferred Revenue

Revenues consist primarily of tuition and fees derived from courses taught by Aspen online as well as from related educational resources that Aspen provides to its students, such as access to our online materials and learning management system. Tuition revenue and most fees from related educational resources are recognized pro-rata over the applicable period of instruction. Aspen maintains an institutional tuition refund policy, which provides for all or a portion of tuition to be refunded if a student withdraws during stated refund periods. Certain States in which students reside impose separate, mandatory refund policies, which override Aspen's policy to the extent in conflict. If a student withdraws at a time when a portion or none of the tuition is refundable, then in accordance with its revenue recognition policy, Aspen immediately recognizes as revenue the tuition that was not refunded. Since Aspen recognizes revenue pro-rata over the term of the course and because, under its institutional refund policy, the amount subject to refund is never greater than the amount of the revenue that has been deferred, under Aspen's accounting policies revenue is not recognized with respect to amounts that could potentially be refunded. Aspen also charges students annual fees for library, technology and other services, which are deferred and recognized over the related service period. Deferred revenue and student deposits in any period represent the excess of tuition, fees, and other student payments received as compared to amounts recognized as revenue and are reflected as current liabilities in the accompanying consolidated balance sheets. Aspen's educational programs have starting and ending dates that differ from its fiscal quarters. Therefore, at the end of each fiscal quarter, a portion of revenue from these programs is not yet earned. Other revenues may be recognized as sales occur or services are performed.

Accounts Receivable and Allowance for Doubtful Accounts Receivable

Accounts receivable consist primarily of student accounts receivable, which represent amounts due for tuition, technology fees and other fees from students who are in the course of completing a degree or certificate program. Students generally fund their education through personal funds, grants and/or loans under various DOE Title IV programs, or tuition assistance from military and corporate employers. Accounts receivable also includes amounts due from the sale of course curricula to other entities, which last occurred in 2010.

Accounts and student loans receivable are stated at the amount management expects to collect from outstanding balances. An allowance for doubtful accounts is estimated by management based on (i) an assessment of individual accounts receivable over a specific aging and amount (and all other balances on a pooled basis based on historical collection experience), (ii) consideration of the nature of the receivable accounts and (iii) potential changes in the economic environment. Bad debt expense is recorded in instructional costs and services expense in the consolidated statements of operations.

All students are required to select both a primary and secondary payment option with respect to amounts due to Aspen for tuition, fees and other expenses. The most common payment option for Aspen's students is personal funds or payment made on their behalf by an employer. In instances where a student selects financial aid as the primary payment option, he or she often selects personal cash as the secondary option. If a student who has selected financial aid as his or her primary payment option withdraws prior to the end of a course but after the date that Aspen's institutional refund period has expired, the student will have incurred the obligation to pay the full cost of the course. If the withdrawal occurs before the date at which the student has earned 100% of his or her financial aid, Aspen will have to return all or a portion of the Title IV funds to the DOE and the student will owe Aspen all amounts incurred that are in excess of the amount of financial aid that the student earned and that Aspen is entitled to retain. In this case, Aspen must collect the receivable using the student's second payment option.

For accounts receivable from students, Aspen records an allowance for doubtful accounts for estimated losses resulting from the inability, failure or refusal of its students to make required payments, which includes the recovery of financial aid funds advanced to a student for amounts in excess of the student's cost of tuition and related fees. Aspen determines the adequacy of its allowance for doubtful accounts based on an analysis of its historical bad debt experience, current economic trends, and the aging of the accounts receivable and student status. Aspen applies reserves to its receivables based upon an estimate of the risk presented by the age of the receivables and student status. Historically, Aspen has written off accounts receivable balances at the earlier of the time the balances were deemed uncollectible, or one year after the revenue is generated. Aspen continues to reflect accounts receivable with an offsetting allowance as long as management believes there is a reasonable possibility of collection.

For accounts receivable from companies, Aspen estimates its allowance for doubtful accounts by evaluating specific accounts where information indicates the customers may have an inability to meet financial obligations, such as bankruptcy proceedings and receivable amounts outstanding for an extended period beyond contractual terms. In these cases, Aspen uses assumptions and judgment, based on the best available facts and circumstances, to record a specific allowance for those customers against amounts due to reduce the receivable to the amount expected to be collected. These specific allowances are re-evaluated and adjusted as additional information is received. The amounts calculated are analyzed to determine the total amount of the allowance. Aspen may also record a general allowance as necessary.

Direct write-offs are taken in the period when the Company has exhausted its efforts to collect overdue and unpaid receivables or otherwise evaluate other circumstances that indicate that Aspen should abandon such efforts.

Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities

Since March 31, 2011, the Public Company's common stock has been quoted on the Bulletin Board. The last reported sale price of the Public Company's common stock as reported by the Bulletin Board on June 30, 2011 was $6.50. As of March 15, 2012, Aspen had 162 record holders including 149 shareholders who received shares in the Reverse Merger. The following table provides the high and low bid price information for our common stock for the periods our stock was quoted on the Bulletin Board. For the period our stock was quoted on the Bulletin Board, the prices reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not necessarily represent actual transactions.

Year	Quarter Ended	Prices (1)(2) High	Prices (1)(2) Low
2011	December 31	$ 6.50	$ 6.50
	September 30	$ 6.50	$ 6.50
	June 30	$ 6.50	$ 6.25
	March 31	$ 0.0208	$ 0.0208

(1) On June 21, 2011, the Public Company completed a 12 for 1 forward stock split. All prices in the table have been adjusted for the forward split.

(2) All prices give effect to the 1-for-2.5 reverse stock split effected in February 2012.

Dividend Policy

We have not paid cash dividends on our common stock and do not plan to pay such dividends in the foreseeable future. Our Board will determine our future dividend policy on the basis of many factors, including results of operations, capital requirements, and general business conditions.

Recent Sales of Unregistered Securities

In addition to those unregistered securities previously disclosed in reports filed with the SEC, we and Aspen have sold securities without registration under the Securities Act of 1933 (the "Securities Act") in reliance upon the exemption provided in Section 3(a)(9) and Section 4(2), Rule 506 thereunder as described below.

Name	Date Sold	No. of Securities	Reason for Issuance
Series A Investors (1)	May 20, 2011	850,395 Series A Preferred Stock	Equity exchange of $809,900
Series B Note Investors (1)	May 20, 2011	368,411 Series B Notes	Loans of $350,000
Series B Note Holders (2)	May 20, 2011	368,411 Series B Preferred Stock	Conversion of Notes to Series B
Series C Investors (2)	May 20, 2011	11,307,450 Series C Preferred Stock	Conversion of common stock
Series D Investors (1)	August 19, 2011	1,176,750 Series D Preferred Stock	Investments of $1,176,750
Series E Investors (1)	September 28, 2011	1,700,000 Series E Preferred Stock	Investments of $1,700,000
Aspen Shareholders (3)	March 13, 2012	25,515,204 shares of Common Stock, $500,000 of convertible notes and 456,000 warrants	Merger Consideration
Bridge Lenders (1)	March 15, 2012	$150,000 Convertible Notes and 37,500 warrants	Loan

(1) The securities were issued in reliance upon the exemption provided by Section 4(2) and Rule 506 under the Securities Act. There was no general solicitation and the investors were accredited. Of the funds received in the Series A offering, $740,000 was used to repurchase common stock from prior investors under an agreement entered into prior to 2011.
(2) The securities were issued in reliance upon the exemption provided by 3(a)(9) under the Securities Act.
(3) The securities were issued in reliance upon the exemption provided by Section 4(2) under the Securities Act. There was no general solicitation.

Share Eligible for Future Sale

As of March 16, 2012, we had 35,275,204 shares of common stock outstanding, of which our directors and officers own approximately 15.2 million shares. Of the 9,760,000 shares held by the Public Company shareholders, all but 2,000,000 are freely tradable; the balance become free trading three months after the closing of the Reverse Merger (or June 13, 2012). No shares issued in connection with the Reverse Merger can be publicly sold under Rule 144 of the Securities Act until 12 months after the Reverse Merger (or March 13, 2013). In general, Rule 144 provides that any non-affiliate of Aspen, who has held restricted common stock for at least 12-months, is entitled to sell their restricted stock freely, provided that Aspen stays current in its SEC filings. After 12-months, a non-affiliate may sell without any restrictions.

Once the 12-month periods has lapsed, an officer, director or other person in control of Aspen may sell after six months with the following restrictions: (i) Aspen is current in its filings, (ii) certain manner of sale provisions, (iii) filing of Form 144, and (iv) volume limitations limiting the sale of shares within any three-month period to a number of shares that does not exceed 1% of the total number of outstanding shares. A person who has ceased to be an affiliate at least three months immediately preceding the sale and who has owned such shares of common stock for at least one year is entitled to sell the shares under Rule 144 without regard to any of the limitations described above.

Management

Mr. Don Ptalis, the Public Company's sole officer and director resigned at the time of the consummation of the Reverse Merger. Reference is made to the disclosure set forth under Item 2.01 of this Form 8-K, which disclosure is incorporated herein by reference. The following executive officers and directors were appointed to their current positions listed in the table in connection with the Reverse Merger. Except for Sanford Rich, who was appointed a director effective with the closing of the Reverse Merger, each person listed in the table had identical positions with Aspen.

Name	Age	Position
Michael Mathews	50	Chief Executive Officer, and Chairman of the Board
Gerald Williams	58	President
David Garrity	51	Chief Financial Officer
Brad Powers	36	Chief Marketing Officer
Angela Siegel	32	Executive Vice President of Marketing
Michael D'Anton	54	Director
C. James Jensen	70	Director
David Pasi	51	Director
Sanford Rich	54	Director
John Scheibelhoffer	50	Director
Paul Schneier	61	Director

Michael Mathews has served as Aspen's Chief Executive Officer and a director since May 2011. He served as Chief Executive Officer of interclick, inc. (Nasdaq: ICLK) from August 28, 2007 until January 31, 2011. From June 2007 until it was acquired by Yahoo, Inc. (NASDAQ: YHOO) in December 2011, Mr. Mathews also served as a director of interclick. From May 15, 2008 until June 30, 2008, Mr. Mathews served as the interim Chief Financial Officer of interclick. From 2004 to 2007, Mr. Mathews served as the senior vice-president of marketing and publisher services for World Avenue U.S.A., LLC, an Internet promotional marketing company. Since March 23, 2011, Mr. Mathews has served as the Chairman and a consultant (and from December 1, 2011 through March 19, 2012 as Executive Chairman) for Wizard World, Inc. (Other OTC: WIZD). Mr. Mathews was selected to serve as a director due to his track record of success in managing early stage and growing businesses, his extensive knowledge of the Internet marketing industry and his knowledge of running and serving on the boards of public companies. Additionally, Mr. Mathews was appointed a director in connection with the EGC Merger.

Gerald Williams has served as Aspen's President since March 2011. Dr. Williams functions as Aspen's chief academic officer and has responsibility for all educational matters. Since January 15, 2012, Dr. Williams has also served as the Dean of our School of Technology. Prior to January 1, 2012, Dr. Williams was a consultant beginning in March 2011 under a Consulting Agreement. From 2005 until 2010, Mr. Williams was an adjunct professor at the University of Missouri – Kansas City.

David Garrity has served as Aspen's Chief Financial Officer since June 2011. He served as Chief Financial Officer of interclick from June 30, 2008 until August 14, 2009 and as a member of interclick's board of directors from June 9, 2008 until June 5, 2009. Through GVA Research LLC, a company he controls, Mr. Garrity provides consulting services to organizations such as the World Bank Group and offers expert commentary on technology sector developments to CNBC, Bloomberg TV and other media networks. Mr. Garrity holds Series 7, 24, 63, 79, 86 & 87 securities licenses and is affiliated with Whitemarsh Capital Advisors, LLC, a Financial Industry Regulatory Authority, Inc. ("FINRA") member firm. From 2006 to 2008, Mr. Garrity served as Managing Director and Director of Research for Dinosaur Securities, LLC. In 2006, Mr. Garrity was fined $10,000 and suspended for 45 days from associating with a FINRA member firm for certain inadvertent violations of FINRA's rules unrelated to fraud or any customer complaints. Mr. Garrity consented to the sanctions without admitting or denying FINRA's findings.

Brad Powers has served as Aspen's Chief Marketing Officer since May 2011. From July 2009 until December 31, 2010, Mr. Powers served as the Chief Marketing Officer of Atrinsic, Inc. From 2004 until 2009, Mr. Powers was the Chief Executive Officer of Active Response Group, a company he founded.

Angela Siegel has served as Aspen's Executive Vice President of Marketing since January 1, 2012. Ms. Siegel has responsibility for the online lead generation and the Office of Enrollment. From July 2010 until December 2011, Ms. Siegel was the Director of Compliance and Enrollment Analytics at Ward Media, Inc. ("Ward"), a lead generation marketing agency. From January 2010 until July 2010, Ms. Siegel was the Chief Marketing Officer at the Jack Welch Management Institute at Chancellor University. From October 2008 until January 2010, Ms. Siegel was the Director of Enrollment Marketing at Ward. From July 2004 until October 2008, Ms. Siegel was the Online Marketing Manager at Grand Canyon Education, Inc. (NASDAQ: LOPE), a regionally accredited provider of post-secondary education including online as well as traditional ground programs.

Michael D'Anton has served as a director of Aspen for approximately five years. Since 1988, Dr. D'Anton has been a ENT physician and surgeon at ENT Allergy Associates. Dr. D'Anton was selected as a director for his experience in growing and running a successful surgery center and his knowledge of Aspen from serving as a director prior to the Reverse Merger.

C. James Jensen has served as a director of Aspen since May 2011. Since 1983, Mr. Jensen has been the managing partner of Mara Gateway Associates, L.P., a privately owned real estate investment company he co-founded. Since 2006, Mr. Jensen has been the co-managing partner of Stronghurst, LLC, which provides advisory and financial services to emerging growth companies. Since April 2011, Mr. Jensen has served as a director of Sugarmade, Inc. (OTC BB: SGMD). From April 2006 until March 2008, Mr. Jensen served as a director of Health Benefits Direct Corp. (OTC BB: HBDT). Mr. Jensen was selected a director as a designee of Mr. Mathews in connection with the EGC Merger due to his previous service on a public company Board and his experience with entrepreneurial companies.

David Pasi has served as a director of Aspen since May 2011. Since December 2010, Mr. Pasi has been a financial advisor. From August 2008 until August 2010, Mr. Pasi was a risk manager at Credit Suisse. From January 2004 until June 2008, Mr. Pasi was the risk manager at Citigroup, Inc. Mr. Pasi was selected as a designee of Mr. Spada in connection with the EGC Merger. Because of his finance background, Mr. Pasi was selected as a director of the Public Company.

Sanford Rich has served as a director since March 13, 2012. Since October 2011, Mr. Rich has served as Chief Executive Officer of In The Car LLC. Mr. Rich served as a director of interclick from August 28, 2007 until June 5, 2009. Since January 2008, Mr. Rich has served as Managing Director of Whitemarsh Capital Advisors, a broker-dealer. From May 2008 to February 2009, Mr. Rich was a Managing Director with Matrix USA LLC, a broker-dealer. From 1995 until January 2008, Mr. Rich was the Senior Vice President of Investments, a Portfolio Manager and a Specialist Manager of High Yield and Convertible Securities Portfolios for institutions at GEM Capital Management, Inc. Since April 2006, Mr. Rich has served as a director and Audit Committee Chairman for Ins Pro Technologies (OTC BB: ITCC). Mr. Rich was selected as a director for his 32 years of experience in the financial sector and because he is independent and has experience serving on the audit committees of public companies.

John Scheibelhoffer has served as a director of Aspen for approximately five years. Since 1996, Dr. Scheibelhoffer has been a physician and surgeon employed by ENT Allergy Associates. Dr. Scheibelhoffer was selected to serve as a director for his experience in running a successful surgery center and his knowledge of Aspen from serving as a director member prior to the EGC Merger.

Paul Schneier has served as a director of Aspen for approximately four years. Since April 2007, Mr. Schneier has been a Division President at PulteGroup, Inc. (NYSE: PHM), a homebuilding company. Prior to that, Mr. Schneier was a Division President at Beazer Homes USA, Inc. (NYSE: BZEH), a homebuilding company. Mr. Scheneier was selected to serve as a director because of his management background.

Except for Dr. D'Anton and Mr. Pasi, who are brother-in-laws, there are no family relationships among our directors and/or executive officers.

Director Independence

We currently have seven directors serving on our Board. We are not a listed issuer and, as such, are not subject to any director independence standards. Using the definition of independence set forth in the rules of the NYSE Amex, all of our directors except Mr. Mathews are independent.

Board Committees and Charters

We currently have Audit and Compensation Committees of the Board. The members of the Audit Committee are Sanford Rich, Chairman, David Pasi and C. James Jensen. Each of Messrs. Rich, Pasi and Jensen are independent in accordance with the independence standards for audit committees under the NYSE Amex listing rules. The Audit Committee has a written charter approved by the Board.

The members of the Compensation Committee are Mr. Jensen, Chairman, Paul Schneier and John Scheibelhoffer, MD. Our Board is expected to appoint a Nominating Committee, and to adopt charters relative to the Compensation Committee and the Nominating Committee, in the near future. We intend to appoint such persons to the Nominating Committee of the Board as are expected to be required to meet the corporate governance requirements imposed by a national securities exchange, although we are not required to comply with such requirements until we elect to seek listing on a national securities exchange, and we are under no obligation to do so.

Code of Ethics

We have adopted a Code of Ethics which applies not only to our Chief Executive Officer and Chief Financial Officer but all directors and employees.

Shareholder Communications

Although we do not have a formal policy regarding communications with the Board, shareholders may communicate with the Board by writing to us at Aspen Group, Inc., 224 West 30th Street, Suite 604, New York, New York 10001, Attention: Corporate Secretary. Shareholders who would like their submission directed to a member of the Board may so specify, and the communication will be forwarded, as appropriate.

Board Structure

We have chosen to combine the Chief Executive Officer and Board Chairman positions. We believe that this Board leadership structure is the most appropriate for Aspen. Because we are a small company, it is more efficient to have the leadership of the Board in the same hands as the Chief Executive Officer. The challenges faced by us at this stage – obtaining financing and implementing our business and marketing plan – are most efficiently dealt with by one person who is familiar with both the operational aspects as well as the strategic aspects of our business.

Board Assessment of Risk

Our risk management function is overseen by our Board. Prior to the Reverse Merger, Aspen's management kept its Board apprised of material risks and provided its directors access to all information necessary for them to understand and evaluate how these risks interrelate, how they affect Aspen, and how management addresses those risks. We will continue the same policy. Mr. Michael Mathews, as our Chief Executive Officer and Chairman of the Board, works closely together with the Board once material risks are identified on how to best address such risk. If the identified risk poses an actual or potential conflict with management, our independent directors may conduct the assessment. Presently, the primary risks affecting us are the lack of working capital and our ability to grow our business and manage our expected growth consistent with regulatory oversight. Prior to the Reverse Merger, the Aspen Board focused on these key risks at each meeting and actively interfaced with management on seeking solutions. We will continue the same policy.

Board Diversity

While we do not have a formal policy on diversity, our Board considers diversity to include the skill set, background, reputation, type and length of business experience of our Board members as well as a particular nominee's contributions to that mix. Our Board believes that diversity brings a variety of ideas, judgments and considerations that benefit Aspen and its shareholders. Although there are many other factors, the Board seeks individuals with experience on public company boards, experience on operating growing businesses, and experience with online universities.

Executive Compensation

The following information is related to the compensation paid to Aspen's Chief Executive Officers (principal executive officers) serving during the last fiscal year (the "Named Executive Officers"). No other executive officer earned over $100,000.

Summary Compensation Table

Name and Principal Position (a)	Year (b)	Salary ($)(c)	All Other Compensation ($)(i)	Total ($)(j)
Michael Mathews (1)	2011	62,500		62,500
Chief Executive Officer				
Patrick Spada (2)(3)	2011	0	440,735	440,735
Former Chairman	2010	0	0	0

(1) Mr. Mathews began serving as Chief Executive Officer of Aspen in May 2011.
(2) Mr. Spada ceased to be principal executive officer of Aspen in May 2011.
(3) All other compensation represents estimated personal expenses paid by Aspen. Also includes $151,667 in prepaid consulting fees. See page 85 for a further description of these personal expenses.

Executive Employment Agreements

Each of the Employment Agreements described below was entered into by Aspen prior to the Reverse Merger. We assumed each agreement effective with the closing, and all option grants and common stock issued as performance bonuses will be of the Public Company. Each person's title with Aspen is identical with the Public Company.

Michael Mathews. Effective on July 5, 2011, Aspen entered into a four-year Employment Agreement with Michael Mathews to serve as our Chief Executive Officer. In accordance with the Employment Agreement, Mr. Mathews is paid a base salary of $250,000 per year, which will be increased by at least 10% annually. In addition to a base salary, Mr. Mathews is eligible to receive an annual performance bonus based upon the achievement of pre-established performance milestones of which at least half would be paid in cash and the remaining in common stock. If performance milestones are met, Mr. Mathews' bonus will be 100% of his base salary for the year the milestone was met. Additionally, in March 2012, Mr. Mathews was granted 300,000 five-year options to purchase shares of Public Company common stock exercisable at $1.00 per share vesting over a three-year period.

Gerald Williams. Effective January 1, 2012, Aspen entered into a five-year Employment Agreement with Mr. Gerald Williams to serve as its President. In accordance with the Employment Agreement, Mr. Williams is paid a base salary of $150,000 per year. In addition to base salary, Mr. Williams is eligible to receive an annual performance bonus in an amount equal to 50% of his then-current base salary, based upon the achievement of pre-established performance milestones mutually agreed upon by him and the Chief Executive Officer. One-half of the annual bonus is to be paid in cash and the remaining is to be paid in common stock. Additionally, in March 2012, Mr. Williams was granted 200,000 five-year options to purchase shares of Public Company common stock at $1.00 per share vesting over a three-year period.

David Garrity. Effective on June 9, 2011, Aspen entered into a four-year Employment Agreement with David Garrity to serve as its Chief Financial Officer. In accordance with the Employment Agreement, from June 9, 2011 through July 4, 2011, Mr. Garrity was paid a fee in lieu of salary at a rate of $10,000 per month pursuant to a separate Consulting Agreement with Mr. Garrity. From July 4 until September 30, 2011, Aspen paid Mr. Garrity $10,000 per month (a rate of $125,000 per annum). From October 1, 2011, Mr. Garrity was paid at the rate of $250,000 per year, which will be increased by at least 10% annually. In addition to a base salary, Mr. Garrity is eligible to receive an annual performance bonus based upon the achievement of pre-established performance milestones of which at least half would be paid in cash and the remaining in Aspen common stock. If performance milestones are met, Mr. Garrity's bonus will be 100% of his base salary for the year the milestone was met. Additionally, in March 2012, Mr. Garrity was granted 200,000 five-year options to purchase shares of Public Company common stock exercisable at $1.00 per share vesting over a three-year period.

Brad Powers. Effective on July 5, 2011, Aspen entered into an Employment Agreement with Brad Powers to serve as its Chief Marketing Officer. In accordance with the Employment Agreement, Mr. Powers is paid a base salary of $250,000 per year, which will be increased by at least 10% annually. In addition to a base salary, Mr. Powers is eligible to receive an annual performance bonus based upon the achievement of pre-established performance milestones of which at least half would be paid in cash and the remaining in common stock. If performance milestones are met, Mr. Powers' bonus will be 100% of his base salary for the year the milestone was met. Additionally, in March 2012, Mr. Powers was granted 200,000 five-year options to purchase shares of Public Company common stock exercisable at $1.00 per share vesting over a three-year period.

Angela Siegel. Effective January 1, 2012, Aspen entered into an Employment Agreement with Angela Siegel to serve as its Executive Vice President, Marketing. In accordance with the Employment Agreement, Ms. Siegel is paid a base salary of $150,000 per year. In addition to base salary, Ms. Siegel is eligible to receive an annual performance bonus in an amount equal to 50% of her then-current base salary, based upon the achievement of pre-established performance milestones mutually agreed upon by her and the Chief Executive Officer. Additionally, in March 2012, Ms. Siegel was granted 150,000 five-year options to purchase shares of Public Company common stock exercisable at $1.00 per share and vesting over a three-year period.

Amendments to Employment Agreements

As of December 31, 2011, Messrs. Michael Mathews and Brad Powers, our Chief Executive Officer and Chief Marketing Officer, entered into amendments to their Employment Agreements waiving the 50% of their salaries that would have otherwise accrued. Further they agreed to reduce their base salaries by 50% until such time as Mr. Mathews or our Board determine that we have sufficient cash flow to pay the previously agreed upon amount.

Termination Provisions

The table below describes the severance payments that our executive officers are entitled to in connection with a termination of their employment upon death, disability, dismissal without cause, for Good Reason, a change of control and the non-renewal of their employment at the discretion of Aspen. All of the termination provisions are intended to comply with Section 409A of the Internal Revenue Code of 1986 and the Regulations thereunder.

	Michael Mathews	Gerald Williams	David Garrity	Brad Powers	Angela Siegel
Death or Total Disability	Six months base salary	Three months base salary	Six months base salary	Six months base salary	Six months base salary
Dismissal Without Cause or Resignation for Good Reason (1)	12 months base salary (2)	The greater of three months base salary or the remainder of the base salary due under the employment agreement	The greater of 12 months base salary or the remainder of the base salary due under the employment agreement (2)	12 months base salary (2)	The greater of six months base salary or the remainder of the base salary due under the employment agreement
Change of Control	None	The greater of three months base salary or the remainder of the base salary due under the employment agreement (3)	The greater of 12 months base salary or the remainder of the base salary due under the employment agreement (2)	None	The greater of six months base salary or the remainder of the base salary due under the employment agreement. (3)
Expiration of Initial Term and Aspen does not renew	12 months base salary (2)	Three months base salary	12 months base salary (2)	12 months base salary (2)	Six months base salary

(1) Generally, Good Reason in the above Agreements include the material diminution of the executives' duties, any material reduction in base salary without consent, the relocation of the geographical location where the executive performs services or any other action that constitutes a material breach by Aspen under the Employment Agreements.
(2) Any restricted stock or stock options held by the executive immediately vest upon occurrence of this event.
(3) Certain stock options will immediately vest.

Outstanding Equity Awards at Fiscal Year End

The Public Company and Aspen did not have an equity incentive plan in place, or any outstanding equity awards, as of December 31, 2011.

Equity Compensation Plan Information

Immediately following the closing of the Reverse Merger, our Board adopted the 2012 Equity Incentive Plan (the "Plan") which provides for 2,500,000 shares to be granted under the Plan.

The exercise price of options or stock appreciation rights granted under the Plan shall not be less than the fair market value of the underlying common stock at the time of grant. In the case of incentive stock options, the exercise price may not be less than 110% of the fair market value in the case of 10% shareholders. Options and stock appreciation rights granted under the Plan shall expire no later than 10 years after the date of grant. The total number of shares with respect to which options or stock awards may be granted under the Plan the purchase price per share, if applicable, shall be adjusted for any increase or decrease in the number of issued shares resulting from a recapitalization, reorganization, merger, consolidation, exchange of shares, stock dividend, stock split, reverse stock split, or other subdivision or consolidation of shares.

Our Board may from time to time may alter, amend, suspend, or discontinue the Plan with respect to any shares as to which awards of stock rights have not been granted. However no rights granted with respect to any awards under the Plan before the amendment or alteration shall be impaired by any such amendment, except with the written consent of the grantee.

Under the terms of the Plan, our Board may also grant awards which will be subject to vesting under certain conditions. The vesting may be time-based or based upon meeting performance standards, or both. Recipients of restricted stock awards will realize ordinary income at the time of vesting equal to the fair market value of the shares. We will realize a corresponding compensation deduction. Upon the exercise of stock options or stock appreciation rights, the holder will have a basis in the shares acquired equal to any amount paid on exercise plus the amount of any ordinary income recognized by the holder. Upon sale of the shares, the holder will have a capital gain or loss equal to the sale proceeds minus his or her basis in the shares.

The Plan and our standard Stock Option Agreement provide for "clawback" provisions, which enable our Board to cancel options and recover past profits if the person is dismissed for cause or commits certain acts which harm us.

Director Compensation

The Public Company and Aspen did not compensate its directors for their service in fiscal 2011.

Related Person Transactions

During 2010-2011, Aspen entered into numerous transactions with its founder and then Chairman, Mr. Patrick Spada, and a corporation he controlled, HEMG. These transactions also occurred prior to 2010. In connection with the audit of Aspen's financial statements for 2010-2011, Aspen discovered in November, 2011 that HEMG had borrowed $2,195,084 from it from 2005 to 2010 without Board of Directors authority. Aspen has been unable to reach any agreement with Mr. Spada concerning repayment and is considering its options. In connection with this loan, three of Aspen's directors pledged 2,209,960 shares of common stock (at the value of $1.00 per share) to secure payment of this loan receivable. The directors are Mr. Michael Mathews, our Chairman and Chief Executive Officer, and Drs. Michael D'Anton and John Scheibelhoffer. Additionally, Mr. Spada has claimed that he and HEMG are owed approximately $1,200,000. Aspen believes his claim is baseless and utterly without merit.

Previously on September 16, 2011, Aspen, HEMG, and Mr. Spada entered into a series of agreements. In essence, Mr. Spada gave up substantial control he retained including the power to determine when, if ever, Aspen would go public; in exchange he received substantial benefits from Aspen which are described below.

Prior to 2010, HEMG purchased video courses and program rights from Aspen for $1,055,000. The balance due Aspen on September 16, 2011 was $772,793. Under one agreement, HEMG pledged 772,793 shares of Series C, which converted to 654,850 shares of the Public Company's common stock upon the closing of the Reverse Merger to secure payment of this $772,793. On March 8, 2012, Mr. Michael Mathews, our Chief Executive Officer, pledged an additional 117,943 shares as collateral for the repayment of the $772,793 HEMG obligation. Aspen's Board never authorized entry into the 2008 agreements. As a result, Aspen's Board accelerated the due date from 2013 and declared it immediately due and payable.

On September 16, 2011, Aspen and HEMG also entered into a two-year Consulting Agreement under which HEMG agreed to serve as a consultant for a fee paid $140,000 per year for not more than 20 hours per month. Upon execution of the Consulting Agreement, Aspen prepaid $151,667 in advance. The Consulting Agreement further provided $22,793 owed by Mr. Spada to Aspen will be repaid $2,000 per month (with $2,793 the last month) by offsetting amounts due under the Consulting Agreement commencing in the 14th month. The Consulting Agreement was to terminate when Mr. Spada publicly sells any of Aspen's common stock which cannot be before one year after the Reverse Merger closing (or March 13, 2013). Over the term of the Consulting Agreement, Mr. Spada was eligible to receive option grants in an amount equal to what any officer or director receives.

Aspen learned of the unauthorized borrowing described above and gave notice of termination of the Consulting Agreement on January 2, 2012.

Additionally, in connection with the HEMG Agreement, Aspen repaid a loan owed to Mr. Steve Karl, a former employee of Aspen, by Mr. Spada of approximately $16,000. Aspen also agreed to pay Mr. Karl severance of $75,000 (six months base pay). Additionally, Aspen agreed to pay Mr. Karl's wife and previously the bookkeeper of Aspen $32,500 (six months base pay) and paid a former bookkeeping consultant $6,000. When Aspen gave notice of termination of the Consulting Agreement to Mr. Spada, it also gave notice to the Karls that it was terminating its severance obligations, given the fact that these employees were responsible for keeping Aspen's books and records during the timeframes of the unauthorized Spada borrowings.

The 5,732,965 shares of the Public Company's common stock which HEMG holds that are not pledged to Aspen are subject to a Lock-Up/Leak-Out Agreement which (i) restricts sales of all common stock until 12 months from the Reverse Merger closing. Commencing on the 12 month anniversary of the closing of the Reverse Merger and until 12 months thereafter, HEMG and Spada, collectively, are, in any given week, allowed to sell, transfer or otherwise dispose of up to 5% of the total trading volume for the Public Company's common stock for the prior 10 trading days not including any days in the week of sale. The current directors of the Public Company also signed Lock-Up/Leak-Out Agreements at the same terms as the HEMG Lock-Up/Leak-Out Agreement.

Although Mr. Spada is believed to have devoted his full-time services to Aspen, there is no evidence he ever received any salary. For 2010 and 2011, Aspen paid $655,191 of personal expenses on behalf of Mr. Spada. Aspen issued to Mr. Spada and HEMG two 1099s in relation to 2011 for $119,800 and $320,935, respectively. No 1099s were issued to HEMG or Mr. Spada prior to 2011, and the difference was added to the loan receivable.

On September 16, 2011, Mr. Spada sold 3,769,150 shares of Series C (equivalent to 3,193,906 shares of common stock of the Public Company) for $1,000,000 or approximately $0.265 per share (or the equivalent of $0.313 per share of the Public Company's common stock). Our Mr. Michael Mathews, Aspen's Chief Executive Officer, was one of the purchasers; other purchasers included Mr. David Garrity, Aspen's Chief Financial Officer, and Michael D'Anton, MD, Mr. C. James Jensen and John Scheibelhoffer MD who are Aspen directors. On September 21, 2011, Aspen lent $238,210 to Mr. Mathews to allow him to acquire Series C from HEMG. The loan was for a nine month period with 3% per annum interest and was guaranteed by Mr. Mathews' wife and secured by a pledge of 40,000 shares of interclick, inc. common stock owned by Mr. Mathews. Mr. Mathews repaid the loan in December 2011. In December 2011, Aspen lent Mr. Brad Powers, Chief Marketing Officer, $150,000 in exchange for a promissory note bearing 3% per annum interest due September 14, 2012. As collateral, the note was secured by 500,000 shares of Aspen's common stock. The loan was repaid in February 2012.

On March 13, 2012, Mr. Mathews made an investment of $300,000 in a convertible promissory note due March 31, 2013, bearing interest at 0.19% per annum. The note is convertible into common shares of the Public Company at the rate of $1.00 per share upon five days written notice to the Public Company. The Public Company assumed this note and Aspen cancelled its note.

On September 16, 2011, Aspen also exchanged general releases with Mr. Spada/HEMG, and Mr. Spada entered into a modified non-compete agreement where he was permitted to compete with Aspen except with respect to three corporate customers for whom Aspen has an existing commercial relationship with. He also agreed to a two-year confidentiality provision and agreed not to solicit employees for nine months after expiration of the Consulting Agreement. Excluded from the non-solicitation were the Karl's and the bookkeeper referred to above. Finally, Aspen entered into an Indemnification Agreement with HEMG on September 16, 2011 agreeing to indemnify it from liability for its actions to the fullest extent permitted by law. The Indemnification Agreement is similar to the form Aspen provides to its directors and executive officers. Aspen's Second Amended and Restated Certificate of Incorporation contains a provision which precludes indemnification resulting from any litigation between it and any officer or director.

During 2009, Aspen received a loan of $50,000 from the brother of Patrick Spada, the former Chairman of Aspen. During 2011 and 2010, the loans were non-interest bearing demand loans. In 2012, the lender agreed to convert the loan into a long-term convertible note payable. Additionally, in 2010, Aspen acquired $52,000 of courseware curricula from an entity owned by the brother of the former Chairman of Aspen and later sold $125,000 of course curricula to HEMG.

As of December 31, 2011, Messrs. Michael Mathews and Brad Powers, our Chief Executive Officer and Chief Marketing Officer, entered into amendments to their Employment Agreements waiving the 50% of their salaries that would have otherwise accrued. Further they agreed to reduce their base salaries by 50% until such time as Mr. Mathews or our Board determine that we have sufficient cash flow to pay the previously agreed upon amount.

In May 2011, the following investments in Aspen's Series A Preferred Stock offering were made directly or indirectly by our officers and/or directors:

- David Pasi invested $30,000 for 31,500 shares of Series A.
- Sanford Rich invested $25,000 for 26,250 shares of Series A*.
- C. James Jensen invested $50,000 for 52,500 shares of Series A.
- Michael Mathews invested $150,000 for 157,500 shares of Series A.
- David Garrity invested $25,000 for 26,250 shares of Series A*.

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*Messrs. Rich and Garrity were not affiliated with Aspen at the time.

In May 2011, the following investments in Aspen's Series B Preferred Stock offering were made directly or indirectly by officers and/or directors:

- Michael Mathews invested $50,000 for 52,631 shares of Series B.
- John Scheibelhoffer invested $31,500 for 33,157 shares of Series B.
- Michael D'Anton invested $7,500 for 7,894 shares of Series B.

In September 2011, the following investments in Series C were made directly or indirectly by officers and/or directors:

- John Scheibelhoffer invested $50,000 for 188,457 shares of Series C.
- Michael D'Anton invested $50,000 for 188,457 shares of Series C.
- C. James Jensen invested $53,062 for 200,000 shares of Series C.
- David E. Pasi invested $50,000 for 188,457 shares of Series C.
- David Garrity invested $25,053 for 94,430 shares of Series C.
- Michael Mathews invested $238,209.94 for 897,848 shares of Series C.
- Gerald Williams invested $25,000 for 94,229 shares of Series C.

The series C shares were sold by HEMG, not Apsen.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth the number of shares of the Public Company's common stock beneficially owned as of March 15, 2012 by (i) those persons known by the Public Company to be owners of more than 5% of its common stock, (ii) each director (iii) the Named Executive Officers (as disclosed in the Summary Compensation Table), and (iv) the Public Company's executive officers and directors as a group. Unless otherwise specified in the notes to this table, the address for each person is: c/o Aspen Group, Inc. 224 West 30th Street, Suite 604 New York, New York 10001.

Title of Class	Beneficial Owner	Amount of Beneficial Ownership (1)	Percent Beneficially Owned (1)
Named Executive Officers:			
Common Stock	Michael Mathews (2)	2,918,450	8.3%
Common Stock	Patrick Spada (3)	6,398,315	18.1%
Directors:			
Common Stock	Michael D'Anton (4)	1,952,589	5.5%
Common Stock	James Jensen (4)	221,976	*
Common Stock	David Pasi (4)	317,195	*
Common Stock	Sanford Rich (4)	26,250	*
Common Stock	John Scheibelhoffer (4)	1,977,852	5.6%
Common Stock	Paul Schneier (4)	735,000	2.1%
Common Stock	All directors and executive officers as a group (11 persons) (5)	8,835,428	25.0 %
5% Shareholders:			
Common Stock	Higher Education Management Group, Inc. (6)	6,387,815	18.1%

* Less than 1%.

(1) Applicable percentages are based on 35,275,204 shares outstanding as of March 15, 2012 adjusted as required by rules of the SEC. Beneficial ownership is determined under the rules of the SEC and generally includes voting or investment power with respect to securities. A person is deemed to be the beneficial owner of securities that can be acquired by such person within 60 days whether upon the exercise of options or otherwise. Unless otherwise indicated in the footnotes to this table, the Public Company believes that each of the shareholders named in the table has sole voting and investment power with respect to the shares of common stock indicated as beneficially owned by them. This table does not include any unvested stock options.

(2) Mr. Mathews is our Chairman and Chief Executive Officer. Includes 300,000 shares issuable upon conversion of a $300,000 Note.

(3) Mr. Spada is the former Chairman of Aspen. Includes shares owned by HEMG.

(4) A director.

(5) In accordance with SEC rules, includes shares held by executive officers who are not Named Executive Officers.

(6) HEMG is an entity controlled by Aspen's former Chairman, Patrick Spada. A total of 772,793 shares of Public Company common stock are pledged to Aspen to secure payment of $772,793 originally due in December 2013, however, the note has been put into default by Aspen's Board. Prior to converting its common stock to Series C in May 2011, HEMG sold 10,000 shares of Aspen to an investor. Due to an internal error, HEMG's ownership was not reduced. The investor recently asserted a claim for the 10,000 shares of common stock plus 11,000 shares representing a 2011 stock dividend he should have received. Mr. Spada has ignored the claim. Aspen intends to decrease HEMG's ownership by 21,000 shares of common stock and issue the investor the 21,000 shares of common stock that would have been issued to the investor as a dividend once the ownership dispute is resolved. Mr. Spada's former assistant has admitted it was an internal error.

Description of Securities

We are authorized to issue 120,000,000 shares of common stock, par value $0.001 per share, and 10,000,000 shares of preferred stock, par value $0.001 per share. As of the date of this report, 35,275,204 shares of common stock and 0 shares of preferred stock are outstanding.

Common Stock

The holders of common stock are entitled to one vote per share on all matters submitted to a vote of shareholders, including the election of directors. There is no cumulative voting in the election of directors. The holders of common stock are entitled to any dividends that may be declared by the board of directors out of funds legally available for payment of dividends subject to the prior rights of holders of preferred stock and any contractual restrictions we have against the payment of dividends on common stock. In the event of our liquidation or dissolution, holders of common stock are entitled to share ratably in all assets remaining after payment of liabilities and the liquidation preferences of any outstanding shares of preferred stock. Holders of common stock have no preemptive rights and have no right to convert their common stock into any other securities.

Preferred Stock

We are authorized to issue 10,000,000 shares of $0.001 par value preferred stock in one or more series with such designations, voting powers, if any, preferences and relative, participating, optional or other special rights, and such qualifications, limitations and restrictions, as are determined by resolution of our board of directors. The issuance of preferred stock may have the effect of delaying, deferring or preventing a change in control of our company without further action by shareholders and could adversely affect the rights and powers, including voting rights, of the holders of common stock. In certain circumstances, the issuance of preferred stock could depress the market price of the common stock.

Options and Warrants

Prior to the closing of the Reverse Merger, Aspen had 456,000 five-year warrants exercisable at $1.00 per share outstanding and expiring in 2016. Upon the closing of the Reverse Merger, the Public Company assumed the warrants. There are no stock options or other rights to purchase the Public Company's common stock outstanding, except for 1,500,000 options exercisable at $1.00 per share, which were granted on March 15, 2012.

Debt Securities

Aspen issued $500,000 of long-term convertible notes, convertible at $1.00 per share. The Public Company has agreed to assume these notes upon cancellation of the Aspen Notes.

Indemnification of Directors and Officers.

Our certificate of incorporation provides that none of our directors will be personally liable to us or our shareholders for monetary damages for breach of fiduciary duty as a director, except for liability:

- For any breach of the director's duty of loyalty to us or our shareholders;
- For acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of the law;
- Under Section 174 of the Delaware General Corporation Law for the unlawful payment of dividends; or
- For any transaction from which the director derives an improper personal benefit.

These provisions eliminate our rights and those of our shareholders to recover monetary damages from a director for breach of his fiduciary duty of care as a director except in the situations described above. The limitations summarized above, however, do not affect our ability or that of our shareholders to seek non-monetary remedies, such as an injunction or rescission, against a director for breach of his fiduciary duty.

Section 145 of the Delaware General Corporation Law provides a corporation with the power to indemnify any officer or director acting in his capacity as our representative who is or is threatened to be made a party to any lawsuit or other proceeding for expenses, judgment and amounts paid in settlement in connection with such lawsuit or proceeding. The indemnity provisions apply whether the action was instituted by a third party or was filed by one of our shareholders. The Delaware General Corporation Law provides that Section 145 is not exclusive of other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of shareholders or disinterested directors or otherwise. We have provided for this indemnification in our Certificate of Incorporation because we believe that it is important to attract qualified directors and officers. We have further provided in our Certificate of Incorporation that no indemnification shall be available, whether pursuant to our Certificate of Incorporation or otherwise, arising from any lawsuit or proceeding in which we assert a direct claim, as opposed to a shareholders' derivative action, against any directors and officers (or a director or officer sues us). This limitation is designed to insure that if we are involved in litigation adverse to a director or officer, we do not have to pay for his legal fees. We have also entered into Indemnification Agreements with each of our executive officers and directors.

We have been advised that the SEC believes it is against public policy for us to indemnify our directors and officers for violations of the Securities Act as expressed in the Securities Act and it is therefore unenforceable. Accordingly, we have agreed that, unless our attorneys advise us that the courts have ultimately decided whether the SEC is correct, we will let a court determine whether we can indemnify our directors and officers under such laws.

Transfer Agent

Action Stock Transfer Corporation is our transfer agent located at 2469 E. Fort Union Boulevard, Suite 214, Salt Lake City, UT 84121.

ITEM 4.01 CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT.

(a) Dismissal of Independent Registered Public Accounting Firm

Effective on March 15, 2012, Lake Associates, CPA's LLC (the "Former Auditor") was dismissed as the independent registered public accounting firm for the Public Company. The Former Auditor has served as the auditors of the Public Company's financial statements since the audit of the Public Company's financial statements for the year ended February 28, 2010.

The reports of Former Auditor on the Public Company's consolidated financial statements for the Public Company's fiscal years ended February 28, 2010 and 2011 did not contain any adverse opinion or a disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principle, except that there was an explanatory paragraph describing conditions that raised substantial doubt about the Public Company's ability to continue as a going concern. The decision to change accountants was approved by the Public Company's Board of Directors.

During the Public Company's two most recent fiscal years and any subsequent interim period preceding the Former Auditor's dismissal, there were no disagreements with the Former Auditor on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of the Former Auditor, would have caused the Former Auditor to make reference to the subject matter of the disagreements as defined in Item 304 of Regulation S-K in connection with any reports it would have issued, and there were no "reportable events" as such term is described in Item 304 of Regulation S-K.

The Public Company has provided the Former Auditor with a copy of the foregoing disclosure, and requested that the Former Auditor furnish the Public Company with a letter addressed to the Securities and Exchange Commission stating whether or not it agrees with such disclosure. A copy of the letter from the Former Auditor addressed to the Securities and Exchange Commission dated as of March 15, 2012 is filed as an Exhibit 16.1 to this Form 8-K.

(b) Appointment of New Independent Registered Public Accounting Firm

Effective March 15, 2012, Salberg & Company, P.A. ("Salberg") was engaged to serve as the Public Company's new independent registered public accounting firm. The engagement of Salberg as the Public Company's new independent registered public accounting firm was approved by the Public Company's Board of Directors.

During the Public Company's two most recent fiscal years and any subsequent interim period preceding the Former Auditor's dismissal, the Public Company did not consult with Salberg regarding either (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Public Company's financial statements; or (ii) any matter that was either the subject of a disagreement as defined in Item 304 of Regulation S-K or a reportable event as such term is described in Item 304 of Regulation S-K.

Salberg audited the financial statements of Aspen which are filed with this report.

ITEM 5.01 CHANGES IN CONTROL OF REGISTRANT.

Reference is made to the disclosure set forth under Item 2.01 of this Form 8-K, which disclosure is incorporated herein by reference.

ITEM 5.02 DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.

Reference is made to the disclosure set forth under Item 2.01 of this Form 8-K, which disclosure is incorporated herein by reference.

ITEM 5.03 AMENDMENT TO ARTICLES OF INCORPORATION OR BYLAWS; CHANGE IN FISCAL YEAR.

The Public Company intends on changing its fiscal year end to December 31st as a result of the Reverse Merger to conform its fiscal year end to that of Aspen.

ITEM 5.06 CHANGE IN SHELL COMPANY STATUS.

As a result of the Reverse Merger described in Item 2.01 of this Form 8-K, we are no longer a shell corporation as that term is defined in Rule 405 of the Securities Act and Rule 12b-2 of the Exchange Act.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial Statements of Businesses Acquired. In accordance with Item 9.01(a), Aspen's audited consolidated financial statements for the fiscal years ended December 31, 2011 and 2010, are filed in this report on Form 8-K as Exhibit 99.1.

(b) Pro Forma Financial Information. In accordance with Item 9.01(b), our pro forma financial statements are filed in this Form 8-K as Exhibit 99.2.

(c) Shell Company Transactions**.** Reference is made to Items 9.01(a) and 9.01(b) and the exhibits referred to therein, which are incorporated herein by reference.

(d) Exhibits. The exhibits listed in the following Exhibit Index are filed as part of Form 8-K.

Exhibit #	Exhibit Description	Incorporated by Reference			Filed or Furnished Herewith
		Form	Date	Number	
2.1	Certificate of Merger				Filed
2.2	Agreement and Plan of Merger*				Filed
2.3	Agreement and Plan of Merger – DE Reincorporation				Filed
2.4	Articles of Merger – DE Reincorporation				Filed
2.5	Certificate of Merger – DE Reincorporation				Filed
3.1	Certificate of Incorporation, as amended				Filed
3.2	Bylaws				Filed
3.3	Certificate of Incorporation – Acquisition Sub				Filed
3.4	Articles of Amendment to FL Articles of Incorporation				Filed
3.5	Articles of Amendment to FL Articles of Incorporation	8-K	6/20/11	3.3	
3.6	FL Articles of Incorporation	S-1/A	5/5/10	3.1	
10.1	Employment Agreement – Mathews**				Filed
10.2	Employment Agreement – Garrity **				Filed
10.3	Employment Agreement – Powers**				Filed
10.4	Employment Agreement - Siegel**				Filed
10.5	Employment Agreement - Williams**				Filed
10.6	September 16, 2011 Spada Agreement				Filed
10.7	Consulting Agreement – Spada				Filed
10.8	Lock-Up/Leak-Out Agreement – Spada				Filed
10.9	Form of Lock-Up/Leak-Out Agreement – officers and directors				Filed
10.10	Stock Pledge Agreement - HEMG				Filed
10.11	Stock Pledge Agreement - Directors				Filed
10.12	Stock Pledge Agreement - Mathews dated March 8, 2012				Filed
10.13	2012 Equity Incentive Plan				Filed
10.14	Form of Stock Option Agreement				Filed
10.15	Form of Siegel Stock Option Agreement				Filed
10.16	Stock Pledge Agreement - Mathews dated March 16, 2012				Filed
10.17	Amendment to Mathews Employment Agreement**				Filed
10.18	Amendment of Powers Employment Agreement**				Filed
16.1	Former Auditor Letter				Filed
99.1	Aspen University Audited Financial Statements				Filed
99.2	Pro Forma Unaudited Financial Statements				Filed

* The confidential disclosure schedules are not filed in accordance with SEC Staff policy, but will be provided to the Staff upon request. Certain material agreements contain representations and warranties, which are qualified by the following factors:

(i) the representations and warranties contained in any agreements filed with this report were made for the purposes of allocating contractual risk between the parties and not as a means of establishing facts;
(ii) the agreement may have different standards of materiality than standards of materiality under applicable securities laws;
(iii) the representations are qualified by a confidential disclosure schedule that contains nonpublic information that is not material under applicable securities laws;
(iv) facts may have changed since the date of the agreement; and
(v) only parties to the agreement and specified third-party beneficiaries have a right to enforce the agreement.

Notwithstanding the above, any information contained in a schedule that would cause a reasonable investor (or that a reasonable investor would consider important in making a decision) to buy or sell our common stock has been included. We have been further advised by our counsel that in all instances the standard of materiality under the federal securities laws will determine whether or not information has been omitted; in other words, any information that is not material under the federal securities laws may be omitted. Furthermore, information which may have a different standard of materiality will nonetheless be disclosed if material under the federal securities laws.

** Management compensatory plan or arrangement.

Copies of the exhibits referred to above will be furnished at no cost to our shareholders who make a written request to Aspen Group, Inc., 224 West 30th Street, Suite 604 New York, New York 10001 Attention: Corporate Secretary.

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: March 19, 2012

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

CERTIFICATE OF MERGER

OF

ASPEN ACQUISITION SUB, INC.
(a Delaware corporation)

WITH AND INTO

ASPEN UNIVERSITY INC.
(a Delaware corporation)

Pursuant to Section 251 of the General Corporation Law of
the State of Delaware

Aspen University Inc., a Delaware corporation ("Aspen"), DOES HEREBY CERTIFY AS FOLLOWS:

FIRST: That the name and state of incorporation of each of the constituent corporations of the merger is as follows:

NAME	STATE OF INCORPORATION
Aspen Acquisition Sub, Inc.	Delaware
Aspen University Inc.	Delaware

SECOND: That the Agreement and Plan of Reorganization (the "Merger Agreement"), by and between Aspen Acquisition Sub, Inc., a Delaware corporation ("AAS"), and Aspen setting forth the terms and conditions of the merger of AAS with and into Aspen (the "Merger") has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations in accordance with the requirements of Section 251 of the General Corporation Law of the State of Delaware.

THIRD: The name of the surviving corporation in the Merger is Aspen University Inc., a Delaware corporation (the "Surviving Corporation").

FOURTH: That pursuant to the Merger Agreement, from and after the effective time of the Merger, the Second Amended and Restated Certificate of Incorporation of Aspen shall be the Certificate of Incorporation of the Surviving Corporation.

FIFTH: The executed copy of the Merger Agreement is on file at the principal place of business of the Surviving Corporation at the following address: 224 West 30th Street, Suite 604, New York, NY 10001.

SIXTH: That a copy of the Merger Agreement will be furnished by the Surviving Corporation, on request and without cost, to any shareholder of any constituent corporation.

IN WITNESS WHEREOF, the undersigned party, as the Surviving Corporation, has caused this Certificate of Merger to be executed in its respective corporate name as of the 13th day of March, 2012.

Aspen University Inc., a Delaware corporation

By: */s/ Michael Mathews*
Michael Mathews, Chief Executive Officer

AGREEMENT OF MERGER AND PLAN OF REORGANIZATION

This Agreement of Merger and Plan of Reorganization (the "Agreement"), dated as of the 13th day of March, 2012, by and between Aspen Group, Inc., a Delaware corporation and successor in interest to Elite Nutritional Brands, Inc., a Florida corporation ("Aspen"), Aspen Acquisition Sub, Inc., a Delaware corporation and wholly-owned subsidiary of Aspen ("Merger Sub") and Aspen University Inc., a Delaware corporation ("PrivateCo").:

A. Aspen has authorized capital stock of 130,000,000 shares consisting of 120,000,000 shares of Common Stock, $0.001 par value per share ("Aspen Common Stock"), of which such shares, 9,760,000 shares are issued and outstanding, and 10,000,000 shares of preferred stock par value $0.001 per share, none of which are issued and outstanding.

B. PrivateCo is a privately held corporation organized under the laws of Delaware. PrivateCo has authorized capital stock of 60,000,000 shares of Common Stock, $0.001 par value per share, with 11,976,950 shares outstanding as of March 6, 2012 and 20,000,000 shares of authorized preferred stock with 850,500 shares of Series A Preferred Stock, 368,411 shares of Series B Preferred Stock, 11,307,450 shares of Series C Preferred Stock, 1,186,650 shares of Series D Preferred Stock and 1,700,000 shares of Series E Preferred Stock (the Common and the preferred stock together, "PrivateCo Capital Stock").

C. The Board of Directors of Aspen have deemed it advisable and in the best interests of Aspen and its respective shareholders that Merger Sub shall be merged with and into PrivateCo, pursuant to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE 1
THE MERGER

1.01 At the Effective Time (as defined in Section 2.01), subject to the terms and conditions herein, Merger Sub will be merged with and into Private Co (the "Merger"), the separate corporate existence of Merger Sub shall cease, and Private Co shall be the surviving entity (the "Surviving Company") and a wholly-owned subsidiary of Aspen. The Surviving Company shall succeed to and assume all rights and obligations of Merger Sub in accordance with applicable law. For United States federal income tax purposes, it is intended by the parties hereto that the Merger qualify as a "reorganization" within the meaning of Section 368(a) of the Code and that this Agreement constitutes a "plan of reorganization" within the meaning of Treasury Regulations Sections 1.368-2(g) and 1.368-3.

1.02 At the Effective Time, subject to the terms and conditions herein, each share of capital stock in Merger Sub issued and outstanding at and as of the Effective Time shall be converted into one share of the Surviving Company's common stock.

1.03 At the Effective Time, subject to the terms and conditions herein, (i) each share of PrivateCo Capital Stock (other than any Dissenting Share, as hereinafter defined) shall be converted into the right to receive a number of fully paid and non-assessable shares Aspen Common Stock as reflected on Schedule 1.03 hereto (collectively, the "Merger Shares"), and (ii) each Dissenting Share shall be converted into the right to receive payment from the Surviving Company with respect thereto in accordance with the provisions of the Delaware General Corporation Law. No shares of PrivateCo Capital Stock shall be deemed issued and outstanding or shall have any rights other than those set forth in this Section 1.03. For purposes of this Agreement, "Dissenting Share" means any share of PrivateCo Capital Stock held of record by any stockholder who or that has exercised his, her, or its appraisal rights under the Delaware General Corporation Law.

1.04 As of the Effective Time, each outstanding stock certificate that immediately prior to the Effective Time represents shares of PrivateCo Capital Stock shall be deemed for all purposes to evidence ownership and to represent the number of shares of Aspen Common Stock for which such shares of PrivateCo Capital Stock have been exchanged pursuant to Section 1.03 The record holder of each outstanding certificate representing shares of PrivateCo Capital Stock (other than any dissenting shares) shall, after the Effective Time, be entitled to vote the Aspen Common Stock for which such shares of PrivateCo Capital Stock have been exchanged on any matters on which the holders of the Aspen Common Stock are entitled to vote. After the Effective Time, the holders of certificates evidencing outstanding shares of PrivateCo Capital Stock immediately prior to the Effective Time (other than any dissenting shareholders) shall deliver such certificates of PrivateCo Capital Stock, duly endorsed so as to make Aspen the sole holder thereof, free and clear of all claims, and encumbrances and Aspen shall deliver issuance instructions to the transfer agent of Aspen directing the issuance of the Aspen Common Stock to the shareholders of PrivateCo and/or their nominees. Any shares of Aspen Common Stock issued pursuant to this Agreement will not be transferable except (a) pursuant to an effective registration statement under the Securities Act of 1933, as amended (the "Act"), or (b) upon receipt by Aspen of a written opinion of its counsel to the effect that the proposed transfer is exempt from the registration requirements of the Act, and relevant state securities laws. Restrictive legends shall be placed on all certificates representing Aspen Common Stock issued pursuant to this Agreement.

In the event any certificate for PrivateCo Capital Stock has been lost, stolen or destroyed, Aspen shall issue and pay in exchange for such lost, stolen or destroyed certificate, promptly following its receipt of an affidavit of that fact by the holder thereof any surety bond which Aspen in its sole discretion may require, such shares of Aspen Common Stock as may be required pursuant to this Agreement.

1.05 Following the Effective Time, there will be a total of 35,275,204 shares of Aspen Common Stock issued and outstanding plus any shares issuable under convertible notes and warrants sold by PrivateCo and assumed by Aspen at the Effective Time.

1.06 Following the Effective Time, PrivateCo will be a100%-owned subsidiary of Aspen.

ARTICLE 2
THE CLOSING

2.01 Subject to the terms and conditions herein, the consummation of the transactions contemplated by this Agreement (the "Closing") shall take place on or before March 15, 2012 by email, or at such place or date and time as may be agreed to in writing by the parties hereto, at the earliest practicable time after satisfaction or waiver of the conditions hereof(the "Closing Date"). .

2.02 The following conditions are a part of this Agreement and must be completed on or as of the Closing Date, or such other date specified by the parties:

(a) At the Closing, the Board of Directors of Aspen shall appoint the following individuals as members of the Board of Directors: Michael Mathews, Chairman, Michael D'Anton, MD, C. James Jensen, David Pasi, Sanford Rich, John Scheibelhoffer, MD and Paul Schneier.

(b) Immediately following the appointment of the individuals listed in Section 2.02(a) above to the Board of Directors, the Board of Directors of Aspen shall consist of the directors set forth in (a).

(c) Immediately prior to the Closing, the sole officer of Aspen shall resign as the sole officer of Aspen, and the current director of Aspen shall resign as the sole director of Aspen. After the Closing Date, the newly constituted Board of Directors of Aspen consisting of the individuals appointed pursuant to Section 2.2(a) shall appoint such officers as it deems is necessary and in the best interests of Aspen.

(d) Prior to the Closing, Aspen shall have obtained board and shareholder approval to the extent necessary to (i) consummate the transactions contemplated by this Agreement, , and (ii) assume the convertible notes and all warrants issued by PrivateCo.

(e) PrivateCo shall have delivered to Aspen its financial statements for the years ended December 31, 2010 and 2011, which shall have been audited in substantial compliance with generally accepted accounting principles in the U.S. ("U.S. GAAP").

(f) Private Co and Merger Sub shall file a Certificate of Merger with the Secretary of State, State of Delaware.

2.03 The Merger shall become effective at the time (the "Effective Time" or "Effective Date") Merger Sub and Private Co shall file a Certificate of Merger with the Secretary of State, State of Delaware. The Merger shall have the effect set forth in the Certificate of Merger and applicable law. Without limiting the foregoing, at the Effective Time, by virtue of the Merger and in accordance with applicable law, all the property, rights, privileges, powers and franchises of Merger Sub and Private Co shall vest in the Surviving Company, and all debts, liabilities and duties of Merger Sub and Private Co shall become the debts, liabilities and duties of the Surviving Company. The Surviving Company may, at any time after the Effective Time, take any action (including executing and delivering any document) in the name and on behalf of either Merger Sub or Private Co in order to carry out and effectuate the transactions contemplated by this Agreement.

2.04 The Second Amended and Restated Certificate of Incorporation of Private Co in effect at and as of the Effective Time shall remain the Certificate of Incorporation of the Surviving Company without any modification or amendment in the Merger.

2.05 The Bylaws of Private Co in effect at and as of the Effective Time shall remain the bylaws of the Surviving Company without any modification or amendment in the Merger.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF ASPEN

Except as otherwise stated in its periodic reports and other filings with the Securities and Exchange Commission, Aspen and Merger Sub hereby represent and warrant to PrivateCo as follows:

3.01 Organization, Standing and Power. Each of Aspen and Merger Sub is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, has all requisite power and authority to own, lease and operate its properties and to carry on its business as now being conducted, and is duly qualified and in good standing to do business in each jurisdiction in which the nature of its business or the ownership or leasing of its properties makes such qualification necessary.

3.02 Capital Structure. As of the date of execution of this Agreement, the authorized capital stock of Aspen is as described in the recitals hereto. As of the date of execution of this Agreement and as of the Closing, Merger Sub is a wholly-owned subsidiary of Aspen. The Merger Shares to be issued pursuant to this Agreement shall be validly issued, fully paid and non-assessable and not subject to preemptive rights. There are no other options, warrants, calls, agreements or other rights to purchase or otherwise acquire from Aspen at any time, or upon the happening of any stated event, any shares of the capital stock of Aspen whether or not presently issued or outstanding.

3.03 Certificate of Incorporation, Bylaws, and Minute Books. The copies of the Certificate of Incorporation and of the Bylaws of Aspen and Merger Sub which have been delivered to PrivateCo are true, correct and complete copies thereof. The minute book of Aspen and Merger Sub, which has been made available for inspection, contains accurate minutes of all meetings and accurate consents in lieu of meetings of the Board of Directors (and any committee thereof) and of the shareholders of Aspen since the date of incorporation and accurately reflects all transactions referred to in such minutes and consents in lieu of meetings.

3.04 Authority. Each of Aspen and Merger Sub has all requisite power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by the Board of Directors of Aspen and Merger Sub. No other corporate or shareholder proceedings on the part of Aspen or Merger Sub are necessary to authorize the Merger, or the other transactions contemplated hereby, except for the matters referred to in Section 2.02(d).

3.05 Conflict with Other Agreements; Approvals. The execution and delivery of this Agreement does not, and the consummation of the transactions contemplated hereby will not result in any violation of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation or acceleration of any obligation or the loss of a material benefit under, or the creation of a lien, pledge, security interest or other encumbrance on assets (any such conflict, violation, default, right of termination, cancellation or acceleration, loss or creation, a "violation") pursuant to any provision of the Certificate of Incorporation or Bylaws or any organizational document of Aspen or Merger Sub or, result in any violation of any loan or credit agreement, note, mortgage, indenture, lease, benefit plan or other agreement, obligation, instrument, permit, concession, franchise, license, judgment, order, decree, statute, law, ordinance, rule or regulation applicable to Aspen or Merger Sub which violation would have a material adverse effect on Aspen or Merger Sub taken as a whole. No consent, approval, order or authorization of, or registration, declaration or filing with, any court, administrative agency or commission or other governmental authority or instrumentality, domestic or foreign (a "Governmental Entity") is required by or with respect to Aspen in connection with the execution and delivery of this Agreement by Aspen or Merger Sub or the consummation by Aspen or Merger Sub of the transactions contemplated hereby.

3.06 Books and Records. Each of Aspen and Merger Sub has made and will make available for inspection by PrivateCo upon reasonable request all the books of Aspen and Merger Sub relating to the business of Aspen and Merger Sub. Such books of Aspen and Merger Sub have been maintained in the ordinary course of business. All documents furnished or caused to be furnished to PrivateCo by Aspen and Merger Sub are true and correct copies, and there are no amendments or modifications thereto except as set forth in such documents.

3.07 Compliance with Laws. Aspen and Merger Sub are and have been in compliance in all material respects with all laws, regulations, rules, orders, judgments, decrees and other requirements and policies imposed by any Governmental Entity applicable to it, its properties or the operation of its businesses.

3.08 Securities and Exchange Filings. As of the date hereof, Aspen is current in its filing obligations.

3.09 Financial Statements. Copies of Aspen's audited financial statements for the fiscal year ended February 28, 2009 and 2010 have been delivered to PrivateCo.

3.10 Banks. Aspen will deliver to PrivateCo a true and complete list (in all material respects), as of the date of this Agreement, showing (1) the name of each bank in which Aspen has an account or safe deposit box, and (2) the names and addresses of all signatories.

3.11 Litigation. There is no suit, action or proceeding pending, or, to the knowledge of Aspen or Merger Sub, threatened against or affecting Aspen which is reasonably likely to have a material adverse effect on Aspen or Merger Sub, nor is there any judgment, decree, injunction, rule or order of any Governmental Entity or arbitrator outstanding against Aspen or Merger Sub having, or which, insofar as reasonably can be foreseen, in the future could have, any such effect.

3.12 Employees. Neither Aspen nor Merger Sub has any employees or consultant contracts or is in the process of acquiring any employees or consultant contracts.

3.13 Liens, Leases and Contracts. Neither Aspen nor Merger Sub has any liens, encumbrances, easements, security interests or similar interests in or on any of its assets. Neither Aspen nor Merger Sub has any leases (whether of real or personal property) contracts, promissory notes, mortgages, licenses, franchises, or other written agreement to which Aspen or Merger Sub is a party which involves or can reasonably be expected to involve aggregate future payments or receipts by Aspen or Merger Sub (whether by the terms of such lease, contract, promissory note, license, franchise or other written agreement or as a result of a guarantee of the payment of or indemnity against the failure to pay same) except any of said instruments which terminate or are cancelable without penalty.

3.14 Absence of Undisclosed Liabilities. Neither Aspen nor Merger Sub has any liabilities of any nature, whether fixed, absolute, contingent or accrued. As of the Effective Time, neither Aspen nor Merger Sub shall have any assets or liabilities, other than existing accounts payable set forth on Schedule 3.14 attached hereto and bridge notes in the principal amount of $20,000.

3.15 Absence of Changes. Since March 1, 2011 there has not been any material adverse change in the condition (financial or otherwise), assets, liabilities, earnings or business of Aspen.

3.16 Brokers and Finders. Aspen and Merger Sub shall be solely responsible for payment to any broker or finder retained by Aspen or Merger Sub for any brokerage fees, commissions or finders' fees in connection with the transactions contemplated herein.

3.17 Valid Issuance of Securities. The Aspen Common Stock, when issued, sold and delivered in accordance with the terms of this Agreement for the consideration expressed herein, will be duly and validly issued, fully paid and non-assessable, and will be free of restrictions on transfer other than restrictions on transfer under this Agreement and under applicable state and federal securities laws. The Aspen Common Stock outstanding immediately prior to the Closing has been validly issued, fully paid and non-assessable and has been sold in compliance with all applicable securities laws.

3.18 Tax Matters. Except for the 2011 tax return (which has been put on extension to be filed post-Closing), Aspen has filed all tax returns that it was required to file, and has paid all taxes shown thereon as owing. No taxes shall be owed with respect to the 2011 tax return to be filed post-Closing. No claim has ever been made by an authority in a jurisdiction where Aspen does not file tax returns that it is or may be subject to taxation by that jurisdiction.

3.19 Accuracy of Information. No representation or warranty by each of Aspen and Merger Sub contained in this Agreement and no statement contained in any certificate or other instrument delivered or to be delivered to PrivateCo pursuant hereto or in connection with the transactions contemplated hereby (including without limitation all Schedules and exhibits hereto) contains or will contain any untrue statement of material fact or omits or will omit to state any material fact necessary in order to make the statements contained herein or therein not misleading.

3.20 Aspen is a "Shell Company" as defined under Rule 405 of the Securities Act of 1933 and is not engaged in any operations and has no material assets or liabilities, other than as stated herein.

3.21 Merger Sub is a newly formed company formed solely for the purpose of entering into this transaction and is not engaged in any operations, and has no assets or liabilities, expect for the shares of Aspen Common Stock and organizational expenses.

3.22 Full Disclosure. The representations and warranties of Aspen and Merger Sub contained in this Agreement (and in any schedule, exhibit, certificate or other instrument to be delivered under this Agreement) are true and correct in all material respects, and such representations and warranties do not omit any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading. There is no fact of which Aspen has knowledge that has not been disclosed to PrivateCo pursuant to this Agreement, including the schedules hereto, all taken together as a whole, which has had or could reasonably be expected to have a material adverse effect on Aspen, Merger Sub or PrivateCo or materially adversely affect the ability of Aspen or Merger Sub to consummate in a timely manner the transactions contemplated hereby.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF PRIVATECO

PrivateCo hereby represents and warrants to Aspen and Merger Sub as follows:

4.01 Organization, Standing and Power. PrivateCo is a corporation duly organized, validly existing and in good standing under the laws of Delaware, has all requisite power and authority to own, lease and operate its properties and to carry on its business as now being conducted, and is duly qualified and in good standing to do business in each jurisdiction in which the nature of its business or the ownership or leasing of its properties makes such qualification necessary.

4.02 Capital Structure. The capitalization of PrivateCo is as stated in the recitals hereto. All outstanding shares of PrivateCo stock are validly issued, fully paid and non-assessable and not subject to preemptive rights or other restrictions on transfer. All of the issued and outstanding shares of PrivateCo were issued in compliance with all applicable securities laws. Except as otherwise specified on Schedule 4.02, herein, there are no options, warrants, calls, agreements or other rights to purchase or otherwise acquire from PrivateCo at any time, or upon the happening of any stated event, any shares of the capital stock of PrivateCo.

4.03 Authority. PrivateCo has all requisite power to enter into this Agreement including approval of its Board of Directors and shareholders and has the requisite power and authority to consummate the transactions contemplated hereby. Except as specified herein, no other corporate or shareholder proceedings on the part of PrivateCo are necessary to authorize the transactions contemplated hereby.

4.04 Conflict with Agreements; Approvals. The execution and delivery of this Agreement does not, and the consummation of the transactions contemplated hereby will not, conflict with, or result in any violation of any provision of the Certificate of Incorporation or Bylaws of PrivateCo or of any loan or credit agreement, note, mortgage, indenture, lease, benefit plan or other agreement, obligation, instrument, permit, concession, franchise, license, judgment, order, decree, statute, law, ordinance, rule or regulation applicable to PrivateCo or its properties or assets. No consent, approval, order or authorization of, or registration, declaration or filing with, any Governmental Entity is required by or with respect to PrivateCo in connection with the execution and delivery of this Agreement by PrivateCo, or the consummation by PrivateCo of the transactions contemplated hereby, except for filing of Form D with the Securities and Exchange Commission, filings with any state securities regulators and the filing of the Certificate of Merger with the Delaware Secretary of State.

4.05 Financial Statements. PrivateCo will deliver to Aspen financial statements for the years ended December 31, 2010 and December 31, 2011, which shall have been audited in compliance with U.S. GAAP.

4.06 Compliance with Laws. PrivateCo is and has been in compliance in all material respects with all laws, regulations, rules, orders, judgments, decrees and other requirements and policies imposed by any Governmental Entity applicable to it, its properties or the operation of its businesses.

4.07 Broker and Finders. PrivateCo shall be solely responsible for payment to any broker or finder retained by PrivateCo for any brokerage fees, commissions or finders' fees in connection with the transactions contemplated herein.

4.08 Accuracy of Information. No representation or warranty by Aspen contained in this Agreement and no statement contained in any certificate or other instrument delivered or to be delivered to PrivateCo pursuant hereto or in connection with the transactions contemplated hereby (including without limitation all Schedules and exhibits hereto) contains or will contain any untrue statement of material fact or omits or will omit to state any material fact necessary in order to make the statements contained herein or therein not misleading.

4.09 Full Disclosure. The representations and warranties of PrivateCo contained in this Agreement (and in any schedule, exhibit, certificate or other instrument to be delivered under this Agreement) are true and correct in all material respects, and such representations and warranties do not omit any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading. There is no fact of which PrivateCo has knowledge that has not been disclosed to Aspen pursuant to this Agreement, including the schedules hereto, all taken together as a whole, which has had or could reasonably be expected to have a material adverse effect on Aspen or PrivateCo or materially adversely affect the ability of PrivateCo to consummate in a timely manner the transactions contemplated hereby.

ARTICLE 5
CONDUCT AND TRANSACTIONS PRIOR TO THE
EFFECTIVE TIME OF THE MERGER

5.01 Conduct and Transactions of Aspen and Merger Sub. During the period from the date hereof to the Effective Date, each of Aspen and Merger Sub shall:

(a) Conduct its operations in the ordinary course of business, including but not limited to, paying all obligations as they mature, complying with all applicable tax laws, filing all tax returns required to be filed and paying all taxes due; and

(b) Maintain its records and books of account in a manner that fairly and correctly reflects its income, expenses, assets and liabilities.

(c) Except as otherwise contemplated or required by this Agreement, sell, dispose of or encumber any of its properties or assets;

(d) Declare or pay any dividends on shares of its capital stock or make any other distribution of assets to the holders thereof;

(e) Issue, reissue or sell, or issue capital stock of Aspen or options or rights to subscribe to, or enter into any contract or commitment to issue, reissue or sell, any shares of its capital stock or acquire or agree to acquire any shares of its capital stock;

(f) Amend its Certificate of Incorporation or merge or consolidate with or into any other corporation or sell all or substantially all of its assets or change in any manner the rights of its capital stock or other securities;

(g) Pay or incur any obligation or liability, direct or contingent, of more than $25,000;

(h) Incur any indebtedness for borrowed money, assume, guarantee, endorse or otherwise become responsible for obligations of any other party, or make loans or advances to any other party other than to PrivateCo;

(i) Make any material change in its insurance coverage;

(j) Increase in any manner the compensation, direct or indirect, of any of its officers or executive employees; except in accordance with existing employment contracts;

(k) Enter into any agreement or make any commitment to any labor union or organization; or

(l) Make any capital expenditures.

5.02 Conduct and Transactions of PrivateCo.

(a) During the period from the date hereof to Effective Date, PrivateCo shall:

(i) Conduct the operations of PrivateCo in the ordinary course of business.

(b) During the period from the date hereof to Effective Date, PrivateCo shall not except in the ordinary course of business, without the prior written consent of Aspen:

(i) Declare or pay any dividends on shares of its capital stock or make any other distribution of assets to the holders thereof;

(ii) Issue, reissue or sell, or issue capital stock of PrivateCo or options or rights to subscribe to, or enter into any contract or commitment to issue, reissue or sell, any shares of its capital stock or acquire or agree to acquire any shares of its capital stock or other securities; provided, however, PrivateCo may continue with its private offering of up to $2 million of convertible notes and warrants; or

(iii) Except as otherwise contemplated and required by this Agreement, amend its Certificate of Incorporation or merge or consolidate with or into any other corporation or sell substantially all of its assets or change in any manner the rights of its capital stock or other securities.

ARTICLE 6
RIGHTS OF INSPECTION

6.01 Due Diligence; Access to Information; Confidentiality.

(a) Between the date hereof and the Closing Date, Aspen, Merger Sub and PrivateCo shall afford to the other parties and their authorized representatives the opportunity to conduct and complete a due diligence investigation of the other party as described herein. In light of the foregoing, each party shall permit the other party full access on reasonable notice and at reasonable hours to its properties and shall disclose and make available (together with the right to copy) to the other party and its officers, employees, attorneys, accountants and other representatives (hereinafter collectively referred to as "Representatives"), all books, papers, and records relating to the assets, stock, properties, operations, obligations and liabilities of such party and its subsidiaries, including, without limitation, all books of account (including, without limitation, the general ledger), tax records, minute books of directors' and stockholders' meetings, organizational documents, bylaws, contracts and agreements, filings with any regulatory authority, accountants' work papers, litigation files (including, without limitation, legal research memoranda), attorney's audit response letters, documents relating to assets and title thereto (including, without limitation, abstracts, title insurance policies, surveys, environmental reports, opinions of title and other information relating to the real and personal property), plans affecting employees, securities transfer records and shareholder lists, and any books, papers and records (collectively referred to herein as "Evaluated Material") relating to other assets or business activities in which such party may have a reasonable interest, and otherwise provide such assistance as is reasonably requested in order that each party may have a full opportunity to make such investigation and evaluation as it shall reasonably desire to make of the business and affairs of the other party; provided, however, that the foregoing rights granted to each party shall, whether or not and regardless of the extent to which the same are exercised, in no way affect the nature or scope of the representations, warranties and covenants of the respective party set forth herein. In addition, each party and its Representatives shall cooperate fully (including providing introductions, where necessary) with such other party to enable the party to contact third parties, including customers, prospective customers, specified agencies or others as the party deems reasonably necessary to complete its due diligence; provided that such party agrees not to initiate such contacts without the prior approval of the other party, which approval will not be unreasonably withheld.

(b) Aspen, Merger Sub and PrivateCo agree that each such party will not use the Evaluation Material for any purpose other than in connection with the transactions contemplated hereunder. Each agrees not to disclose or allow disclosure to others of any Evaluation Material, except to such party's Affiliates or Representatives, in each case, to the extent necessary to permit such Affiliate or Representative to assist such party in connection with the transactions contemplated hereunder. Each agrees that it will, within (10 days of the other party's request, re-deliver to such party all copies of that party's Evaluation Material in its possession or that of its affiliates or Representatives if the Merger contemplated by this Agreement does not close as contemplated herein.

(c) In the event any party or anyone to whom Evaluation Material has been transmitted in accordance with the terms herein is requested in connection with any proceeding to disclose any Evaluation Material, such party will give the other party prompt notice of such request so that the other party may seek an appropriate protective order or other remedy or waive compliance with this Agreement, and such party will cooperate with the other party to obtain such protective order. In the event such protective order is not obtained, the other party waives compliance with the relevant provisions of this Section 6.01, such party (or such person to whom such request is directed) will furnish only that portion of the Evaluation Material which is required to be disclosed.

(d) Notwithstanding any of the foregoing, if prior to Closing, for any reason, the transactions contemplated by this Agreement are not consummated, neither Aspen, Merger Sub nor PrivateCo nor any of their Representatives shall disclose to third parties or otherwise use any Evaluation Material or other confidential information received from the other party in the course of investigating, negotiating, and performing the transactions contemplated by this Agreement; provided, however, that nothing shall be deemed to be confidential information which:

(i) is or becomes generally available to the public other than as a result of a disclosure by such party, its affiliates or Representatives;

(ii) was available to such party on a non-confidential basis prior to its disclosure;

(iii) becomes available to such party on a non-confidential basis from a source other than the other party or its agents, advisors or Representatives;

(iv) developed by such party independently of any disclosure by the other party; or

(v) is disclosed in compliance with Section 6.01(c).

This provision shall not prohibit the disclosure of information required to be made under federal or state securities laws. If any disclosure is so required, the party making such disclosure shall consult with the other party prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure which is satisfactory to both parties.

6.02 Aspen, Merger Sub and PrivateCo each agree that money damages would not be sufficient to remedy any breach by the other party of this Section 6.02, and that, in addition to all other remedies, each party against which a breach of this Section 6.02 has been committed shall be entitled to specific performance and injunctive or other equitable relief as a remedy of such breach.

ARTICLE 7
CONDITIONS TO CLOSING

7.01 Conditions to Obligations of PrivateCo. The obligation of PrivateCo to perform this Agreement is subject to the satisfaction of the following conditions on or before the Closing unless waived in writing by PrivateCo.

(a) Representations and Warranties. There shall be no information disclosed in the schedules delivered by Aspen or Merger Sub, which in the opinion of PrivateCo, would materially adversely affect the proposed transaction and intent of the parties as set forth in this Agreement. The representations and warranties of Aspen or Merger Sub set forth in Article 3 hereof shall be true and correct in all material respects as of the date of this Agreement and as of the Closing as though made on and as of the Closing, except as otherwise permitted by this Agreement.

(b) Performance of Obligations. Aspen and Merger Sub shall have in all material respects performed all agreements required to be performed by it under this Agreement and shall have performed in all material respects any actions contemplated by this Agreement prior to or on the Closing and Aspen and Merger Sub shall have complied in all material respects with the course of conduct required by this Agreement.

(c) Corporate Action and Share Cancellation. Aspen and Merger Sub shall have furnished minutes, certified copies of corporate resolutions and/or other documentary evidence satisfactory to counsel for PrivateCo that Aspen and Merger Sub have submitted with this Agreement and any other documents required hereby to such parties for approval as provided by applicable law. At Closing, Aspen shall cancel all shares held by its President except for 2,000,000 post-split shares.

(d) Consents. Execution Consents necessary for or approval of any party listed on any Schedule delivered by Aspen and Merger Sub whose consent or approval is required pursuant thereto shall have been obtained.

(e) Statutory Requirements. All statutory requirements for the valid consummation by Aspen and Mergrer Sub of the transactions contemplated by this Agreement shall have been fulfilled.

(f) Governmental Approval. All authorizations, consents, approvals, permits and orders of all federal and state governmental agencies required to be obtained by Aspen and Merger Sub for consummation of the transactions contemplated by this Agreement shall have been obtained.

(g) Market Condition. Up to and including the Closing Date, Aspen shall have maintained its listing on the OTC Bulletin Board, without any trading and quotation halts or other notices of deficiency received by or imposed against Aspen.

(h) Changes in Financial Condition of Aspen. There shall not have occurred any material adverse change in the financial condition or in the operations of the business of Aspen and Merger Sub, except expenditures in furtherance of this Agreement.

(i) Absence of Pending Litigation. Aspen and Merger Sub are not engaged in or threatened with any suit, action, or legal, administrative or other proceedings or governmental investigations pertaining to this Agreement or the consummation of the transactions contemplated hereunder.

(j) Authorization for Issuance of Stock. PrivateCo shall have received in form and substance satisfactory to counsel for PrivateCo a letter instructing and authorizing the transfer agent for the shares of common stock of Aspen to issue stock certificates representing ownership of Aspen common stock to PrivateCo shareholders in accordance with the terms of this Agreement upon surrender by such shareholders of their share certificates representing ownership of shares in PrivateCo duly endorsed for transfer, and a letter from said transfer agent acknowledging receipt of the letter of instruction and stating to the effect that the Transfer Agent holds adequate supplies of stock certificates necessary to comply with the letter of instruction and the terms and conditions of this Agreement.

(k) Books and Records. Aspen shall deliver to PrivateCo all books and records of Aspen and Merger Sub.

7.02 Conditions to Obligations of Aspen and Merger Sub. The obligation of Aspen to perform this Agreement is subject to the satisfaction of the following conditions on or before the Closing unless waived in writing by Aspen and Merger Sub.

(a) Performance of Obligations. PrivateCo shall have in all material respects performed all agreements required to be performed by it under this Agreement and shall have performed in all material respects any actions contemplated by this Agreement prior to or on the Closing and PrivateCo shall have complied in all respects with the course of conduct required by this Agreement.

(b) Corporate Action. PrivateCo shall have furnished minutes, certified copies of corporate resolutions and/or other documentary evidence satisfactory to counsel for Aspen that PrivateCo has submitted with this Agreement and any other documents required hereby to such parties for approval as provided by applicable law.

(c) Financial Statements. Aspen shall have been furnished with audited financial statements of PrivateCo including, but not limited to, balance sheets, income statements, statements of stockholders' equity and statements of cash flows as at and for the years ended December 31, 2010 and 2011, each prepared in compliance with U.S. GAAP, and which fairly present the financial condition and results of operations of PrivateCo at the dates thereof and for the periods presented.

(d) Statutory Requirements. All statutory requirements for the valid consummation by PrivateCo of the transactions contemplated by this Agreement shall have been fulfilled.

(e) Governmental Approval. All authorizations, consents, approvals, permits and orders of all federal and state governmental agencies required to be obtained by PrivateCo for consummation of the transactions contemplated by this Agreement shall have been obtained.

(f) Shareholder Approval. The shareholders of PrivateCo have approved the Merger in the manner provided by the Delaware General Corporation Law, as amended.

ARTICLE 8
MATTERS SUBSEQUENT TO CLOSING

8.01 Covenant of Further Assurance. The parties covenant and agree that they shall, from time to time, execute and deliver or cause to be executed and delivered all such further instruments of conveyance, transfer, assignments, receipts and other instruments, and shall take or cause to be taken such further or other actions as the other party or parties to this Agreement may reasonably deem necessary in order to carry out the purposes and intent of this Agreement.

ARTICLE 9
NATURE OF REPRESENTATIONS

9.01 All statements contained in any written certificate, schedule, exhibit or other written instrument delivered by Aspen, Merger Sub or PrivateCo pursuant hereto, or otherwise adopted by Aspen or Merger Sub, by its written approval, or by PrivateCo by its written approval, or in connection with the transactions contemplated hereby, shall be deemed representations and warranties by Aspen or PrivateCo as the case may be. All representations and warranties by Merger Sub shall be deemed representations and warranties by Aspen. All representations, warranties and agreements made by any party pursuant to this Agreement shall survive for the period of the applicable statute of limitations.

ARTICLE 10
INDEMNIFICATION/ASSUMPTION OF CONVERTIBLE DEBT

10.01 Indemnity of PrivateCo. Aspen agrees to defend, indemnify and hold harmless PrivateCo and its shareholders from and against, and to reimburse PrivateCo with respect to, all liabilities, losses, costs and expenses, including, without limitation, reasonable attorneys' fees and disbursements, asserted against or incurred by PrivateCo by reason of, arising out of, or in connection with any material breach of any representation or warranty contained in this Agreement made by Aspen or Merger Sub or in any document or certificate delivered by Aspen or Merger Sub pursuant to the provisions of this Agreement or in connection with the transactions contemplated thereby.

10.02 Indemnity of Aspen. PrivateCo agrees to defend, indemnify and hold harmless Aspen from and against, and to reimburse Aspen with respect to, all liabilities, losses, costs and expenses, including, without limitation, reasonable attorneys' fees and disbursements, asserted against or incurred by Aspen by reason of, arising out of, or in connection with any material breach of any representation or warranty contained in this Agreement made by PrivateCo, or in any document or certificate delivered by PrivateCo pursuant to the provisions of this Agreement or in connection with the transactions contemplated thereby.

10.03 Indemnification Procedure. A party (an "Indemnified Party") seeking indemnification shall give prompt notice to the other party (the "Indemnifying Party") of any claim for indemnification arising under this Article 10. The Indemnifying Party shall have the right to assume and to control the defense of any such claim with counsel reasonably acceptable to such Indemnified Party, at the Indemnifying Party's own cost and expense, including the cost and expense of reasonable attorneys' fees and disbursements in connection with such defense, in which event the Indemnifying Party shall not be obligated to pay the fees and disbursements of separate counsel for such in such action. In the event, however, that such Indemnified Party's legal counsel shall determine that defenses may be available to such Indemnified Party that are different from or in addition to those available to the Indemnifying Party, in that there could reasonably be expected to be a conflict of interest if such Indemnifying Party and the Indemnified Party have common counsel in any such proceeding, or if the Indemnified Party has not assumed the defense of the action or proceedings, then such Indemnifying Party may employ separate counsel to represent or defend such Indemnified Party, and the Indemnifying Party shall pay the reasonable fees and disbursements of counsel for such Indemnified Party. No settlement of any such claim or payment in connection with any such settlement shall be made without the prior consent of the Indemnifying Party which consent shall not be unreasonably withheld.

10.4 Assumption by Aspen of Certain Convertible Debt of PrivateCo. Aspen hereby agrees to assume that certain debt and those certain warrants of PrivateCo set forth on Schedule 10.4.

ARTICLE 11
TERMINATION OF AGREEMENT AND
ABANDONMENT OF REORGANIZATION

11.01 Termination. Anything herein to the contrary notwithstanding, this Agreement and any agreement executed as required hereunder and the acquisition contemplated hereby may be terminated at any time before the Closing as follows:

(a) By mutual written consent of the Boards of Directors of Aspen, Merger Sub and PrivateCo.

(b) By the Board of Directors of Aspen and Merger Sub if any of the conditions set forth in Section 7.02 shall not have been satisfied by the Closing Date.

(c) By the Board of Directors of PrivateCo if any of the conditions set forth in Section 7.01 shall not have been satisfied by the Closing Date.

(d) By any of the Boards of Directors of Aspen, Merger Sub, or PrivateCo if the Closing Date is not on or before March 15, 2012, or such later date as Aspen, Merger Sub and PrivateCo may mutually agree (except that a party seeking to terminate this Agreement pursuant to this clause may not do so if the failure to consummate the Merger contemplated by this Agreement by such date shall be due to the action or failure to act of the party seeking to terminate the Agreement in breach of such party's obligations under this Agreement).

11.02 Termination of Obligations and Waiver of Conditions; Payment of Expenses. In the event this Agreement and the acquisition are terminated and abandoned pursuant to this Article 11 hereof, this Agreement shall become void and of no force and effect and there shall be no liability on the part of any of the parties hereto, or their respective directors, officers, shareholders or controlling persons to each other. For the costs and expenses incident to its negotiation and preparation of this Agreement and any of the documents evidencing the transactions contemplated hereby, including fees, expenses and disbursements of counsel, Aspen shall bear the expenses incurred by Aspen and Merger Sub, and PrivateCo shall bear the expenses incurred by PrivateCo.

ARTICLE 12
MERGER SHARES

12.01 Merger Shares. At the Effective Time, Aspen shall issue a letter to the transfer agent of Aspen with a copy of the resolution of the Board of Directors of Aspen authorizing and directing the issuance of the Merger Shares.

12.02 Restrictions on Shares Issued to PrivateCo. Due to the fact that the offer and sale of the Aspen Common Stock being issued in connection with the acquisition have not been registered under the Act by virtue of the exemption provided in Section 4(2) of such Act, such shares of Aspen will contain the following legend:

The offer and sale of the shares represented by this certificate have not been registered under the Securities Act of 1933. The shares have been acquired for investment and may not be sold or offered for sale in the absence of an effective Registration Statement for such offer and sale under the Securities Act of 1933 or an opinion of counsel to the Company that such registration is not required.

ARTICLE 13
MISCELLANEOUS

13.01 Expenses. All costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

13.02 Notices. All notices, requests, demands or other communications hereunder shall be in writing, hand delivered or mailed by certified mail, return receipt required, or by overnight courier, receipt signature required or by facsimile transmission with verification of transmission received by the sender, to each party at the address that follows or at such other place as either party may, by written notice to the other parties hereto, direct:

If to "Aspen" or "Merger Sub":

____
____
____

with a copy to:
Jolie Kahn, Esq.
2 Liberty Place
50 South 16th Street, 34th Floor
Philadelphia, PA 19102

If to "PrivateCo":

Aspen University, Inc.
224 West 30th Street, Suite 604
New York NY 10001
Attn: Michael D. Matthews
mike@aspen.edu

With a copy to:

Harris Cramer LLP
3507 PGA Blvd., Suite 320
Palm Beach Gardens, FL 33410
Attn: Michael Harris, Esq.
mharris@harriscramer.com

Any such notice, when sent in accordance with the provisions hereof, shall be deemed to have been given and received (a) on the day personally delivered or faxed (with confirmation) or (b) on the second day after the day overnight delivered or (c) on the fifth day following the date mailed.

13.03 Amendment and Waiver. The parties hereby may, by mutual agreement in writing signed by or on behalf of each party, amend this Agreement in any respect. Any term or provision of this Agreement may be waived in writing signed by an authorized officer at any time by the party against which such waiver is to be charged, such waiver right shall include, but not be limited to, the right of either party to:

(a) Extend the time for the performance of any of the obligations of the other;

(b) Waive any inaccuracies in representations by the other contained in this Agreement or in any document delivered pursuant hereto;

(c) Waive compliance by the other with any of the covenants contained in this Agreement, and performance of any obligations by the other; and

(d) Waive the fulfillment of any condition that is precedent to the performance by the party so waiving of any of its obligations under this Agreement.

Any writing on the part of a party relating to such amendment, extension or waiver as provided in this Section 13.03 shall be valid if authorized or ratified by the Board of Directors of such party.

13.04 Remedies not Exclusive. No remedy conferred by any of the specific provisions of this Agreement is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. The election of any one or more remedies by Aspen or PrivateCo shall not constitute a waiver of the right to pursue other available remedies.

13.05 Attorneys' Fees. In the event a dispute arises with respect to this Agreement, the party prevailing in such dispute shall be entitled to recover all expenses, including, without limitation, reasonable attorneys' fees and expenses, incurred in ascertaining such party's rights, in preparing to enforce, or in enforcing such party's rights under this Agreement, whether or not it was necessary for such party to institute suit.

13.06 Governing Law; Venue. Any dispute in the meaning, effect or validity of this Agreement shall be resolved in accordance with the laws of the State of Delaware without regard to the conflict of laws provisions thereof. The parties hereby expressly consent to the personal jurisdiction of the state and federal courts located in New York, N.Y., for any lawsuit against either party arising from or related to this Agreement and no other jurisdiction.

13.07 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

13.08 Benefit. This Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of Aspen and PrivateCo and its shareholders.

13.09 Entire Agreement. This Agreement and the Schedules and Exhibits attached hereto, represent the entire agreement of the undersigned regarding the subject matter hereof, and supersedes all prior written or oral understandings or agreements between the parties.

13.10 Captions and Section Headings. Captions and section headings used herein are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

13.11 Scrivener's Errors. Aspen and PrivateCo shall have the right to amend the Agreement, upon mutual written consent, to correct any scrivener's errors in the Agreement, provided that such amendment does not materially adversely affect the rights of the Shareholders.

[Signature Page to Follow]

Executed as of the date first written above.

"Aspen"

Aspen Group, Inc.

By: */s/ Don Ptalis*,
Don Ptalis
CEO

"PrivateCo"

Aspen University Inc.

By: */s/ Michael Mathews*,
Michael Mathews
CEO

"Merger Sub"

Aspen Acquisition Sub, Inc.

By: */s/ Don Ptalis*,
Don Ptalis
CEO

EXHIBIT 2.3

AGREEMENT AND PLAN OF MERGER
By and Between
ASPEN GROUP, INC.
and
ELIT NUTRITIONAL BRANDS, INC.

AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger (the "Plan") is adopted as February 15, 2012, by and between Elite Nutritional Brands, Inc., a Florida corporation ("Elite Nutritional Brands"), and Aspen Group, Inc., a Delaware corporation and a wholly owned subsidiary of Elite Nutritional Brands ("Aspen Group").

WHEREAS, Elite Nutritional Brands is a corporation duly organized and existing under the laws of the State of Florida.;

WHEREAS, Aspen Group is a corporation duly organized and existing under the laws of the State of Delaware;

WHEREAS, as of the date hereof, Elite Nutritional Brands has authority to issue 300,000,000 shares consisting of 300,000,000 shares of common stock, $0.0001 par value per share ("Florida Common Stock") of which 122,400,000 shares are issued and outstanding;

WHEREAS, as of the date hereof, Aspen Group has authority to issue 125,000,000 shares consisting of 120,000,000 shares of common stock. $0.001 par value per share ("Delaware Common Stock"), of which Ten shares are issued and outstanding, and 10,000 shares of preferred stock par value $0.001 per share ("Delaware Preferred Stock"); none of which shares of Delaware Preferred Stock are issued and outstanding;

WHEREAS, on the date hereof, the Ten shares of Delaware Common Stock issued and outstanding are owned by Elite Nutritional Brands;

WHEREAS, the respective boards of directors of Aspen Group and Elite Nutritional Brands have determined that, for the purpose of effecting the reincorporation of Elite Nutritional Brands in the State of Delaware, it is advisable and in the best interests of such corporations and their respective shareholders that Elite Nutritional Brands merge with and into Aspen Group upon the terms and conditions herein provided;

WHEREAS, the respective boards of directors of Aspen Group and Elite Nutritional Brands have approved this Plan; and

WHEREAS, the respective shareholders of Aspen Group and Elite Nutritional Brands have approved this Plan.

NOW, THEREFORE, in consideration of the mutual agreements and covenants set forth herein, Elite Nutritional Brands and Aspen Group hereby agree to merge as follows:

1. Merger. Subject to the terms and conditions hereinafter set forth, Elite Nutritional Brands shall be merged with and into Aspen Group, with Aspen Group to be the surviving corporation in the merger (the "Merger"). The Merger shall be effective on the later of the date and time (the "Effective Time") that a properly executed certificate of merger consistent with the terms of this Plan and Section 252 of the Delaware General Corporation Law (the "DGCL") is filed with the Secretary of State of Delaware or articles of merger are filed with the Secretary of State of Florida.

2. Principal Office of Aspen Group. The address of the principal office of Aspen Group is 301 Kindermack Road, Suite A-2, Westwood, NJ 07675.

3. Corporate Documents. The Articles of Incorporation of Aspen Group, as in effect immediately prior to the Effective Time, shall continue to be the Articles of Incorporation of Aspen Group as the surviving corporation without change or amendment until further amended in accordance with the provisions thereof and applicable law. The Bylaws of Aspen Group, as in effect immediately prior to the Effective Time, shall continue to be the Bylaws of Aspen Group as the surviving corporation without change or amendment until further amended in accordance with the provisions thereof and applicable law.

4. Directors and Officers. The directors and officers of Elite Nutritional Brands at the Effective Time shall be and become directors and officers, holding the same titles and positions, of Aspen Group at the Effective Time, and after the Effective Time shall service in accordance with the Bylaws of Aspen Group.

5. Succession. At the Effective Time, Aspen Group shall succeed to Elite Nutritional Brands in the manner of and as more fully set forth in Section 259 of the DGCL and as set forth under Florida Law.

6. Further Assurances. From time to time, as and when required by Aspen Group or by its successors and assigns, there shall be executed and delivered on behalf of Elite Nutritional Brands such deeds and other instruments, and there shall be taken or caused to be taken by it such further and other action, as shall be appropriate or necessary in order to vest or perfect in or to confer of record or otherwise in Aspen Group the title to and possession of all interests, assets, rights, privileges, immunities, powers, franchises and authority of Elite Nutritional Brands and otherwise to carry out the purposes and intent of this Plan, and the officers and directors of Aspen Group are fully authorized in the name and on behalf of Elite Nutritional Brands or otherwise to take any and all such actions and to execute and deliver and an all such deeds and other instruments.

7. Common Stock of Elite Nutritional Brands. At the Effective Time, by virtue of the Merger and without any action on the part of the holder thereof each 2.5 shares of Florida Common Stock outstanding immediately prior thereto shall be changed and converted automatically into one fully paid and nonassessable share of Delaware Common Stock. All fractional shares shall be rounded up.

8. Stock Certificates. At and after the Effective Time, all of the outstanding certificates which prior to that time represented shares of Florida Common Stock shall be deemed for all purposes to evidence ownership of and to represent shares of Delaware Common Stock into which the shares of the Florida Common Stock, represented by such certificates have been converted as herein provided. The registered owner on the books and records of Elite Nutritional Brands or its transfer agent of any such outstanding stock certificates shall, until such certificate shall have been surrendered for transfer or otherwise accounted to Aspen Group or its transfer agent, have and be entitled to exercise any voting and other rights with respect to and to receive any dividend and other distributions upon the shares of Florida Common Stock.

9. Options; Warrants. Each option, warrant or other right to purchase 2.5 shares of Florida Common Stock, which are outstanding at the Effective Time shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted into and become an option, warrant or right to purchase, respectively, one share of Delaware Common Stock as the case may be at an exercise or purchase price per share equal to the exercise or purchase price applicable to the option, warrant or other right to purchase Florida Common Stock.

10. Common Stock of Aspen Group. At the Effective Time, the previously outstanding Ten shares of Florida Common Stock registered in the name of Elite Nutritional Brands shall, by reason of the Merger, be reacquired by Aspen Group, shall be retired and shall resume the status of authorized and unissued shares of Florida Common Stock and no shares of Florida Common Stock or other securities of Aspen Group shall be issued in respect thereof.

11. Amendment. The Board of Directors of Elite Nutritional Brands and Aspen Group may amend this plan at any time prior to the Merger, provided that an amendment made subsequent to the adoption of the Plan by the sole shareholder of Aspen Group or the stockholders of Elite Nutritional Brands shall not (i) alter or change the amount or kinds of shares, securities, cash, property and/or rights to be received in exchange for the Delaware Common Stock or Delaware Preferred Stock (ii) alter or change any term of the articles of incorporation of Aspen Group, as surviving corporation to the Merger, or (iii) alter or change any of the terms and conditions of the plan if such alteration or change would adversely affect the holders of Delaware Common Stock or Delaware Preferred Stock.

12. Abandonment. At any time before the Effective Time, this Plan may be terminated and the Merger contemplated hereby may be abandoned by the Board of Directors of either Elite Nutritional Brands or Aspen Group or both, notwithstanding approval of this Plan by the sole shareholder of Aspen Group or the stockholders of Elite Nutritional Brands, or both.

13. Rights and Duties of Aspen Group. At the Effective Time and for all purposes the separate existence of Elite Nutritional Brands shall cease and shall be merged with and into Aspen Group which, as the surviving corporation, shall thereupon and thereafter possess all the rights, privileges, immunities, licenses and franchises (whether of a public or private nature) of Elite Nutritional Brands; and all property (real, personal and mixed) all debts on whatever account, all choices in action, and all and every other interest of or belonging to or due to Elite Nutritional Brands shall continue and be taken and deemed to be transferred to and vested in Aspen Group without further act or deed; and the title to any real estate or any other interest therein, vested in Elite Nutritional Brands shall not revert or be in any way impaired by reason of such Merger; and Aspen Group shall thenceforth be responsible and liable for all liabilities and obligations of Elite Nutritional Brands; and, to the extent permitted by law, any claim existing, or action or proceeding pending, by or against Elite Nutritional Brands may be prosecuted as if the Merger had not taken place, or Aspen Group may be substituted in the place of such corporation. Neither the rights of creditors nor any liens upon the property of Elite Nutritional Brands shall be impaired by the Merger. If at any time Aspen Group shall consider or be advised that any further assignment or assurances in law or any other actions are necessary or desirable to vest the title of any property or rights of Elite Nutritional Brands in Aspen Group according to the terms hereof, the officers and directors of Aspen Group are empowered to execute and make all such proper assignments and assurances and do any and all other things necessary or proper to vest title to such property or other rights in Aspen Group and otherwise to carry out the purposes of this Plan.

14. Consent to Service of Process. Aspen Group hereby agrees that it may be served with process in the State of Delaware in any proceedings for enforcement of any obligation of Elite Nutritional Brands, as well as for enforcement of any obligation of Aspen Group arising from the Merger. Aspen group hereby irrevocably appoints the Secretary of State of the State of Delaware and the successors of such officer its attorney in fact in the State of Delaware upon whom may be served any notice, process or pleading in any action or proceeding against it to enforce against Aspen Group any obligation of Elite Nutritional Brands. In the event of such service upon the Secretary of the State of the State of Delaware or the successors of such officer, such service shall be mailed to the principal office of Aspen Group at 301 Kindermack Road, Suite A-2, Westwood, NJ 07675.

IN WITNESS HEREOF, this Agreement and Plan of Merger, having first been duly approved by resolution of the Board of Directors of Elite Nutritional Brands and Aspen Group, has been executed on behalf of each of said two corporations by their respective duly authorized officers.

Elite Nutritional Brands, Inc.
a Florida Company

By: /s/ Don Ptalis
Don Ptalis, CEO

Aspen Group, Inc.
a Delaware Corporation

By: /s/ Don Ptalis
Don Ptalis, CEO

Articles of Merger

(Profit Corporations)

The following articles of merger are submitted in accordance with the Florida Business Corporation Act, pursuant to section 607.1105, Florida Statutes.

First: The name and jurisdiction of the **surviving** corporation:

Name	Jurisdiction	Document Number
Aspen Group, Inc.	Delaware	

Second: The name and jurisdiction of each **merging** corporation:

Name	Jurisdiction	Document Number
Elite Nutritional Brands, Inc.	Florida	P10000016795

Third: The plan of merger is attached.

Fourth: The merger shall become effective on the date the Articles of Merger are filed with the Florida Department of State.

Fifth: The Plan of Merger was adopted by the board of directors of the surviving corporation on 02/15/12 and shareholder approval was not required.

Sixth: The Plan of Merger was adopted by the board of directors of the merging corporation(s) on 02/15/12 and shareholder approval was not required.

Seventh: Signatures for each corporation

Name of Corporation	Signature of an Officer or Director	Printed Name of Officer or Director
Aspen Group, Inc.	/s/ Don Ptalis	Don Ptalis, CEO
Elite Nutritional Brands, Inc.	/s/ Don Ptalis	Don Ptalis, CEO

ATTACHMENT

AGREEMENT AND PLAN OF MERGER
By and Between
ASPEN GROUP, INC.
and
ELIT NUTRITIONAL BRANDS, INC.

AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger (the "Plan") is adopted as February 15, 2012, by and between Elite Nutritional Brands, Inc., a Florida corporation ("Elite Nutritional Brands"), and Aspen Group, Inc., a Delaware corporation and a wholly owned subsidiary of Elite Nutritional Brands ("Aspen Group").

WHEREAS, Elite Nutritional Brands is a corporation duly organized and existing under the laws of the State of Florida.;

WHEREAS, Aspen Group is a corporation duly organized and existing under the laws of the State of Delaware;

WHEREAS, as of the date hereof, Elite Nutritional Brands has authority to issue 300,000,000 shares consisting of 300,000,000 shares of common stock, $0.0001 par value per share ("Florida Common Stock") of which 122,400,000 shares are issued and outstanding;

WHEREAS, as of the date hereof, Aspen Group has authority to issue 125,000,000 shares consisting of 120,000,000 shares of common stock. $0.001 par value per share ("Delaware Common Stock"), of which Ten shares are issued and outstanding, and 10,000 shares of preferred stock par value $0.001 per share ("Delaware Preferred Stock"); none of which shares of Delaware Preferred Stock are issued and outstanding;

WHEREAS, on the date hereof, the Ten shares of Delaware Common Stock issued and outstanding are owned by Elite Nutritional Brands;

WHEREAS, the respective boards of directors of Aspen Group and Elite Nutritional Brands have determined that, for the purpose of effecting the reincorporation of Elite Nutritional Brands in the State of Delaware, it is advisable and in the best interests of such corporations and their respective shareholders that Elite Nutritional Brands merge with and into Aspen Group upon the terms and conditions herein provided;

WHEREAS, the respective boards of directors of Aspen Group and Elite Nutritional Brands have approved this Plan; and

WHEREAS, the respective shareholders of Aspen Group and Elite Nutritional Brands have approved this Plan.

NOW, THEREFORE, in consideration of the mutual agreements and covenants set forth herein, Elite Nutritional Brands and Aspen Group hereby agree to merge as follows:

1. Merger. Subject to the terms and conditions hereinafter set forth, Elite Nutritional Brands shall be merged with and into Aspen Group, with Aspen Group to be the surviving corporation in the merger (the "Merger"). The Merger shall be effective on the later of the date and time (the "Effective Time") that a properly executed certificate of merger consistent with the terms of this Plan and Section 252 of the Delaware General Corporation Law (the "DGCL") is filed with the Secretary of State of Delaware or articles of merger are filed with the Secretary of State of Florida.

2. Principal Office of Aspen Group. The address of the principal office of Aspen Group is 301 Kindermack Road, Suite A-2, Westwood, NJ 07675.

3. Corporate Documents. The Articles of Incorporation of Aspen Group, as in effect immediately prior to the Effective Time, shall continue to be the Articles of Incorporation of Aspen Group as the surviving corporation without change or amendment until further amended in accordance with the provisions thereof and applicable law. The Bylaws of Aspen Group, as in effect immediately prior to the Effective Time, shall continue to be the Bylaws of Aspen Group as the surviving corporation without change or amendment until further amended in accordance with the provisions thereof and applicable law.

4. Directors and Officers. The directors and officers of Elite Nutritional Brands at the Effective Time shall be and become directors and officers, holding the same titles and positions, of Aspen Group at the Effective Time, and after the Effective Time shall service in accordance with the Bylaws of Aspen Group.

5. Succession. At the Effective Time, Aspen Group shall succeed to Elite Nutritional Brands in the manner of and as more fully set forth in Section 259 of the DGCL and as set forth under Florida Law.

6. Further Assurances. From time to time, as and when required by Aspen Group or by its successors and assigns, there shall be executed and delivered on behalf of Elite Nutritional Brands such deeds and other instruments, and there shall be taken or caused to be taken by it such further and other action, as shall be appropriate or necessary in order to vest or perfect in or to confer of record or otherwise in Aspen Group the title to and possession of all interests, assets, rights, privileges, immunities, powers, franchises and authority of Elite Nutritional Brands and otherwise to carry out the purposes and intent of this Plan, and the officers and directors of Aspen Group are fully authorized in the name and on behalf of Elite Nutritional Brands or otherwise to take any and all such actions and to execute and deliver and an all such deeds and other instruments.

7. Common Stock of Elite Nutritional Brands. At the Effective Time, by virtue of the Merger and without any action on the part of the holder thereof each 2.5 shares of Florida Common Stock outstanding immediately prior thereto shall be changed and converted automatically into one fully paid and nonassessable share of Delaware Common Stock. All fractional shares shall be rounded up.

8. Stock Certificates. At and after the Effective Time, all of the outstanding certificates which prior to that time represented shares of Florida Common Stock shall be deemed for all purposes to evidence ownership of and to represent shares of Delaware Common Stock into which the shares of the Florida Common Stock, represented by such certificates have been converted as herein provided. The registered owner on the books and records of Elite Nutritional Brands or its transfer agent of any such outstanding stock certificates shall, until such certificate shall have been surrendered for transfer or otherwise accounted to Aspen Group or its transfer agent, have and be entitled to exercise any voting and other rights with respect to and to receive any dividend and other distributions upon the shares of Florida Common Stock.

9. Options; Warrants. Each option, warrant or other right to purchase 2.5 shares of Florida Common Stock, which are outstanding at the Effective Time shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted into and become an option, warrant or right to purchase, respectively, one share of Delaware Common Stock as the case may be at an exercise or purchase price per share equal to the exercise or purchase price applicable to the option, warrant or other right to purchase Florida Common Stock.

10. Common Stock of Aspen Group. At the Effective Time, the previously outstanding Ten shares of Florida Common Stock registered in the name of Elite Nutritional Brands shall, by reason of the Merger, be reacquired by Aspen Group, shall be retired and shall resume the status of authorized and unissued shares of Florida Common Stock and no shares of Florida Common Stock or other securities of Aspen Group shall be issued in respect thereof.

11. Amendment. The Board of Directors of Elite Nutritional Brands and Aspen Group may amend this plan at any time prior to the Merger, provided that an amendment made subsequent to the adoption of the Plan by the sole shareholder of Aspen Group or the stockholders of Elite Nutritional Brands shall not (i) alter or change the amount or kinds of shares, securities, cash, property and/or rights to be received in exchange for the Delaware Common Stock or Delaware Preferred Stock (ii) alter or change any term of the articles of incorporation of Aspen Group, as surviving corporation to the Merger, or (iii) alter or change any of the terms and conditions of the plan if such alteration or change would adversely affect the holders of Delaware Common Stock or Delaware Preferred Stock.

12. Abandonment. At any time before the Effective Time, this Plan may be terminated and the Merger contemplated hereby may be abandoned by the Board of Directors of either Elite Nutritional Brands or Aspen Group or both, notwithstanding approval of this Plan by the sole shareholder of Aspen Group or the stockholders of Elite Nutritional Brands, or both.

13. Rights and Duties of Aspen Group. At the Effective Time and for all purposes the separate existence of Elite Nutritional Brands shall cease and shall be merged with and into Aspen Group which, as the surviving corporation, shall thereupon and thereafter possess all the rights, privileges, immunities, licenses and franchises (whether of a public or private nature) of Elite Nutritional Brands; and all property (real, personal and mixed) all debts on whatever account, all choices in action, and all and every other interest of or belonging to or due to Elite Nutritional Brands shall continue and be taken and deemed to be transferred to and vested in Aspen Group without further act or deed; and the title to any real estate or any other interest therein, vested in Elite Nutritional Brands shall not revert or be in any way impaired by reason of such Merger; and Aspen Group shall thenceforth be responsible and liable for all liabilities and obligations of Elite Nutritional Brands; and, to the extent permitted by law, any claim existing, or action or proceeding pending, by or against Elite Nutritional Brands may be prosecuted as if the Merger had not taken place, or Aspen Group may be substituted in the place of such corporation. Neither the rights of creditors nor any liens upon the property of Elite Nutritional Brands shall be impaired by the Merger. If at any time Aspen Group shall consider or be advised that any further assignment or assurances in law or any other actions are necessary or desirable to vest the title of any property or rights of Elite Nutritional Brands in Aspen Group according to the terms hereof, the officers and directors of Aspen Group are empowered to execute and make all such proper assignments and assurances and do any and all other things necessary or proper to vest title to such property or other rights in Aspen Group and otherwise to carry out the purposes of this Plan.

14. Consent to Service of Process. Aspen Group hereby agrees that it may be served with process in the State of Delaware in any proceedings for enforcement of any obligation of Elite Nutritional Brands, as well as for enforcement of any obligation of Aspen Group arising from the Merger. Aspen group hereby irrevocably appoints the Secretary of State of the State of Delaware and the successors of such officer its attorney in fact in the State of Delaware upon whom may be served any notice, process or pleading in any action or proceeding against it to enforce against Aspen Group any obligation of Elite Nutritional Brands. In the event of such service upon the Secretary of the State of the State of Delaware or the successors of such officer, such service shall be mailed to the principal office of Aspen Group at 301 Kindermack Road, Suite A-2, Westwood, NJ 07675.

IN WITNESS HEREOF, this Agreement and Plan of Merger, having first been duly approved by resolution of the Board of Directors of Elite Nutritional Brands and Aspen Group, has been executed on behalf of each of said two corporations by their respective duly authorized officers.

Elite Nutritional Brands, Inc.
a Florida Company

By: ____________________________
Don Ptalis, CEO

Aspen Group, Inc.
a Delaware Corporation

By: ____________________________
Don Ptalis, CEO

EXHIBIT 2.5

STATE OF DELAWARE
CERTIFICATE OF MERGER OF
FOREIGN CORPORATION INTO
A DOMESTIC CORPORATION

Pursuant to Title 8, Section 252 of the Delaware General Corporation Law, the undersigned corporation executed the following Certificate of Merger:

FIRST: the name of the surviving corporation is Aspen Group, Inc., a Delaware corporation, and the name of the corporation being merged into this surviving corporation is Elite Nutritional Brands, Inc., a Florida corporation.

SECOND: The Agreement of Merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations pursuant to Title 8 Section 252 of the General Corporation Law of the State of Delaware as attached hereto as Exhibit A.

THIRD: The name of the surviving corporation is Aspen Group, Inc., a Delaware corporation.

FOURTH: The Certificate of Incorporation of the surviving corporation shall be its Certificate of Incorporation.

FIFTH: The authorized stock and par value of the non-Delaware corporation is 300,000,000 common shares with a par value of $0.0001.

SIXTH: The merger is to become effective on February 15, 2012.

SEVENTH: The Agreement of Merger is on file at 301 Kindermack Road, Suite A-2, Westwood, NJ 07675, an office of the surviving company.

EIGHTH: A copy of the Agreement of Merger will be furnished by the surviving corporation on request, without cost, to any stockholder of the constituent corporations.

IN WITNESS WHEREOF, said surviving corporation has caused this certificate to be signed by an authorized officer the 15th day of February, A.D., 2012.

By: /s/ Don Ptalis
Authorized Officer

Name: Don Ptalis

Title: CEO

EXHIBIT A

AGREEMENT AND PLAN OF MERGER
By and Between
ASPEN GROUP, INC.
and
ELIT NUTRITIONAL BRANDS, INC.

AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger (the "Plan") is adopted as February 15, 2012, by and between Elite Nutritional Brands, Inc., a Florida corporation ("Elite Nutritional Brands"), and Aspen Group, Inc., a Delaware corporation and a wholly owned subsidiary of Elite Nutritional Brands ("Aspen Group").

WHEREAS, Elite Nutritional Brands is a corporation duly organized and existing under the laws of the State of Florida.;

WHEREAS, Aspen Group is a corporation duly organized and existing under the laws of the State of Delaware;

WHEREAS, as of the date hereof, Elite Nutritional Brands has authority to issue 300,000,000 shares consisting of 300,000,000 shares of common stock, $0.0001 par value per share ("Florida Common Stock") of which 122,400,000 shares are issued and outstanding;

WHEREAS, as of the date hereof, Aspen Group has authority to issue 125,000,000 shares consisting of 120,000,000 shares of common stock. $0.001 par value per share ("Delaware Common Stock"), of which Ten shares are issued and outstanding, and 10,000 shares of preferred stock par value $0.001 per share ("Delaware Preferred Stock"); none of which shares of Delaware Preferred Stock are issued and outstanding;

WHEREAS, on the date hereof, the Ten shares of Delaware Common Stock issued and outstanding are owned by Elite Nutritional Brands;

WHEREAS, the respective boards of directors of Aspen Group and Elite Nutritional Brands have determined that, for the purpose of effecting the reincorporation of Elite Nutritional Brands in the State of Delaware, it is advisable and in the best interests of such corporations and their respective shareholders that Elite Nutritional Brands merge with and into Aspen Group upon the terms and conditions herein provided;

WHEREAS, the respective boards of directors of Aspen Group and Elite Nutritional Brands have approved this Plan; and

WHEREAS, the respective shareholders of Aspen Group and Elite Nutritional Brands have approved this Plan.

NOW, THEREFORE, in consideration of the mutual agreements and covenants set forth herein, Elite Nutritional Brands and Aspen Group hereby agree to merge as follows:

1. Merger. Subject to the terms and conditions hereinafter set forth, Elite Nutritional Brands shall be merged with and into Aspen Group, with Aspen Group to be the surviving corporation in the merger (the "Merger"). The Merger shall be effective on the later of the date and time (the "Effective Time") that a properly executed certificate of merger consistent with the terms of this Plan and Section 252 of the Delaware General Corporation Law (the "DGCL") is filed with the Secretary of State of Delaware or articles of merger are filed with the Secretary of State of Florida.

2. Principal Office of Aspen Group. The address of the principal office of Aspen Group is 301 Kindermack Road, Suite A-2, Westwood, NJ 07675.

3. Corporate Documents. The Articles of Incorporation of Aspen Group, as in effect immediately prior to the Effective Time, shall continue to be the Articles of Incorporation of Aspen Group as the surviving corporation without change or amendment until further amended in accordance with the provisions thereof and applicable law. The Bylaws of Aspen Group, as in effect immediately prior to the Effective Time, shall continue to be the Bylaws of Aspen Group as the surviving corporation without change or amendment until further amended in accordance with the provisions thereof and applicable law.

4. Directors and Officers. The directors and officers of Elite Nutritional Brands at the Effective Time shall be and become directors and officers, holding the same titles and positions, of Aspen Group at the Effective Time, and after the Effective Time shall service in accordance with the Bylaws of Aspen Group.

5. Succession. At the Effective Time, Aspen Group shall succeed to Elite Nutritional Brands in the manner of and as more fully set forth in Section 259 of the DGCL and as set forth under Florida Law.

6. Further Assurances. From time to time, as and when required by Aspen Group or by its successors and assigns, there shall be executed and delivered on behalf of Elite Nutritional Brands such deeds and other instruments, and there shall be taken or caused to be taken by it such further and other action, as shall be appropriate or necessary in order to vest or perfect in or to confer of record or otherwise in Aspen Group the title to and possession of all interests, assets, rights, privileges, immunities, powers, franchises and authority of Elite Nutritional Brands and otherwise to carry out the purposes and intent of this Plan, and the officers and directors of Aspen Group are fully authorized in the name and on behalf of Elite Nutritional Brands or otherwise to take any and all such actions and to execute and deliver and an all such deeds and other instruments.

7. Common Stock of Elite Nutritional Brands. At the Effective Time, by virtue of the Merger and without any action on the part of the holder thereof each 2.5 shares of Florida Common Stock outstanding immediately prior thereto shall be changed and converted automatically into one fully paid and nonassessable share of Delaware Common Stock. All fractional shares shall be rounded up.

8. Stock Certificates. At and after the Effective Time, all of the outstanding certificates which prior to that time represented shares of Florida Common Stock shall be deemed for all purposes to evidence ownership of and to represent shares of Delaware Common Stock into which the shares of the Florida Common Stock, represented by such certificates have been converted as herein provided. The registered owner on the books and records of Elite Nutritional Brands or its transfer agent of any such outstanding stock certificates shall, until such certificate shall have been surrendered for transfer or otherwise accounted to Aspen Group or its transfer agent, have and be entitled to exercise any voting and other rights with respect to and to receive any dividend and other distributions upon the shares of Florida Common Stock.

9. Options; Warrants. Each option, warrant or other right to purchase 2.5 shares of Florida Common Stock, which are outstanding at the Effective Time shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted into and become an option, warrant or right to purchase, respectively, one share of Delaware Common Stock as the case may be at an exercise or purchase price per share equal to the exercise or purchase price applicable to the option, warrant or other right to purchase Florida Common Stock.

10. Common Stock of Aspen Group. At the Effective Time, the previously outstanding Ten shares of Florida Common Stock registered in the name of Elite Nutritional Brands shall, by reason of the Merger, be reacquired by Aspen Group, shall be retired and shall resume the status of authorized and unissued shares of Florida Common Stock and no shares of Florida Common Stock or other securities of Aspen Group shall be issued in respect thereof.

11. Amendment. The Board of Directors of Elite Nutritional Brands and Aspen Group may amend this plan at any time prior to the Merger, provided that an amendment made subsequent to the adoption of the Plan by the sole shareholder of Aspen Group or the stockholders of Elite Nutritional Brands shall not (i) alter or change the amount or kinds of shares, securities, cash, property and/or rights to be received in exchange for the Delaware Common Stock or Delaware Preferred Stock (ii) alter or change any term of the articles of incorporation of Aspen Group, as surviving corporation to the Merger, or (iii) alter or change any of the terms and conditions of the plan if such alteration or change would adversely affect the holders of Delaware Common Stock or Delaware Preferred Stock.

12. Abandonment. At any time before the Effective Time, this Plan may be terminated and the Merger contemplated hereby may be abandoned by the Board of Directors of either Elite Nutritional Brands or Aspen Group or both, notwithstanding approval of this Plan by the sole shareholder of Aspen Group or the stockholders of Elite Nutritional Brands, or both.

13. Rights and Duties of Aspen Group. At the Effective Time and for all purposes the separate existence of Elite Nutritional Brands shall cease and shall be merged with and into Aspen Group which, as the surviving corporation, shall thereupon and thereafter possess all the rights, privileges, immunities, licenses and franchises (whether of a public or private nature) of Elite Nutritional Brands; and all property (real, personal and mixed) all debts on whatever account, all choices in action, and all and every other interest of or belonging to or due to Elite Nutritional Brands shall continue and be taken and deemed to be transferred to and vested in Aspen Group without further act or deed; and the title to any real estate or any other interest therein, vested in Elite Nutritional Brands shall not revert or be in any way impaired by reason of such Merger; and Aspen Group shall thenceforth be responsible and liable for all liabilities and obligations of Elite Nutritional Brands; and, to the extent permitted by law, any claim existing, or action or proceeding pending, by or against Elite Nutritional Brands may be prosecuted as if the Merger had not taken place, or Aspen Group may be substituted in the place of such corporation. Neither the rights of creditors nor any liens upon the property of Elite Nutritional Brands shall be impaired by the Merger. If at any time Aspen Group shall consider or be advised that any further assignment or assurances in law or any other actions are necessary or desirable to vest the title of any property or rights of Elite Nutritional Brands in Aspen Group according to the terms hereof, the officers and directors of Aspen Group are empowered to execute and make all such proper assignments and assurances and do any and all other things necessary or proper to vest title to such property or other rights in Aspen Group and otherwise to carry out the purposes of this Plan.

14. Consent to Service of Process. Aspen Group hereby agrees that it may be served with process in the State of Delaware in any proceedings for enforcement of any obligation of Elite Nutritional Brands, as well as for enforcement of any obligation of Aspen Group arising from the Merger. Aspen group hereby irrevocably appoints the Secretary of State of the State of Delaware and the successors of such officer its attorney in fact in the State of Delaware upon whom may be served any notice, process or pleading in any action or proceeding against it to enforce against Aspen Group any obligation of Elite Nutritional Brands. In the event of such service upon the Secretary of the State of the State of Delaware or the successors of such officer, such service shall be mailed to the principal office of Aspen Group at 301 Kindermack Road, Suite A-2, Westwood, NJ 07675.

IN WITNESS HEREOF, this Agreement and Plan of Merger, having first been duly approved by resolution of the Board of Directors of Elite Nutritional Brands and Aspen Group, has been executed on behalf of each of said two corporations by their respective duly authorized officers.

Elite Nutritional Brands, Inc.
a Florida Company

By: ______________________________
Don Ptalis, CEO

Aspen Group, Inc.
a Delaware Corporation

By: ______________________________
Don Ptalis, CEO

EXHIBIT 3.1

CERTIFICATE OF INCORPORATION
OF
ASPEN GROUP, INC.

1. The name of the corporation is Aspen Group, Inc. (the "Company").

2. The address of its registered office in the State of Delaware, County of New Castle, is Vcorp Services, LLC, 1811 Silverside Road, Wilmington, Delaware 19810.

3. The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law.

4. The total number of shares of stock of all classes and series the Company shall have authority to issue is 65,000,000 shares consisting of (i)60,000,000 shares of common stock, par value of $0.001 per share and (ii) 5,000,000 shares of preferred stock, par value $0.001 with such rights, preferences and limitations as may be set from time to time by resolution of the board of directors and the filing of a certificate of designation as required by the Delaware General Corporation Law.

5. The name and mailing address of the incorporator is as follows:

Michael D. Harris
3507 Kyoto Gardens Drive
Suite 320
Palm Beach Gardens, FL 33410

6. The Company is to have perpetual existence. In furtherance and not in limitation of the powers conferred by statute, the board of directors is expressly authorized to make, amend, alter or repeal the bylaws of the Company.

7. Elections of directors need not be by written ballot unless the bylaws of the Company shall so provide.

8. Meetings of shareholders may be held within or without the State of Delaware as the bylaws may provide. The books of the Company may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the board of directors or in the bylaws of the Company.

9. The Company reserves the right to amend, alter, change or repeal any provision contained in this certificate of incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon shareholders herein are granted subject to this reservation.

10. No director of this Company shall be personally liable to the Company or its shareholders for monetary damages for breach of fiduciary duty as a director. Nothing in this paragraph shall serve to eliminate or limit the liability of a director (a) for any breach of the director's duty of loyalty to this Company or its shareholders, (b) for acts or omissions not in good faith or which involves intentional misconduct or a knowing violation of law, (c) under Section 174 of the Delaware General Corporation Law, or (d) for any transaction from which the director derived an improper personal benefit. If the Delaware General Corporation Law is amended after approval by the shareholders of this article to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Company shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended.

Any repeal or modification of the foregoing paragraph by the shareholders of the Company shall not adversely affect any right or protection of a director of the Company existing at the time of such repeal or modification.

11. (a) Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding (except as provided in Section 11 (f)) whether civil, criminal or administrative, (a "Proceeding"), or is contacted by any governmental or regulatory body in connection with any investigation or inquiry (an "Investigation"), by reason of the fact that he or she is or was a director or executive officer (as such term is utilized pursuant to interpretations under Section 16 of the Securities Exchange Act of 1934) of the Company or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans (an "Indemnitee"), whether the basis of such Proceeding or Investigation is alleged action in an official capacity or in any other capacity as set forth above shall be indemnified and held harmless by the Company to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than such law permitted the Company to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnitee in connection therewith and such indemnification shall continue as to an Indemnitee who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the Indemnitee's heirs, executors and administrators. The right to indemnification conferred in this Section shall be a contract right and shall include the right to be paid by the Company the expenses incurred in defending any such Proceeding in advance of its final disposition (an "Advancement of Expenses"); provided, however, that an Advancement of Expenses shall be made only upon delivery to the Company of an undertaking, by or on behalf of such Indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such Indemnitee is not entitled to be indemnified for such expenses under this Section or otherwise (an "Undertaking").

(b) If a claim under paragraph (a) of this Section is not paid in full by the Company within 60 days after a written claim has been received by the Company, except in the case of a claim for an Advancement of Expenses, in which case the applicable period shall be 20 days, the Indemnitee may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim. If successful in whole or in part in any such suit or in a suit brought by the Company to recover an Advancement of Expenses pursuant to the terms of an Undertaking, the Indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In

(i) any suit brought by the Indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the Indemnitee to enforce a right to an Advancement of Expenses) it shall be a defense that, and

(ii) any suit by the Company to recover an Advancement of Expenses pursuant to the terms of an Undertaking the Company shall be entitled to recover such expenses upon a final adjudication that,

the Indemnitee has not met the applicable standard of conduct set forth in the Delaware General Corporation Law. Neither the failure of the Company (including its board of directors, independent legal counsel, or its shareholders) to have made a determination prior to the commencement of such suit that indemnification of the Indemnitee is proper in the circumstances because the Indemnitee has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Company (including its board of directors, independent legal counsel, or its shareholders) that the Indemnitee has not met such applicable standard of conduct or, in the case of such a suit brought by the Indemnitee, be a defense to such suit. In any suit brought by the Indemnitee to enforce a right hereunder, or by the Company to recover an Advancement of Expenses pursuant to the terms of an undertaking, the burden of proving that the Indemnitee is not entitled to be indemnified or to such Advancement of Expenses under this Section or otherwise shall be on the Company.

(c) The rights to indemnification and to the Advancement of Expenses conferred in this Section shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, this certificate of incorporation, bylaw, agreement, vote of shareholders or disinterested directors or otherwise.

(d) The Company may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Company or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

(e) The Company may, to the extent authorized from time to time by the board of directors, grant rights to indemnification and to the Advancement of Expenses, to any employee or agent of the Company to the fullest extent of the provisions of this Section with respect to the indemnification and Advancement of Expenses of directors, and executive officers of the Company.

(f) Notwithstanding the indemnification provided for by this Section 11, the Company's bylaws, or any written agreement, such indemnity shall not include any expenses incurred by such Indemnitees relating to or arising from any Proceeding in which the Company asserts a direct claim against an Indemnitee, or an Indemnitee asserts a direct claim against the Company, whether such claim is termed a complaint, counterclaim, crossclaim, third-party complaint or otherwise.

11. This Certificate of Incorporation and the internal affairs of the Company shall be governed by and interpreted under the laws of the State of Delaware, excluding its conflict of laws principles. Unless the Company consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director or officer (or affiliate of any of the foregoing) of the Company to the Company or the Company's shareholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law or the Company's Certificate of Incorporation or Bylaws, or (iv) any other action asserting a claim arising under, in connection with, and governed by the internal affairs doctrine.

12. All action by holders of the Company's outstanding voting securities shall be taken at an annual or special meeting of the shareholders following notice as provided by law or in the Bylaws and shareholders of the Company shall not have the power to act by means of written consent.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Incorporation as of the 9th day of February 2012.

ELITE NUTRITIONAL BRANDS, INC.

By: /s/ Don Ptalis

Don Ptalis, Chief Executive Officer

STATE OF DELAWARE
CERTIFICATE OF AMENDMENT OF
CERTIFICATE OF INCORPORATION
OF
ASPEN GROUP, INC.

The corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware does hereby certify:

FIRST: That at a meeting of the Board of Directors of Aspen Group, Inc. (the "Corporation") resolutions were duly adopted setting forth a proposed amendment to the Certificate of Incorporation of the Corporation, declaring said amendment to be advisable and calling a meeting of the stockholders of the Corporation for consideration thereof. The resolution setting forth the proposed amendment is as follows:

RESOLVED, that the Certificate of Incorporation be amended by changing Articles thereof numbered Fourth relating to the authorized shares of the Corporation so that, as amended, said Article shall be read as follows:

"FOURTH:

The total number of shares of stock of all classes and series the Company shall have authority to issue is 130,000,000 shares consisting of (i)120,000,000 shares of common stock, par value of $0.001 per share and (ii) 10,000,000 shares of preferred stock, par value $0.001 with such rights, preferences and limitations as may be set from time to time by resolution of the board of directors and the filing of a certificate of designation as required by the Delaware General Corporation Law.

SECOND: That thereafter, pursuant to resolutions of its Board of Directors, a special meeting of the stockholders of said corporation was duly called and held upon notice in accordance with section 222 of the General Corporation Law of the State of Delaware at which meeting the necessary number of shares as required by statute were voted in favor of the amendment.

THIRD: That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

FOURTH: That the capital of said corporation shall not be reduced under or by reason of said amendment.

IN WITNESS WHEREOF, the undersigned has executed this Certificate on the 14th day of February, 2012.

/s/ Don Ptalis
Don Ptalis, Chief Executive Officer

EXHIBIT 3.2

BYLAWS

OF

ASPEN GROUP, INC.

Article I. Meetings of Shareholders

Section 1. Annual Meeting. The annual meeting of the shareholders of this Company shall be held at the time and place designated by the Board of Directors of the Company. Business transacted at the annual meeting shall include the election of directors of the Company.

Section 2. Special Meetings. Special meetings of the shareholders shall be held when directed by the Board of Directors.

Section 3. Place. Meetings of shareholders may be held within or without the State of Delaware.

Section 4. Notice. Written notice (including, where applicable, any notice required by the rules of the Securities and Exchange Commission) stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 60 days before the meeting, by first class mail or email to the extent permitted under the rules of the Securities and Exchange Commission, by or at the direction of the chief executive officer, the president, the secretary, or another officer to each shareholder of record entitled to vote at such meeting. Such notice shall be deemed to be delivered when deposited in the United States mail addressed to the shareholder at his address as it appears on the stock transfer books of the Company, with postage prepaid thereon or when emailed (if authorized). The provisions of Section 229 of the Delaware General Corporation Law (the "DGCL") as to waiver of notice are applicable.

Section 5. Notice of Adjourned Meetings. When a meeting is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and at the adjourned meeting any business may be transacted that might have been transacted on the original date of the meeting. If, however, after the adjournment the Board of Directors fixes a new record date for the adjourned meeting, a notice of adjourned meeting, shall be given as provided in this section to each shareholder of record on the new record date entitled to vote at such meeting.

Section 6. Closing of Transfer Books and Fixing Record Date. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other purpose, the Board of Directors may provide that the stock transfer books shall be closed for a stated period but not to exceed, in any case, 60 days. If the stock transfer books shall be closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at least 10 days immediately preceding such meeting.

In lieu of closing the stock transfer books, the Board of Directors may fix in advance a date as the record date for the determination of shareholders, such date in any case to be not more than 60 days and, in case of a meeting of shareholders, not less than 10 days prior to the date on which the particular action requiring such determination of shareholders is to be taken.

If the stock transfer books are not closed and no record date is fixed for the determination of shareholders entitled to notice or to vote at a meeting of shareholders, or shareholders entitled to receive payment of a dividend, the day preceding the day on which notice of the meeting is mailed or the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders.

When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof, unless the Board of Directors fixes a new record date for the adjourned meeting.

Section 7. Shareholder Quorum and Voting. A majority of the outstanding shares of each class or series of voting stock then entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. When a specified item of business is required to be voted on by a class or series of stock, a majority of the outstanding shares of such class or series shall constitute a quorum for the transaction of such item of business by that class or series.

For all matters other than election of directors as otherwise provided by law, by applicable stock exchange rules, by the certificate of incorporation or these bylaws, if a quorum is present, all actions taken by the holders of a majority of the votes cast on a proposal, excluding abstentions, shall be the act of the shareholders, and when approval of a class or series is required, the affirmative vote of the majority of the votes cast on a proposal, excluding abstentions, by the holders of shares of such class or series shall be the act of such class or series.

If a quorum is present, the affirmative vote of the majority of the votes cast for or against a proposal shall be the act of the shareholders unless otherwise provided by the Delaware General Corporation Law or these bylaws; provided, however that the directors of the Company shall be elected by a plurality of such shares.

After a quorum has been established at a shareholders' meeting, the subsequent withdrawal of shareholders, so as to reduce the number of shareholders entitled to vote at the meeting below the number required for a quorum, shall not affect the validity of any action taken at the meeting or any adjournment thereof.

Section 8. Voting of Shares. Each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders, except as may be otherwise provided in a certificate of designation filed with the Delaware Secretary of State.

Treasury shares, shares of stock of this Company owned by another corporation, the majority of the voting stock of which is owned or controlled by this Company, and shares of stock of this Company, held by it in a fiduciary capacity shall not be voted, directly or indirectly, at any meeting, and shall not be counted in determining the total number of outstanding shares at any given time.

A shareholder may vote either in person or by proxy executed in writing by the shareholder or his duly authorized attorney-in-fact.

At each election for directors every shareholder entitled to vote at such election shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected at that time and for whose election he has a right to vote.

Shares standing in the name of another corporation, domestic or foreign, may be voted by the officer, agent, or proxy designated by the bylaws of the corporate shareholder; or, in the absence of any applicable bylaw, by such person as the Board of Directors of the corporate shareholder may designate. Proof of such designation may be made by presentation of a certified copy of the bylaws or other instrument of the corporate shareholder. In the absence of any such designation, or in case of conflicting designation by the corporate shareholder, the chairman of the board, chief executive officer, president, any vice president, secretary and treasurer of the corporate shareholder shall be presumed to possess, in that order, authority to vote such shares.

Shares held by an administrator, executor, guardian or conservator may be voted by him, either in person or by proxy, without a transfer of such shares into his name. Shares standing in the name of a trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote shares held by him without a transfer of such shares into his name.

Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name if authority to do so is contained in an appropriate order of the court by which such receiver was appointed.

A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee or his nominee shall be entitled to vote the shares so transferred.

On and after the date on which written notice of redemption of redeemable shares has been mailed to the holders thereof and a sum sufficient to redeem such shares has been deposited with a bank or trust company with irrevocable instruction and authority to pay the redemption price to the holders thereof upon surrender of certificates therefor, such shares shall not be entitled to vote on any matter and shall not be deemed to be outstanding shares.

Section 9. Proxies. Every shareholder entitled to vote at a meeting of shareholders or to express consent or dissent without a meeting of a shareholders' duly authorized attorney-in-fact may authorize another person or persons to act for him by proxy.

Every proxy must be signed by the shareholder or his attorney in-fact. No proxy shall be valid after the expiration of three years from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the shareholder executing it, except as otherwise provided by law.

The authority of the holder of a proxy to act shall not be revoked by the incompetence or death of the shareholder who executed the proxy unless, before the authority is exercised, written notice of an adjudication of such incompetence or of such death is received by the corporate officer responsible for maintaining the list of shareholders.

If a proxy for the same shares confers authority upon two or more persons and does not otherwise provide, a majority of them present at the meeting, or if only one is present then that one, may exercise all the powers conferred by the proxy; but if the proxy holders present at the meeting are equally divided as to the right and manner of voting in any particular case, the voting of such shares shall be prorated.

If a proxy expressly provides, any proxy holder may appoint in writing a substitute to act in his place.

Section 10. Advance Notice at Annual Meeting.

(a) At an annual meeting of shareholders only such business shall be conducted as is a proper matter for shareholder action under the DGCL and as shall have been properly brought before the meeting. Matters may be properly brought before the annual meeting, only as follows: (i) brought before the meeting and specified pursuant to the Company's notice of meeting of the shareholders, (ii) otherwise brought specifically by or at the direction of the Board of Directors, or (iii) by any shareholder of the Company who was a shareholder of record who is entitled to vote at the meeting and who complied with the notice procedures set forth in this Section 10; provided, that if such matter is proposed on behalf of a beneficial owner it may only be properly brought before the meeting, if such beneficial owner was the beneficial owner of shares of the Company at the time of the giving of the shareholder's notice provided for in Section 10(b) below. Clause (iii) above shall be the exclusive means for a shareholder to make nominations and submit other business (other than matters properly included in the Company's notice of meeting of shareholders and proxy statement under the Securities Exchange Act of 1934 and the rules and regulations thereunder (the "Exchange Act")) before an annual meeting of shareholders.

(b) At an annual meeting of shareholders, the following procedures shall apply in order for a matter to be properly brought before the meeting by a shareholder.

(i) For nominations for election to the Board of Directors to be properly brought before an annual meeting by a shareholder pursuant to clause (iii) of Section 10(a), the shareholder must deliver written notice to the secretary at the principal executive offices of the Company on a timely basis as set forth in Section 10(b)(iii) and must update and supplement such written notice on a timely basis as set forth in Section 10(c). Such shareholder's notice shall set forth: (A) as to each nominee such shareholder proposes to nominate at the meeting: (1) the name, age, business address and residence address of such nominee, (2) the principal occupation or employment of such nominee, (3) the class and number of shares of each class of capital stock of the Company which are owned of record and beneficially by such nominee, (4) the date or dates on which such shares were acquired and the investment intent of such acquisition, (5) a statement whether such nominee, if elected, intends to tender promptly following such person's failure to receive the required vote for election or re-election at the next meeting at which such person would face election or re-election, an irrevocable resignation effective upon acceptance of such resignation by the Board of Directors (6) with respect to each nominee for election or re-election to the Board of Directors, include a completed and signed questionnaire, representation and agreement required by Section 10(e), and (7) such other information concerning such nominee as would be required to be disclosed in a proxy statement soliciting proxies for the election of such nominee as a director in an election contest (even if an election contest is not involved), or that is otherwise required to be disclosed pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder (including such person's written consent to being named as a nominee and to serving as a director if elected); and (B) the information required by Section 10(b)(iv). The Company may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

(ii) For business other than nominations for election to the Board of Directors to be properly brought before an annual meeting by a shareholder pursuant to clause (C) of Section 10(a), the shareholder must deliver written notice to the secretary at the principal executive offices of the Company on a timely basis as set forth in Section 10(b)(iii), and must update and supplement such written notice on a timely basis as set forth in Section 10(c). Such shareholder's notice shall set forth: (A) as to each matter such shareholder proposes to bring before the meeting, (1) a brief description of the business desired to be brought before the meeting and the reasons for conducting such business at such meeting, (2) the text of the proposal to be presented at the meeting, (3) a statement in support of the proposal, (4) a representation that such shareholder intends to appear in person, by remote communication, if applicable, or by proxy at the meeting to bring such business before the meeting, (5) the name and address, as they appear on the Company's books, of the shareholder proposing such business, (6) the class, series and number of shares of the Company which are owned of record and beneficially owned by the shareholder, and (7) any material interest (including any anticipated benefit of such business to any Proponent (as defined below) other than solely as a result of its ownership of the Company's capital stock, that is material to any Proponent individually, or to the Proponents in the aggregate) in such business of any Proponent; and (B) the information required by Section 10(b)(iv).

(iii) To be timely, the written notice required by Section 10(b)(i) or 10(b)(ii) must be received by the secretary at the principal executive offices of the Company not later than the close of business on the 120th day nor earlier than the close of business on the 150th day prior to the first anniversary of the date on which the Company released its proxy materials to its shareholders for the prior year's annual meeting of shareholders or any longer period provided for by applicable law; provided, however, that in the event that the date of the annual meeting is advanced more than 30 days prior to or delayed by more than 30 days after the anniversary of the preceding year's annual meeting, for notice by the shareholder to be timely, such shareholder's written notice must be delivered to the secretary not later than the close of business on the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made, whichever is later. Notwithstanding the foregoing, in no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period for the giving of a shareholder's notice as described above.

(iv) The written notice required by Section 10(b)(i) or 10(b)(ii) shall also set forth, as of the date of the notice and as to the shareholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (each, a "Proponent" and collectively, the "Proponents"): (A) the name and address of each Proponent, as they appear on the Company's books; (B) the class, series and number of shares of the Company that are owned beneficially and of record by each Proponent; (C) a description of any agreement, arrangement or understanding (whether oral or in writing) with respect to such nomination or proposal between or among any Proponent and any of its affiliates or associates, and any others (including their names) acting in concert, or otherwise under the agreement, arrangement or understanding, with any of the foregoing; (D) a representation that the Proponents are holders of record or beneficial owners, as the case may be, of shares of the Company entitled to vote at the meeting and intend to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice (with respect to a notice under Section 10(b)(i)) or to propose the business that is specified in the notice (with respect to a notice under Section 10(b)(ii)); (E) a representation as to whether the Proponents intend to deliver a proxy statement and form of proxy to holders of a sufficient number of holders of the Company's voting shares to elect such nominee or nominees (with respect to a notice under Section 10(b)(i)) or to carry such proposal (with respect to a notice under Section 10(b)(ii)); (F) to the extent known by any Proponent, the name and address of any other shareholder supporting the proposal on the date of such shareholder's notice; and (G) a description of all Derivative Transactions (as defined below) by each Proponent during the previous 12 month period, including the date of the transactions and the class, series and number of securities involved in, and the material economic terms of, such Derivative Transactions.

For purposes of Sections 10 and 11, a "Derivative Transaction" means any agreement, arrangement, interest or understanding entered into by, or on behalf or for the benefit of, any Proponent or any of its affiliates or associates, whether record or beneficial owner:

(w) the value of which is derived in whole or in part from the value of any class or series of shares or other securities of the Company,

(x) which otherwise provides any direct or indirect opportunity to gain or share in any gain derived from a change in the value of securities of the Company,

(y) the effect or intent of which is to mitigate loss, manage risk or benefit of security value or price changes, or

(z) which provides the right to vote or increase or decrease the voting power of, such Proponent, or any of its affiliates or associates, with respect to any securities of the Company,

which agreement, arrangement, interest or understanding may include, without limitation, any option, warrant, debt position, note, bond, convertible security, swap, stock appreciation right, short position, profit interest, hedge, right to dividends, voting agreement, performance-related fee or arrangement to borrow or lend shares (whether or not subject to payment, settlement, exercise or conversion in any such class or series), and any proportionate interest of such Proponent in the securities of the Company held by any general or limited partnership, or any limited liability company, of which such Proponent is, directly or indirectly, a general partner or managing member.

(c) A shareholder providing written notice required by Section 10(b)(i) or (ii) shall update and supplement such notice in writing, if necessary, so that the information provided or required to be provided in such notice is true and correct in all material respects as of (i) the record date for the meeting and (ii) as of the date that is five business days prior to the meeting and, in the event of any adjournment or postponement thereof, five business days prior to any adjournment or postponement thereof. In the case of an update and supplement pursuant to clause (i) of this Section 10(c), such update and supplement shall be received by the secretary at the principal executive offices of the Company not later than five business days after the record date for the meeting. In the case of an update and supplement pursuant to clause (ii) of this Section 10(c), such update and supplement shall be delivered to, or mailed and received by, the secretary at the principal executive offices of the Company not later than two business days prior to the date for the meeting, and, in the event of any adjournment or postponement thereof, two business days prior to any adjournment or postponement thereof.

(d) Notwithstanding anything in Section 10(b)(iii) to the contrary, in the event that the number of directors in an Expiring Class (as defined below) is increased and there was no appointment of a director made or no public announcement of an appointment of a director to fill such vacancy is made by the Company at least 10 days before the last day a shareholder may deliver a notice of nomination in accordance with Section 10(b)(iii), a shareholder's notice required by this Section 10 and which complies with the requirements in Section 10(b)(i), other than the timing requirements in Section 10(b)(iii), shall also be considered timely, but only with respect to nominees for any new positions in such Expiring Class, created by such increase, if it shall be received by the Secretary at the principal executive offices of the Company not later than the close of business on the 10th day following the day on which such public announcement is first made by the Company. For purposes of this Section 10(d), an "Expiring Class" shall mean a class of directors whose term shall expire at the next annual meeting of shareholders.

(e) To be eligible to be a nominee for election or re-election as a director of the Company pursuant to a nomination under clause (iii) of Section 10(a), such nominee or a person on his or her behalf must deliver (in accordance with the time periods prescribed for delivery of notice under Section 10(b)(iii) or Section 10(d), as applicable) to the secretary at the principal executive offices of the Company a written questionnaire with respect to the background and qualification of such nominee and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the secretary upon written request) and a written representation and agreement (in the form provided by the secretary upon written request) that such person (i) is not and will not become a party to (A) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Company, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Company in the questionnaire or (B) any Voting Commitment that could limit or interfere with such person's ability to comply, if elected as a director of the Company, with such person's fiduciary duties under applicable law; (ii) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Company with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director of the Company that has not been disclosed therein; and (iii) in such person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director of the Company, and will comply with, all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Company.

(f) A person shall not be eligible for election or re-election as a director unless the person is nominated either in accordance with clause (i), (ii) or (iii) of Section 10(a). Except as otherwise required by law, the chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made, or proposed, as the case may be, in accordance with the procedures set forth in these bylaws and, if any proposed nomination or business is not in compliance with these bylaws, to declare that such defective proposal or nomination shall not be presented for shareholder action at the meeting and shall be disregarded. Notwithstanding anything in these bylaws to the contrary, unless otherwise required by law, if a shareholder intending to make a nomination at a meeting pursuant to Section 10(b)(i) or to propose business at a meeting pursuant to Section 10(b)(ii) does not provide the information in the shareholder's notice required under Section 10(b)(i) or 10(b)(ii), as applicable, within the applicable time periods specified in this Section 10 (including any update and supplement required under Section 10(c)), or the shareholder (or a qualified representative of the shareholder) does not appear at the meeting to make such nomination or to propose such business, or the Proponents shall not have acted in accordance with the representations required under Section 10(b)(iv)(E), such nomination or proposal shall not be presented for shareholder action at the meeting and shall be disregarded, as determined by the chairman of the meeting as described above, notwithstanding that proxies in respect of such nominations or such business may have been solicited or received.

(g) In order to include information with respect to a shareholder proposal in the proxy statement and form of proxy for a shareholders' meeting, a shareholder must also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder. Nothing in these bylaws shall be deemed to affect any rights of shareholders to request inclusion of proposals in the Company's proxy statement pursuant to the rules and regulations under the Exchange Act; provided, however, that any references in these bylaws to the Exchange Act or the rules and regulations thereunder are not intended to and shall not limit the requirements applicable to proposals and/or nominations to be considered pursuant to Section 10(a)(iii) of these bylaws.

(h) For purposes of Sections 10 and 11,

(i) "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press, Business Wire or comparable national news service or in a document publicly filed by the Company with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act; and

(ii) "affiliates" and "associates" shall have the meanings set forth in Rule 405 under the Securities Act of 1933.

Section 11. Advance Notice at Special Meetings.

(a) Special meetings of the shareholders of the Company may be called pursuant to Section 2, provided that such written request is in compliance with the requirements of Section 11(b) (a "Shareholder-Requested Meeting"). A request to call a special meeting pursuant to Section 2(b) shall not be valid unless made in accordance with the requirements and procedures set forth in this Section 11. Except as may otherwise be required by law, the Board of Directors shall determine, in its sole judgment, the validity of any request under Section 2(b), including whether such request was properly made in compliance with these bylaws.

(b) For a special meeting called pursuant to Section 2, the Board of Directors shall determine the time and place of such special meeting, subject to the provisions below with respect to a Shareholder-Requested Meeting. Following determination of the time and place of the meeting, the secretary shall cause a notice of meeting to be given to the shareholders entitled to vote, in accordance with these bylaws. For a Shareholder-Requested Meeting, the request shall (i) be in writing, signed and dated by the shareholders who have who delivered the written request for the special meeting, (ii) set forth the purpose of calling the special meeting and include the information required by the shareholder's notice as set forth in Section 10(b)(i), including the questionnaire, representation and agreement required by Section 10(e) (for nominations for the election to the Board of Directors) and in Section 10(b)(ii) (for the proposal of business other than nominations), (iii) be delivered personally or sent by certified or registered mail, return receipt requested, to the secretary at the principal executive offices of the Company. The shareholder shall also update and supplement such information as required under Section 10(c). If the Board of Directors determines that a request pursuant to Section 2(b) is valid, the Board shall determine the time and place, if any, of a Shareholder-Requested Meeting, which time shall be not less than 90 nor more than 120 days after the receipt of such request, and shall set a record date for the determination of shareholders entitled to vote at such meeting in the manner set forth in these bylaws. No business may be transacted at a special meeting, including a Shareholder-Requested Meeting, otherwise than as specified in the notice of meeting.

(c) Nominations of persons for election to the Board of Directors may be made at a special meeting of shareholders at which directors are to be elected (i) by or at the direction of the Board of Directors or (ii) by any shareholder of the Company who is a shareholder of record at the time of giving notice provided for in this Section 11(c), who shall be entitled to vote at the meeting and who delivers written notice to the Secretary of the Company setting forth the information required by Section 10(b)(i); provided, that if such nominee is proposed on behalf of a beneficial owner it may only be properly brought before the meeting, if such beneficial owner was the beneficial owner of shares of the Company at the time of giving notice provided for in this Section 11(c). In the event the Company calls a special meeting of shareholders for the purpose of electing one or more directors to the Board of Directors, any such shareholder of record may nominate a person or persons (as the case may be), for election to such position(s) as specified in the Company's notice of meeting, if written notice setting forth the information required by Section 10(b)(i) shall be received by the secretary at the principal executive offices of the Company no later than the close of business on the later of the 90th day prior to such meeting or the 10th day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. The shareholder shall also update and supplement such information as required under Section 10(c). In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period for the giving of a shareholder's notice as described above.

(d) Notwithstanding the foregoing provisions of this Section 11, a shareholder must also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to matters set forth in this Section 12. Nothing in these bylaws shall be deemed to affect any rights of shareholders to request inclusion of proposals in the Company's proxy statement pursuant to Rule 14a-8 under the Exchange Act; provided, however, that any references in these bylaws to the Exchange Act or the rules and regulations thereunder are not intended to and shall not limit the requirements applicable to nominations for the election to the Board of Directors and/or proposals of other business to be considered pursuant to Section 2 of these bylaws.

Article II. Directors

Section 1. Function. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of, the Board of Directors.

Section 2. Qualification. Directors need not be residents of this state or shareholders of this Company.

Section 3. Compensation. The Board of Directors shall have authority to fix the compensation of directors.

Section 4. Duties of Directors. A director shall perform his duties as a director, including his duties as a member of any committee of the board upon which he may serve, in good faith, in a manner he reasonably believes to be in the best interests of the Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.

In performing his duties, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

(a) one or more officers or employees of the Company whom the director reasonably believes to be reliable and competent in the matters presented,

(b) counsel, public accountants or other persons as to matters which the director reasonably believes to be within such person's professional or expert competence, or

(c) a committee of the board upon which he does not serve, duly designated in accordance with a provision of the certificate of incorporation or the bylaws, as to matters within its designated authority, which committee the director reasonably believes to merit confidence.

A director shall not be considered to be acting in good faith if he has knowledge concerning the matter in question that would cause such reliance described above to be unwarranted.

A person who performs his duties in compliance with this section shall have no liability by reason of being or having been a director of the Company.

Section 5. Presumption of Assent. A director of the Company who is present at a meeting of its Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless he votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest.

Section 6. Number. This Company shall have no less than one nor greater than nine directors. The number of directors may be established from time to time by resolution of the Board of Directors, but no decrease shall have the effect of shortening the terms of any incumbent director.

Section 7. Election and Term. Each person named in the certificate of incorporation as a member of the initial Board of Directors and all other directors appointed by the Board of Directors to fill vacancies thereof shall hold office until the first annual meeting of shareholders, and until his successor shall have been elected and qualified or until his earlier resignation, removal from office or death. At the first annual meeting of shareholders and at each annual meeting thereafter the shareholders shall elect directors to hold office until the next succeeding annual meeting. Each director shall hold office for the term for which he is elected and until his successor shall have been elected and qualified or until his earlier resignation, removal from office or death.

Section 8. Vacancies. Any vacancy occurring in the Board of Directors, including any vacancy created by reason of an increase in the number of directors, may be filled by the affirmative vote of a majority of the remaining directors despite having less than a quorum of the Board of Directors. A director elected to fill a vacancy shall hold office only until the next election of directors by the shareholders.

Section 9. Removal of Directors. At a meeting of the shareholders called expressly for that purpose, any director or the entire Board of Directors may be removed, with or without cause, by a vote of the holders of a majority of the shares of each class or series of voting stock, present in person or by proxy, then entitled to vote at an election of directors.

Section 10. Quorum and Voting. A majority of the number of directors then serving as directors shall constitute a quorum for the transaction of business. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 11. Director Conflicts of Interest. No contract or other transaction between this Company and one or more of its directors or officers or any other corporation, firm, association or entity in which one or more of the directors are directors or officers or are financially interested, shall be either void or voidable because of such relationship or interest or because such director or directors are present at the meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies such contract or transaction or because his or their votes are counted for such purpose, if:

(a) The fact of such relationship or interest is disclosed or known to the Board of Directors or committee which authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested directors; or

(b) The fact of such relationship or interest is disclosed or known to the shareholders entitled to vote and they authorize, approve or ratify such contract or transaction by vote or written consent; or

(c) The contract or transaction is fair as to the Company at the time it is authorized by the board, a committee or the shareholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies such contract or transaction.

Section 12. Place of Meeting. Regular and special meetings by the Board of Directors may be held within or without the State of Delaware.

Section 13. Time, Notice and Call of Meetings. Notice of the time and place of meetings of the Board of Directors shall be given to each director by either personal delivery, any form of electronic notice including email or facsimile transmission, as long as the director is able to retain a copy of the notice, at least one day before the meeting.

Notice of a meeting of the Board of Directors need not be given to any director who signs a waiver of notice either before or after the meeting. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and waiver of any and all obligations to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a director states, at the beginning of the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened.

Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

A majority of the directors present, whether or not a quorum exists, may adjourn any meeting of the Board of Directors to another time and place. Notice of any such adjourned meeting shall be given to the directors who were not present at the time of the adjournment and, unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other directors.

Meetings of the Board of Directors may be called by the chief executive officer or president of the Company or by any director.

Members of the Board of Directors may participate in a meeting of such Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 14. Action Without a Meeting. Any action required to be taken at a meeting of the directors of the Company, or any action which may be taken at a meeting of the directors, may be taken without a meeting if a consent in writing, setting forth the action to be taken, signed by all of the directors, is filed in the minutes of the proceedings of the Board. Such consent shall have the same effect as a unanimous vote.

Section 15. Committees. The Board of Directors may designate from among its members such committees it deems prudent, such as, but not limited to, an executive committee, an audit committee, and a compensation committee and nominating committee.

Article III. Officers

Section 1. Officers. The officers of this Company shall consist of a chief executive officer, a president, a chief financial officer, a chief marketing officer, any vice president(s) designated by the Board of Directors, a secretary, a treasurer and such other officers as may be designated by the Board of Directors, each of whom shall be elected by the Board of Directors from time to time. Any two or more offices may be held by the same person. The failure to elect any of the above officers shall not affect the existence of this Company.

Section 2. Duties. The officers of this Company shall have and perform the powers and duties usually pertaining to their respective offices, the powers and duties prescribed by these bylaws, any additional powers and duties as may from time to time be prescribed by the Board of Directors and such other duties as delegated by the chief executive officer including the following:

The chief executive officer shall have general and active management of the business and affairs of the Company subject to the directions of the Board of Directors.

The president shall be responsible for overseeing all academic matters, ensuring that the Company complies with all regulations related to its business, and establishing all academic standards. He shall also perform such duties as are conferred upon him by the chief executive officer of the Company and as may be prescribed by the Board of Directors.

The chief financial officer shall keep correct and complete records of account, showing accurately at all times the financial condition of the Company and be primarily responsible for all filings with the Securities and Exchange Commission. He shall furnish at meetings of the Board of Directors, or whenever requested, a statement of the financial condition of the Company and shall perform such other duties as may be prescribed by the Board of Directors. In the absence of a resolution of the Board of Directors appointing a different officer, the chief financial officer shall act when the chief executive officer is unavailable.

The chief marketing officer shall be responsible for the sales and marketing efforts with respect to the Company's business and shall perform such other duties as may be conferred on him by the chief executive officer or as may be prescribed by the Board of Directors.

Any other vice president(s) shall perform such duties as may be prescribed by the Board of Directors or the chief executive officer and shall act whenever the chairman and chief executive officer shall be unavailable.

The secretary shall have custody of and maintain all of the corporate records except the financial records, shall record the minutes of all meetings of the shareholders and whenever else required by the Board of Directors and shall perform such other duties as may be prescribed by the Board of Directors.

The treasurer shall be the legal custodian of all monies, notes, securities and other valuables that may from time to time come into the possession of the Company. He shall immediately deposit all funds of the Company coming into his hands in some reliable bank or other depositary to be designated by the Board of Directors and shall keep this bank account in the name of the Company.

Section 3. Removal of Officers. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board whenever in its judgment the best interests of the Company will be served thereby.

Any officer or agent elected by the shareholders may be removed only by vote of the shareholders, unless the shareholders shall have authorized the directors to remove such officer or agent.

Any vacancy, however, occurring, in any office may be filled by the Board of Directors.

Removal of any officer shall be without prejudice to the contract rights, if any, of the person so removed; however, election or appointment of an officer or agent shall not of itself create contract rights.

Article IV. Stock Certificates

Section 1. Issuance. Every holder of shares in this Company shall be entitled to have a certificate, representing all shares to which he is entitled. No certificate shall be issued for any share until such share is fully paid.

Section 2. Form. Certificates representing shares in this Company shall be signed by the chairperson or vice-chairperson, the president or vice president and the secretary or an assistant secretary or treasurer or assistant treasurer and may be sealed with the seal of this Company or a facsimile thereof. The signature of the chairperson or vice-chairperson, the president or vice president and the secretary or assistant secretary or treasurer or assistant treasurer may be facsimiles if the certificate is manually signed on behalf of a transfer agent or a registrar, other than the Company itself or an employee of the Company. In case any officer who signed or whose facsimile signature has been placed upon such certificate shall have ceased to be such officer before such certificate is issued, it may be issued by the Company with the same effect as if he were such officer at the date of its issuance.

Every certificate representing shares issued by this Company shall set forth or fairly summarize upon the face or back of the certificate, or shall state that the Company will furnish to any shareholder upon request and without charge a full statement of, the designations, preferences, limitations and relative rights of the shares of each class or series authorized to be issued, and the variations in the relative rights and preferences between the shares of each series so far as the same have been fixed and determined, and the authority of the Board of Directors to fix and determine the relative rights and preferences of subsequent series.

Every certificate representing shares which are restricted as to the sale, disposition, or other transfer of such shares shall state that such shares are restricted as to transfer and shall set forth or fairly summarize upon the certificate, or shall state that the Company will furnish to any shareholder upon request and without charge a full statement of, such restrictions.

Each certificate representing shares shall state upon its face: the name of the Company; that the Company is organized under the laws of this state; the name of the person or persons to whom issued; the number and class of shares, and the designation of the series, if any, which such certificate represents; and the par value of each share represented by such certificate, or a statement that the shares are without par value.

Section 3. Transfer of Stock. Except as provided in Section 4 of this Article, the Company shall register a stock certificate presented to it for transfer if the certificate is properly endorsed by the holder of record or by his duly authorized attorney, and the signature of such person has been guaranteed by a commercial bank or trust company or by a member of the New York Stock Exchange or any successor thereto.

Section 4. Off-Shore Offerings. In all offerings of equity securities pursuant to Regulation S of the Securities Act of 1933 (the "Act"), the Company shall require that its stock transfer agent refuse to register any transfer of securities not made in accordance with the provisions of Regulation S, pursuant to registration under the Act or an available exemption under the Act.

Section 5. Lost, Stolen or Destroyed Certificates. The Company shall issue a new stock certificate in the place of any certificate previously issued if the holder of record of the certificate (a) makes proof in affidavit form that it has been lost, destroyed or wrongfully taken; (b) requests the issuance of a new certificate before the Company has notice that the certificate has been acquired by a purchaser for value in good faith and without notice of any adverse claim; (c) gives bond in such form as the Company may direct, to indemnify the Company, the transfer agent, and registrar against any claim that may be made on account of the alleged loss, destruction, or theft of a certificate; and (d) satisfies any other reasonable requirements imposed by the Company.

Article V. Books and Records

Section 1. Books and Records. This Company shall keep correct and complete records and books of account and shall keep minutes of the proceedings of its shareholders, Board of Directors and committees of directors.

This Company shall keep at its registered office or principal place of business, or at the office of its transfer agent or registrar, a record of its shareholders, giving the names and addresses of all shareholders, and the number, class and series, if any, of the shares held by each.

Any books, records and minutes may be in written form or in any other form capable of being converted into written form within a reasonable time.

Any person who shall have been a holder of record of shares or of voting trust certificates therefor at least six months immediately preceding his demand or shall be the holder of record of, or the holder of record of voting trust certificates for, at least five percent of the outstanding shares of any class or series of the Company, upon written demand stating the purpose thereof, shall have the right to examine, in person or by agent or attorney, at any reasonable time or times, for any proper purpose its relevant books and records of accounts, minutes and records of shareholders and to make extracts therefrom.

Section 2. Financial Information. Not later than three months after the close of each fiscal year, this Company shall prepare a balance sheet showing in reasonable detail the financial condition of the Company as of the close of its fiscal year, and a profit and loss statement showing the results of the operations of the Company during its fiscal year.

Upon the written request of any shareholder or holder of voting trust certificates for shares of the Company, the Company shall mail to such shareholder or holder of voting trust certificates a copy of the most recent such balance sheet and profit and loss statement.

The balance sheets and profit and loss statements shall be filed in the registered office of the Company in this state, shall be kept for at least five years, and shall be subject to inspection during business hours by any shareholder or holder of voting trust certificates, in person or by agent.

Article VI. Dividends

The Board of Directors of this Company may, from time to time, declare and the Company may pay dividends on its shares in cash, property or its own shares, except when the Company is insolvent or when the payment thereof would render the Company insolvent or when the declaration or payment thereof would be contrary to any restrictions contained in the certificate of incorporation, subject to the following provisions:

(a) Dividends in cash or property may be declared and paid, except as otherwise provided in this section, only out of the unreserved and unrestricted earned surplus of the Company or out of capital surplus, howsoever arising but each dividend paid out of capital surplus shall be identified as a distribution of capital surplus, and the amount per share paid from such surplus shall be disclosed to the shareholders receiving the same concurrently with the distribution.

(b) Dividends may be declared and paid in the Company's own treasury shares.

(c) Dividends may be declared and paid in the Company's own authorized but unissued shares out of any unreserved and unrestricted surplus of the Company upon the following conditions:

(1) If a dividend is payable in shares having a par value, such shares shall be issued at not less than the par value thereof and there shall be transferred to stated capital at the time such dividend is paid an amount of surplus equal to the aggregate par value of the shares to be issued as a dividend.

(2) If a dividend is payable in shares without a par value, such shares shall be issued at such stated value as shall be fixed by the Board of Directors by resolution adopted at the time such dividend is declared, and there shall be transferred to stated capital at the time such dividend is paid an amount of surplus equal to the aggregate stated value so fixed in respect of such shares; and the amount per share so transferred to stated capital shall be disclosed to the shareholders receiving such dividend concurrently with the payment thereof.

(d) No dividend payable in shares of any class shall be paid to the holders of shares of any other class unless the certificate of incorporation so provide or such payment is authorized by the affirmative vote or the written consent of the holders of at least a majority of the outstanding shares of the class in which the payment is to be made.

(e) A split-up or division of the issued shares of any class into a greater number of shares of the same class without increasing the stated capital of the Company shall not be construed to be a share dividend within the meaning of this section.

Article VII. Corporate Seal

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the following:

Article VIII. Amendment

These bylaws may be repealed or amended, and new bylaws maybe adopted, by the Board of Directors or the shareholders in accordance with Section 109 of the DGCL.

Article IX. Governing Law; Forum for Adjudication of Disputes

These bylaws and the internal affairs of the Company shall be governed by and interpreted under the laws of the State of Delaware, excluding its conflict of laws principles. Unless the Company consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director or officer (or affiliate of any of the foregoing) of the Company to the Company or the Company’s shareholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Company Law or the Company’s Certificate of Incorporation or Bylaws, or (iv) any other action asserting a claim arising under, in connection with, and governed by the internal affairs doctrine.

EXHIBIT 3.3

CERTIFICATE OF INCORPORATION

OF

Aspen Acquisition Sub, Inc.

(Pursuant to Section 102 of the Delaware General Corporation Law)

FIRST: The name of this Corporation: Aspen Acquisition Sub, Inc.

SECOND: The address of its registered office in the State of Delaware is 1811 Silverside Road, Wilmington, DE 19810 in the County of New Castle. The name of its registered agent at such address is Vcorp Services, LLC.

THIRD: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH: The total number of shares of capital stock which the Corporation shall have authority to issue is: 1,000 shares with $0.001 par value.

FIFTH: The name and mailing address of the incorporator is Effie Stern 25 Robert Pitt Drive, Suite 204, Monsey, New York 10952.

I, THE UNDERSIGNED, for the purpose of forming a corporation under the laws of the State of Delaware, do make, file and record this Certificate, and do certify that the facts herein stated are true, and I have accordingly hereunto set my hand this March 07, 2012.

/s/Effie Stern
Effie Stern,

Incorporator

EXHIBIT 3.4

ARTICLES OF AMENDMENT TO

THE ARTICLES OF INCORPORATION

OF

ELITE NUTRITIONAL BRANDS, INC.

Pursuant to Section 607.1006 of the Business Corporation Act of the State of Florida, the undersigned, being the President of Elite Nutritional Brands, Inc. (hereinafter the "Corporation"), a Florida corporation, does hereby certify as follows:

FIRST: The Articles of Incorporation of the Corporation were filed with the Secretary of State of Florida on February 23, 2010 (Document No. P10000016795), and Articles of Amendment to the Articles of Incorporation were filed on June 3, 2011.

SECOND: Article XI – CONTROL SHARE ACQUISITIONS of the Articles of Incorporation is hereby amended as follows:

> This Corporation expressly elects not to be governed by Section 607.0902 of the Florida Business Corporation Act, as amended from time to time, relating to control share acquisitions.

THIRD: The foregoing amendment was adopted on July 27, 2011 by the sole director of the Corporation.

IN WITNESS WHEREOF, the undersigned has executed these Articles of Amendment to the Articles of Incorporation this 27th day of July 2011.

ELITE NUTRITIONAL BRANDS, INC.

By: /s/ David Johnson

David Johnson, President

EXHIBIT 10.1

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is made and entered into as of this 19th day of May, 2011, by and between Aspen University Inc., a Delaware corporation with offices at 720 S. Colorado Blvd., Suite 1150N, Denver, Colorado 80246 (the "Corporation"), and Michael Mathews, an individual residing at 78 Kitchawan Road, Pound Ridge, NY 10576 (the "Executive"), under the following circumstances:

RECITALS:

A. The Corporation desires to secure the services of the Executive upon the terms and conditions hereinafter set forth; and

NOW, THEREFORE, the parties mutually agree as follows:

1. Employment. The Corporation hereby employs the Executive and the Executive hereby accepts employment as an executive of the Corporation, subject to the terms and conditions set forth in this Agreement.

2. Duties. The Executive shall serve as the Chief Executive Officer, with such duties, responsibilities and authority as are commensurate and consistent with his position, as may be, from time to time, assigned to him by the Board of Directors (the "Board") or Chairman of the Corporation. The Executive shall report directly to the (Board and Chairman of the Corporation. During the Term (as defined in Section 3), the Executive shall devote his full business time and efforts to the performance of his duties hereunder unless otherwise authorized by the Board. Notwithstanding the foregoing, the expenditure of reasonable amounts of time by the Executive for the making of passive personal investments, the conduct of private business affairs, charitable and professional activities such as holding non-executive Director-level position(s) with other firms shall be allowed, provided such activities do not materially interfere with the services required to be rendered to the Corporation hereunder and do not violate the restrictive covenants set forth in Section 9 below.

3. Term of Employment. The term of the Executive's employment hereunder, unless sooner terminated as provided herein (the "Initial Term"), shall be for a period of four (4) years commencing on July 5, 2011 (the "Commencement Date"). The term of this Agreement shall automatically be extended for additional terms of one (1) year each (each a "Renewal Term") unless either party gives prior written notice of non-renewal to the other party no later than sixty (60) days prior to the expiration of the Initial Term ("Non-Renewal Notice"), or the then current Renewal Term, as the case may be. For purposes of this Agreement, the Initial Term and any Renewal Term are hereinafter collectively referred to as the "Term."

4. Compensation of Executive.

(a) The Corporation shall pay the Executive as compensation for his services hereunder, in equal semi-monthly or bi-weekly installments during the Term, the sum of $250,000 per annum (the "Base Salary"), less such deductions as shall be required to be withheld by applicable law and regulations. The Corporation shall review the Base Salary on an annual basis and agrees to increase it by at least 10% per annum, but has no right to decrease the Base Salary.

(b) In addition to the Base Salary set forth in Section 4(a) above, the Executive shall be entitled to receive an annual bonus in an amount equal to one hundred percent (100%) of his then-current Base Salary (to be paid 50% in cash, and 50% in restricted stock) based upon the achievement of performance targets with respect to the Company's business to be mutually agreed upon by the Executive and a majority of the Board (the "Bonus Target"); *provided, however*, that in the event that the business's performance for any fiscal year is greater than seventy-five percent (75%) but less than one hundred percent (100%) of the applicable Bonus Target, the Executive shall be entitled to the percentage of the annual bonus determined by linear interpolation; *provided further, however*, that in the event the parties are unable to agree to a mutually acceptable Bonus Target at any time during the Term, the Executive shall receive a guaranteed annual bonus for any such fiscal year of not less than fifteen percent (15%) of the Base Salary. In his sole discretion, the Executive may elect to receive the entirety of such annual bonus in restricted stock at the basis determined by the Board in good faith.

(c) The Corporation shall advance or reimburse the Executive for all reasonable out-of-pocket expenses actually incurred or paid by the Executive in the course of his employment, consistent with the Corporation's policy for reimbursement of expenses from time to time.

(d) The Executive shall be entitled to participate in such pension, profit sharing, group insurance, hospitalization, and group health and benefit plans and all other benefits and plans, including perquisites, if any, as the Corporation provides to its senior executives (the "Benefit Plans").

(e) The Corporation shall execute and deliver in favor of the Executive an indemnification agreement on the same terms and conditions entered into with the other officers and directors of the Corporation. Such agreement shall provide for the indemnification of the Executive for the term of his employment and for a period of at least six (6) years thereafter. The Corporation shall maintain directors' and officers' insurance during the Term and for a period of at least six (6) years thereafter.

5. Termination.

(a) This Agreement and the Executive's employment hereunder shall terminate upon the happening of any of the following events:

(i) upon the Executive's death;

(ii) upon the Executive's "Total Disability" (as herein defined);

(iii) upon the expiration of the Initial Term of this Agreement or any Renewal Term thereof, if either party has provided a timely notice of non-renewal in accordance with Section 3, above;

(iv) at the Executive's option, upon ninety (90) days prior written notice to the Corporation;

(v) at the Executive's option, in the event of an act by the Corporation, defined in Section 5(c), below, as constituting "Good Reason" for termination by the Executive; and

(vi) at the Corporation's option, in the event of an act by the Executive, defined in Section 5(d), below, as constituting "Cause" for termination by the Corporation.

(b) For purposes of this Agreement, the Executive shall be deemed to be suffering from a "Total Disability" if the Executive is (i) unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death, or last for a continuous period of not less than 12 months; (ii) by reason of any medically determinable physical or mental impairment that can be expected to result in death, or last for continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company; or (iii) determined to be totally disabled by the Social Security Administration. Any question as to the existence of a disability shall be determined by the written opinion of the Executive's regularly attending physician (or his guardian) (or the Social Security Administration, where applicable).

(c) For purposes of this Agreement, the term "Good Reason" shall mean that the Executive has resigned due to (i) any material diminution in Executive's authority, duties or responsibilities (unless the Executive has agreed to such diminution); (ii) a material change in the chain of reporting referenced in Section 2 (unless the Executive has agreed to such change); (iii) any material diminution in the Executive's Base Salary (unless the Executive has agreed to such diminution); (iv) any material change in the geographic location at which the Executive must perform services to a location outside of New York City Metro Area without the Executive's prior written consent; (or (v) any material violation by the Corporation of its obligations under this Agreement. Prior to the Executive terminating his employment with the Corporation for Good Reason, the Executive must provide written notice to the Corporation, within 90 days following the initial existence of such condition, that such Good Reason exists and setting forth in detail the grounds the Executive believes constitutes Good Reason. If the Corporation does not cure the conditions constituting Good Reason within sixty (60) days after receipt of written notice thereof from the Executive, then Executive's employment shall be deemed terminated for Good Reason.

(d) For purposes of this Agreement, the term "Cause" shall mean any material breach of this Agreement or material, gross and willful misconduct on the part of the Executive in connection with his employment duties hereunder, in all cases that is not cured within fourteen (14) days after receipt of notice thereof (to the extent such breach is capable of being cured), or the Executive's conviction of or entering of a guilty plea or a plea of no contest with respect to a felony or any crime involving fraud, larceny or embezzlement resulting in material harm to the Corporation by the Executive.

6. Effects of Termination.

(a) Upon termination of the Executive's employment pursuant to Section 5(a)(i) or (ii), in addition to the accrued but unpaid compensation and vacation pay through the date of death or Total Disability and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive or his estate or beneficiaries, as applicable, shall be entitled to the following severance benefits: (i) six (6) months' Base Salary at the then current rate, payable in a lump sum, less withholding of applicable taxes; (ii) continued provision for a period of twelve (12) months following the Executive's death of benefits under Benefit Plans extended from time to time by the Corporation to its senior executives; and (iii) payment on a pro-rated basis of any bonus or other payments earned in connection with any bonus plan to which the Executive was a participant as of the date of death or Total Disability.

(b) Upon termination of the Executive's employment pursuant to Section 5(a)(iii), where the Corporation has offered to renew the term of the Executive's employment for an additional one (1) year period and the Executive chooses not to continue in the employ of the Corporation, the Executive shall be entitled to receive only the accrued but unpaid compensation and vacation pay through the date of termination and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date. In the event the Corporation tenders a Non-Renewal Notice to the Executive, then the Executive shall be entitled to the same severance benefits as if the Executive's employment were terminated pursuant to Section 5(a)(v); provided, however, if such Non-Renewal Notice was triggered due to the Corporation's statement that the Executive's employment was terminated due to Section 5(a)(vi) (for "Cause"), then payment of severance benefits will be contingent upon a determination as to whether termination was properly for "Cause."

(c) Upon termination of the Executive's employment pursuant to Section 5(a)(v) or other than pursuant to Section 5(a)(i), 5(a)(ii), 5(a)(iii), 5(a)(iv), or 5(a)(vi) (i.e., without "Cause"), in addition to the accrued but unpaid compensation and vacation pay through the date of termination and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive shall be entitled to the following severance benefits: (i) twelve (12) months' Base Salary at the then current rate to be paid in equal semi-monthly or bi-weekly installments, less withholding of all applicable taxes, at such times he would have received them if there was no termination; (ii) continued provision for a period of twelve (12) months after the date of termination of the benefits under Benefit Plans extended from time to time by the Corporation to its senior executives; and (iii) payment on a pro-rated basis of any bonus or other payments earned in connection with any bonus plan to which the Executive was a participant as of the date of the Executive's termination of employment. In addition, any options or restricted stock shall be immediately vested upon termination of Executive's employment pursuant to Section 5(a)(v) or by the Corporation or without "Cause".

(d) Upon termination of the Executive's employment pursuant to Section 5(a)(iv) or (vi), in addition to the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive shall be entitled to the following severance benefits: accrued and unpaid Base Salary and vacation pay through the date of termination, less withholding of applicable taxes. Executive shall have any conversion rights available under the Corporation's or Benefit Plans and as otherwise provided by law, including the Comprehensive Omnibus Budget Reconciliation Act.

(e) Any payments required to be made hereunder by the Corporation to the Executive shall continue to the Executive's beneficiaries in the event of his death until paid in full.

7. Vacations. The Executive shall be entitled to a vacation of three (3) weeks per year, during which period his salary shall be paid in full. The Executive shall take his vacation at such time or times as the Executive and the Corporation shall determine is mutually convenient. Any vacation not taken in one (1) year shall not accrue, provided that if vacation is not taken due to the Corporation's business necessities, up to three (3) weeks' vacation may carry over to the subsequent year.

8. Covenant Not To Disclose, Compete or Solicit. Upon execution of this Employment Agreement, the Executive and the Corporation shall enter into that certain Non-Disclosure, Non-Competition and Non-Solicitation Agreement attached hereto in the form of Exhibit A.

9. Miscellaneous.

(a) The Executive acknowledges that the services to be rendered by him under the provisions of this Agreement are of a special, unique and extraordinary character and that it would be difficult or impossible to replace such services. Accordingly, the Executive agrees that any breach or threatened breach by him of Sections 8 or 9 of this Agreement shall entitle the Corporation, in addition to all other legal remedies available to it, to apply to any court of competent jurisdiction to seek to enjoin such breach or threatened breach. The parties understand and intend that each restriction agreed to by the Executive hereinabove shall be construed as separable and divisible from every other restriction, that the unenforceability of any restriction shall not limit the enforceability, in whole or in part, of any other restriction, and that one or more or all of such restrictions may be enforced in whole or in part as the circumstances warrant. In the event that any restriction in this Agreement is more restrictive than permitted by law in the jurisdiction in which the Corporation seeks enforcement thereof, such restriction shall be limited to the extent permitted by law. The remedy of injunctive relief herein set forth shall be in addition to, and not in lieu of, any other rights or remedies that the Corporation may have at law or in equity.

(b) Neither the Executive nor the Corporation may assign or delegate any of their rights or duties under this Agreement without the express written consent of the other; provided however that the Corporation shall have the right to delegate its obligation of payment of all sums due to the Executive hereunder, provided that such delegation shall not relieve the Corporation of any of its obligations hereunder.

(c) This Agreement constitutes and embodies the full and complete understanding and agreement of the parties with respect to the Executive's employment by the Corporation, supersedes all prior understandings and agreements, whether oral or written, between the Executive and the Corporation, and shall not be amended, modified or changed except by an instrument in writing executed by the party to be charged. The invalidity or partial invalidity of one or more provisions of this Agreement shall not invalidate any other provision of this Agreement. No waiver by either party of any provision or condition to be performed shall be deemed a waiver of similar or dissimilar provisions or conditions at the same time or any prior or subsequent time.

(d) This Agreement shall inure to the benefit of, be binding upon and enforceable against, the parties hereto and their respective successors, heirs, beneficiaries and permitted assigns.

(e) The headings contained in this Agreement are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

(f) All notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when personally delivered, sent by registered or certified mail, return receipt requested, postage prepaid, or by private overnight mail service (e.g. Federal Express) to the party at the address set forth above or to such other address as either party may hereafter give notice of in accordance with the provisions hereof. Notices shall be deemed given on the sooner of the date actually received or the third business day after sending.

(g) This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without reference to principles of conflicts of laws and each of the parties hereto irrevocably consents to the jurisdiction and venue of the federal and state courts located in the State of New York.

(h) This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one of the same instrument. The parties hereto have executed this Agreement as of the date set forth above.

10. <u>Change of Control</u>. Upon a Change of Control (as hereinafter defined), the Executive shall receive an amount equal to the same severance benefits as if the Executive's employment were terminated pursuant to Section 5(a)(v). The Executive (or his estate) shall receive the payments provided herein at such times he would have received them if there was no Change of Control. Notwithstanding anything contained herein to the contrary, in the event a Change of Control occurs prior to the termination of this Agreement pursuant to Section 5, the Executive shall not be entitled to the severance payments referenced in Section 5. For purposes of this Agreement "Change of Control" means the occurrence of any of the following events:

(a) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the "Exchange Act") becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing 50% or more of the total voting power of the Corporation's then outstanding voting securities or 50% or more of the fair market value of the Corporation;

(b) Within a twelve month period, any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing 30% or more of the total voting power of the Corporation's then outstanding voting securities;

(c) Within a twelve month period, less than a majority of the directors are Incumbent Directors. "Incumbent Directors" will mean directors who either (A) are directors of the Corporation as of the date hereof, or (B) are elected, or nominated for election, to the Board with the affirmative votes of a majority of the Incumbent Directors at the time of such election or nomination. Notwithstanding the preceding, in no event shall a change in the Board following the SEC Reporting Date, which results from the Executive's exercise of its New Series A, constitute a Change of Control; or

(d) The Corporation has sold all or substantially all of its assets to another person or entity that is not a majority-owned subsidiary of the Corporation.

Notwithstanding the preceding, the above-listed events must satisfy the requirements of Treasury Regulation Section 1.409A-3(i)(5) in order to be deemed a Change of Control.

11. Sarbanes-Oxley Act of 2002.

(a) In the event the Executive or the Corporation is the subject of an investigation (whether criminal, civil, or administrative) involving possible violations of the United States federal securities laws by the Executive, the Compensation Committee or the Board may, in its sole discretion, direct the Corporation to withhold any and all payments to the Executive (whether compensation or otherwise) which would have otherwise been made pursuant to this Agreement or otherwise would have been paid or payable by the Corporation, which the Compensation Committee or the Board believes, in its sole discretion, may or could be considered an "extraordinary payment" and therefore at risk and potentially subject to, the provisions of Section 1103 of the Sarbanes-Oxley Act of 2002 ("SOX") (including, but not limited to, any severance payments made to the Executive upon termination of employment). The withholding of any payment shall be until such time as the investigation is concluded, without charges having been brought or until the successful conclusion of any legal proceedings brought in connection with such amounts as directed by the Compensation Committee or the Board to be withheld with or without the accruing of interest (and if with interest the rate thereof). Except by an admission of wrongdoing or the final adjudication by a court or administrative agency finding the Executive liable for or guilty of violating any of the federal securities laws, rules or regulations, the Compensation Committee or the Board shall pay to the Executive such compensation or other payments. Notwithstanding the exclusion caused by the first clause of the prior sentence, the Executive shall receive such payments if provided for by a court or other administrative order.

(b) In the event that the Corporation restates any financial statements which have been contained in reports or registration statements filed with the SEC, and the restatement of the prior financial statements is as the result of material noncompliance with any financial reporting requirement under the securities laws, the Executive hereby acknowledges that the Corporation shall recover from the Executive (i) incentive based compensation (including stock options) awarded during the three year period preceding the date on which the Corporation is required to prepare the restatement (ii) in excess of what would have been paid the Executive under the restatement. Any rules passed by the Securities and Exchange Commission under Section 10D of the Securities Exchange Act of 1934 (added by Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act) shall be incorporated in this Agreement to the extent applicable. The Executive agrees to reimburse the Corporation for any bonuses received and/or profits realized from the sale of the Corporation's securities (including the cash received from exercise of any options (or other awards of stock rights) during the 12-month period following the first public issuance or filing with the SEC of the report or registration statement (whichever comes first) containing the financial information required to be restated. Provided, however, this Section shall not impose any liability on the Executive beyond any liability that is imposed under Section 304 of SOX.

(c) Notwithstanding the last sentence of Section 10(b), if the Corporation's common stock is listed on a national securities exchange and such exchange adopts rules requiring clawbacks beyond what Section 304 of SOX requires, such rules shall be incorporated in this Agreement to the extent applicable and the Executive shall comply with such rules, including but not limited to executing any amendment to this Agreement.

12. Section 409A.

(a) Notwithstanding anything to the contrary contained in this Agreement, if at the time of the Executive's separation from service within the meaning of Section 409A of the Code, the Corporation determines that the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of the Executive's separation from service would be considered deferred compensation subject to the 20% additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (i) six months and one day after the Executive's separation from service, or (ii) the Executive's death (the "Six Month Delay Rule").

(b) For purposes of this Section 12, amounts payable under the Agreement should not be considered a deferral of compensation subject to Section 409A to the extent provided in Treasury Regulation Section 1.409A-1(b)(4) (i.e., short-term deferrals), Treasury Regulation Section 1.409A-1(b)(9) (i.e., separation pay plans, including the exception under subparagraph (iii)), and other applicable provisions of Treasury Regulations Sections 1.409A-1 through A-6.

(c) To the extent that the Six Month Delay Rule applies to payments otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of the Six Month Delay Rule, and the balance of the installments shall be payable in accordance with their original schedule.

(d) To the extent that the Six Month Delay Rule applies to the provision of benefits (including, but not limited to, life insurance and medical insurance), such benefit coverage shall nonetheless be provided to the Executive during the first six months following his separation from service (the "Six Month Period"), provided that, during such Six-Month Period, the Executive pays to the Corporation, on a monthly basis in advance, an amount equal to the Monthly Cost (as defined below) of such benefit coverage. The Corporation shall reimburse the Executive for any such payments made by the Executive in a lump sum not later than 30 days following the sixth month anniversary of the Executive's separation from service. For purposes of this subparagraph, "Monthly Cost" means the minimum dollar amount which, if paid by the Executive on a monthly basis in advance, results in the Executive not being required to recognize any federal income tax on receipt of the benefit coverage during the Six Month Period.

(e) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

(f) The Corporation makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

13. New Series A Preferred Stock. At such time as the Corporation is required to file Forms 10-Q and 10-K (or successor forms) with the Securities and Exchange Commission (the "SEC") or the Corporation closes a merger, consolidation or share exchange with a company that is required to file such reports with the SEC (either a "SEC Reporting Date"), the Executive shall have the right, at his sole option, to exchange, at no cost to the Executive, any and all shares of Common Stock on a share-for-share basis into a newly authorized Series A Preferred Stock (the "New Series A"). The New Series A shall contain the following rights: (i) the Executive shall have the right to elect seven (7) directors to the Board (or such greater number of directors that would constitute at least 7/13th of the Board), provided, however, the Executive must elect Patrick Spada, John Scheibelhoffer, and Michael D'Anton; (ii) at the election of the Executive, the New Series A shall be convertible into Common Stock; (iii) upon (A) the death or Total Disability of the Executive or (B) such time that the Executive owns less than 100,000 shares of New Series A, the New Series A shall automatically convert to Common Stock; (iv) the conversion ratio for the New Series A into Common Stock shall be on a share-for-share basis, subject to normal adjustments; (v) the New Series A shall be non-transferable, unless to a trust, partnership, limited liability company, corporation, custodianship or other fiduciary account for the benefit of the transferor and/ or his spouse or immediate family member(s) so long as the transferor during his lifetime has full control of such entity or account; and (vi) except for the power to appoint directors pursuant to clause (i) above, the New Series A shall have full voting rights and powers equal to Common Stock and shall vote together with Common Stock and not as a separate class.

[Signature Page to Follow]

CORPORATION:

Aspen University Inc.

By: /s/ Patrick Spada

Title: Chairman

EXECUTIVE :

/s/ Michael Mathews

Michael Mathews

EXHIBIT A

(Company Name)
NON-DISCLOSURE, NON-COMPETITION AND NON-SOLICITATION AGREEMENT

In consideration of employment of the Employee by the Company and payment to the Employee of salary or wages, this Agreement is made between Aspen University Inc., a Delaware corporation, and Michael Mathews (the "Employee"). For purposes of the Agreement, the term "Company" shall include Aspen University Inc. and its affiliates, now or hereafter existing.

WHEREAS, to induce the Company to hire the Employee as an employee of the Company, the Employee agrees to the covenants of non-disclosure, non-competition, and non-solicitation, as more particularly described herein.

NOW, THEREFORE, in consideration of the hiring by the Company of the Employee as an employee of the Company, the Employee hereby agrees as follows:

1. Confidential Information. The Employee acknowledges that, in order for him to perform his or her duties properly, the Company must necessarily entrust the Employee with certain trade secrets and confidential business information (the "Confidential Information"). The Confidential Information includes, but is not limited to: source code, object code, operational and functional features and limitations of the Company's software; the Company's research and development plans and activities; the Company's manufacturing and production plans and activities; the prices, terms and conditions of the Company's contracts with its customers; the identities, needs and requirements of the Company's customers; the Company's pricing policies and price lists; the Company's business plans and strategies; the Company's marketing plans and strategies; personnel information; and financial information regarding the Company. The Employee further acknowledges that the development or acquisition of such Confidential Information is the result of great effort and expense by the Company, that the Confidential Information is critical to the survival and success of the Company, and that the unauthorized disclosure or use of the Confidential Information would cause the Company irreparable harm.

2. Nondisclosure of Confidential Information. The Employee agrees that, during the term of his or her employment with the Company and thereafter, he or she will not disclose the Confidential Information or use it in any way, except on behalf of the Company, whether or not such Confidential Information is produced by the Employee's own efforts. The Employee further agrees, upon termination of his or her employment, promptly to deliver to the Company all Confidential Information, whether or not such Confidential Information was produced by the Employee's own efforts, and to refrain from making, retaining or distributing copies thereof.

3. Inventions and Discoveries. Any invention, discovery, development, improvement, procedure, writing, work or trade secret (collectively referred to herein as "Inventions") that relates to any phase of the business of the Company, or results from any work performed on the premises of the Company or by use of the facilities, equipment or services of other employees of the Company, whether patentable, copyrightable or not, and that is made or discovered by the Employee individually or jointly with any other person or persons during the term of the Employee's employment with the Company (including any period of time prior to the date of this Agreement), shall forthwith be disclosed to the Company and shall be the sole property of the Company. Any such Invention shall be considered a work made for hire. The Employee hereby assigns to the Company all of his or her right, title and interest to any such Invention. The Employee further agrees to maintain adequate, current written records of any Invention within the scope of the foregoing provisions in the form of notes, sketches, drawings, memoranda or other written evidence, which records shall be and remain the sole property of the Company.

4. Patents, Trademarks and Copyrights. The Employee agrees that, during the term of his or her employment with the Company and thereafter, he or she will, whenever requested to do so by the Company and at the expense of the Company, apply or join with the Company in applying for patents, trademarks, copyrights, letters patent and other means for the protection of proprietary information, both foreign and domestic, with respect to any Invention described in paragraph 4. The Employee shall execute and deliver to the Company any and all other documents and instruments that, in the opinion of the Company and its counsel, are appropriate in order to obtain said patents, trademarks, copyrights, letters patent and other means of protecting proprietary information. The Employee shall further execute and deliver all such other instruments and take all other actions that in the opinion of the Company and its counsel shall be appropriate to vest in the Company (or in such person as the Company may specify) all right, title and interest in said patents, trademarks, copyrights, letters patent and other means of protecting proprietary information, and shall cooperate and assist in any litigation commenced by the Company against third parties with respect to the same.

5. Power of Attorney. In the event the Company is unable, after reasonable effort, to secure Employee's signature on any letters patent, copyright or other analogous protection relating to an Invention, whether because of Employee's physical or mental incapacity or for any other reason whatsoever, Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as his or her agent and attorney-in-fact, to act for and in his or her behalf and stead to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution thereon with the same legal force and effect as if executed by Employee.

6. Employee Developments. Employee represents that all inventions, discoveries, developments, improvements, procedures, writings, works, trade secrets or other intellectual property rights to which Employee claims ownership as of the date of this Agreement (the "Employee Developments"), and which the parties agree are excluded from this Agreement, are listed in Exhibit A attached hereto. If no such Employee Developments are listed in Exhibit A, Employee represents that there are no such Employee Developments at the time of signing this Agreement.

7. Restrictions on Competition. The Employee agrees that, during the term of his or her employment with the Company and for a period of one year after termination for any reason of Employee's employment, he or she will not, directly or indirectly, render services to, work for or on behalf of, have an interest in, make any loan to, or assist in any manner any business that is competitive with that in which the Company was engaged or planned to engage on the date of the Employee's termination from the Company. The foregoing shall not prevent the Employee from owning up to one percent (1%) of the outstanding securities of a publicly held corporation that may compete with the Company.

8. Notice of Subsequent Employment. Employee shall, for a period of one year after the termination of employment with the Company, notify the Company of any change of address, and of any subsequent employment (stating the name and address of the employer and the title and duties of the position) or other business activity. The Employee further agrees that the Company may, following termination of the Employee's employment for a period of one year, communicate with the Employee's new employer for the purpose of informing the new employer of the existence of this Agreement and providing the new employer with a copy of this Agreement.

9. Enticement. For a period of one year after the termination of employment with the Company, Employee will not hire or attempt to hire any employee of the Company, or assist in such hiring by anyone else, to work as an employee or independent contractor with any business that is competitive with that in which the Company was engaged or planned to engage on the date of the Employee's termination from the Company.

10 Return of Company Property. The Employee agrees, upon termination of his or her employment, promptly to deliver to the Company all files, keys, building passes, credit cards, books, documents, computer disks or tapes, and other property prepared by or on behalf of the Company or purchased with Company funds, and to refrain from making, retaining or distributing copies thereof. To the extent that Employee has any data belonging to the Company on any non-removable magnetic media owned by Employee (for example, a computer's hard disk drive), Employee agrees that immediately upon termination he or she will provide the Company with a copy of the data and then purge his or her computer of the data.

11.Specific Performance. The Employee acknowledges that a breach of this Agreement by the Employee will cause irreparable injury to the Company, that the Company's remedies at law will be inadequate in case of any such breach, and that the Company will be entitled to preliminary injunctive relief and other injunctive relief in case of any such breach.

12.Compliance with Other Agreements. The Employee represents and warrants to the Company that the execution of this Agreement by him, his or her performance of his or her obligations hereunder, and his or her employment by the Company will not, with or without the giving of notice or the passage of time, conflict with, result in the breach or termination of, or constitute default under, any agreement to which the Employee is a party or by which the Employee is or may be bound.

13.Waivers. The waiver by the Company or the Employee of any action, right or condition in this Agreement, or of any breach of a provision of this Agreement, shall not constitute a waiver of any other occurrences of the same event. Further, any subsequent change or changes in Employee’s duties, salary, compensation, or employment status will not affect the validity or enforceability of this Agreement.

14.Survival; Binding Effect. This Agreement shall survive the termination of the Employment Agreement regardless of the manner of such termination, and shall be binding upon the Employee and his or her heirs, executors and administrators.

15.Assignability by Company. This Agreement is assignable by the Company and inures to the benefit of the Company, its subsidiaries, affiliated corporations, successors and assignees. This Agreement, being personal, is not assignable by the Employee.

16.Headings; Gender References. The section headings in this Agreement are for reference purposes only and shall not be deemed to be a part of this Agreement or to affect the meaning or interpretation of this Agreement. Wherever used herein, the masculine pronoun shall, as appropriate, be construed to include the feminine.

17.Severability. The covenants of this Agreement are intended to be separable, and the expressions used therein are intended to refer to divisible entities. Accordingly, the invalidity of all or any part of any paragraph of this Agreement shall not render invalid the remainder of this Agreement or of such paragraph. If, in any judicial proceeding, any provision of this Agreement is found to be so broad as to be unenforceable, it is hereby agreed that such provision shall be interpreted to be only so broad as to be enforceable.

18.Governing Law. This Agreement shall be deemed to have been made in New York and shall be governed by and construed in accordance with the substantive law of New York, excluding, however, such laws as pertain to conflicts of law.

19.Consent to Jurisdiction. Employee hereby consents and submits to the jurisdiction of the state and federal courts in the state of New York.

20. Attorney's Fees. Employee agrees that in the event that the Employer brings suit to enforce any term of this Agreement, the Employee shall be liable for the Employer's reasonable attorney's fees and costs with respect to any claim or counterclaim as to which the Employer is the prevailing party.

21.Entire Agreement; Amendments. This Agreement constitutes the entire understanding of the parties with respect to its subject matter, supersedes any prior communication or understanding with respect thereto, and no modification or waiver of any provision hereof shall be valid unless made in writing and signed by the parties.

22.Understanding of Agreement. THE EMPLOYEE STATES THAT HE OR SHE HAS HAD A REASONABLE PERIOD SUFFICIENT TO STUDY, UNDERSTAND AND CONSIDER THIS AGREEMENT, THAT HE OR SHE HAS HAD AN OPPORTUNITY TO CONSULT WITH COUNSEL OF HIS OR HER CHOICE, THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ALL OF ITS TERMS, THAT HE OR SHE IS ENTERING INTO AND SIGNING THIS AGREEMENT KNOWINGLY AND VOLUNTARILY, AND THAT IN DOING SO HE OR SHE IS NOT RELYING UPON ANY STATEMENTS OR REPRESENTATIONS BY THE COMPANY OR ITS AGENTS.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties have duly executed this Agreement under seal as of the 19th day of May, 2011.

Aspen University Inc.

By: /s/ Patrick Spada	/s/ Michael Mathews
Pratrick Spada	Michael Mathews
Chairman	

EXHIBIT A

List of Employee Developments (if applicable)

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is made and entered into as of this 9th day of June, 2011, by and between Aspen University, Inc., a Delaware corporation with offices at 224 West 30th Street, Suite 604, New York, NY 10001 (the "Corporation"), and David M. Garrity, an individual residing at 157 East 32nd Street, Apartment 19B, New York, NY 10016 (the "Executive"), under the following circumstances:

RECITALS:

A. The Corporation desires to secure the services of the Executive upon the terms and conditions hereinafter set forth; and

NOW, THEREFORE, the parties mutually agree as follows:

1. Employment. The Corporation hereby employs the Executive and the Executive hereby accepts employment as an executive of the Corporation, subject to the terms and conditions set forth in this Agreement.

2. Duties. The Executive shall serve as the Chief Financial Officer, with such duties, responsibilities and authority as are commensurate and consistent with his position, as may be, from time to time, assigned to him by the Board of Directors (the "Board") or Chief Executive Officer (the "CEO") of the Corporation. The Executive shall report directly to the Board and the CEO of the Corporation. During the Term (as defined in Section 3), the Executive shall devote his full business time and efforts to the performance of his duties hereunder unless otherwise authorized by the Board. Notwithstanding the foregoing, the expenditure of reasonable amounts of time by the Executive for the making of passive personal investments, the conduct of private business affairs, charitable and professional activities such as holding non-executive Director-level position(s) with other firms, advising organizations such as The World Bank Group and appearing on broadcast media to discuss broad financial matters shall be allowed, provided such activities do not materially interfere with the services required to be rendered to the Corporation hereunder and do not violate the restrictive covenants set forth in Section 9 below.

3. Term of Employment. The term of the Executive's employment hereunder, unless sooner terminated as provided herein (the "Initial Term"), shall be for a period of four (4) years commencing on the date hereof (the "Commencement Date"). The term of this Agreement shall automatically be extended for additional terms of one (1) year each (each a "Renewal Term") unless either party gives prior written notice of non-renewal to the other party no later than sixty (60) days prior to the expiration of the Initial Term ("Non-Renewal Notice"), or the then current Renewal Term, as the case may be. For purposes of this Agreement, the Initial Term and any Renewal Term are hereinafter collectively referred to as the "Term."

4. Compensation of Executive.

(a) The Corporation shall pay the Executive as compensation for his services hereunder, in equal semi-monthly or bi-weekly installments during the Term, the sum of $250,000 per annum (the "Base Salary"), less such deductions as shall be required to be withheld by applicable law and regulations, except as noted otherwise below. The Corporation shall review the Base Salary on an annual basis and agrees to increase it by at least 10% per annum, but has no right to decrease the Base Salary. For the period commencing with the Agreement's outset and ending on July 4th, 2011, the Corporation shall pay the Executive a fee in lieu of salary at a rate of $10,000 per month pursuant to a separate consulting agreement with Executive (see Consulting Agreement attached). From July 4th, 2011 until September 30th, 2011, the Corporation shall pay the Executive as compensation for his services hereunder, in equal semi-monthly or bi-weekly installments, the sum of $125,000 per annum (the "Base Salary"), less such deductions as shall be required to be withheld by applicable law and regulations. From October 1st, 2011 onwards for the balance of the Term and any Renewal Term, the Corporation shall pay the Executive as compensation for his services hereunder, in equal semi-monthly or bi-weekly installments, the sum of $250,000 per annum (the "Base Salary"), less such deductions as shall be required to be withheld by applicable law and regulations.

(b) In addition to the Base Salary set forth in Section 4(a) above, the Executive shall be entitled to receive an annual bonus in an amount equal to one hundred percent (100%) of his then-current Base Salary (to be paid 50% in cash, and 50% in restricted stock) based upon the achievement of performance targets with respect to the Company's business to be mutually agreed upon by the Executive and a majority of the Board (the "Bonus Target"); *provided, however*, that in the event that the business's performance for any fiscal year is greater than seventy-five percent (75%) but less than one hundred percent (100%) of the applicable Bonus Target, the Executive shall be entitled to the percentage of the annual bonus determined by linear interpolation; *provided further, however*, that in the event the parties are unable to agree to a mutually acceptable Bonus Target at any time during the Term, the Executive shall receive a guaranteed annual bonus for any such fiscal year of not less than fifteen percent (15%) of the Base Salary. In his sole discretion, the Executive may elect to receive the entirety of such annual bonus in restricted stock at the basis determined by the Board in good faith.

(c) The Corporation shall pay or reimburse the Executive for all reasonable out-of-pocket expenses actually incurred or paid by the Executive in the course of his employment, consistent with the Corporation's policy for reimbursement of expenses from time to time.

(d) The Executive shall be entitled to participate in such pension, profit sharing, group insurance, hospitalization, and group health and benefit plans and all other benefits and plans, including perquisites, if any, as the Corporation provides to its senior executives (the "Benefit Plans").

(e) In addition to the Base Salary and the bonus compensation, the Executive shall receive options to purchase 300,000 shares of the Corporation's Common Stock. The option agreement with respect to such options shall provide for such options to vest twenty five percent (25%) on each anniversary of the date hereof and shall permit the Executive at least twelve (12) months after the Executive's death or Total Disability (as defined in Section 5(a)(ii)) and at least three (3) months after the Executive's termination of employment for any other reason to exercise such options and, other than such restrictions, neither the options nor any shares of Common Stock obtained upon exercise thereof shall be subject to forfeiture or to the Company's or other stockholders' right to repurchase. The option agreement with respect to such options shall allow the Executive to exercise the options granted thereby on a "cashless basis." The options shall fully vest upon the Executive's termination pursuant to Sections 5(a)(i), 5(a)(ii), 5(a)(iii) (provided that the Corporation provided a Non-Renewal Notice) or 5(a)(v) or by the Corporation without "Cause" (as defined in Section 5(d)) or upon a Change in Control Transaction. The exercise price per share for such options will be subject to adjustment for dividends, splits, reclassifications and similar transactions.

(f) The Corporation shall execute and deliver in favor of the Executive an indemnification agreement on the same terms and conditions entered into with the other officers and directors of the Corporation. Such agreement shall provide for the indemnification of the Executive for the term of his employment and for a period of at least six (6) years thereafter. The Corporation shall maintain directors' and officers' insurance during the Term and for a period of at least six (6) years thereafter.

5. Termination.

(a) This Agreement and the Executive's employment hereunder shall terminate upon the happening of any of the following events:

(i) upon the Executive's death;

(ii) upon the Executive's "Total Disability" (as herein defined);

(iii) upon the expiration of the Initial Term of this Agreement or any Renewal Term thereof, if either party has provided a timely notice of non-renewal in accordance with Section 3, above;

(iv) at the Executive's option, upon ninety (90) days prior written notice to the Corporation;

(v) at the Executive's option, in the event of an act by the Corporation, defined in Section 5(c), below, as constituting "Good Reason" for termination by the Executive; and

(vi) at the Corporation's option, in the event of an act by the Executive, defined in Section 5(d), below, as constituting "Cause" for termination by the Corporation.

(b) For purposes of this Agreement, the Executive shall be deemed to be suffering from a "Total Disability" if the Executive has failed to perform his regular and customary duties to the Corporation for a period of 180 days out of any 360-day period and if before the Executive has become "Rehabilitated" (as herein defined) a majority of the members of the Board, exclusive of the Executive, vote to determine that the Executive is mentally or physically incapable or unable to continue to perform such regular and customary duties of employment. As used herein, the term "Rehabilitated" shall mean such time as the Executive is willing, able and commences to devote his time and energies to the affairs of the Corporation to the extent and in the manner that he did so prior to his Total Disability.

(c) For purposes of this Agreement, the term "Good Reason" shall mean that the Executive has resigned due to (i) any diminution of duties inconsistent with Executive's title, authority, duties and responsibilities (including, without limitation, a change in the chain of reporting); (ii) any reduction of or failure to pay Executive compensation provided for herein, except to the extent Executive consents in writing to any reduction, deferral or waiver of compensation, which non-payment continues for a period of fifteen (15) days following written notice to the Corporation by Executive of such non-payment; (iii) any relocation of the principal location of Executive's employment outside of New York City Metro Area without the Executive's prior written consent; (iv) the consummation of any Change in Control Transaction (as defined below); or (vi) any material violation by the Corporation of its obligations under this Agreement that is not cured within sixty (60) days Agreement after receipt of written notice thereof from the Executive. For purposes of this Agreement, the term "Change in Control Transaction" means the sale of the Corporation to an un-affiliated person or entity or group of un-affiliated persons or entities pursuant to which such party or parties acquire (i) shares of capital stock of the Corporation representing at least fifty percent (50%) of outstanding capital stock or sufficient to elect a majority of the Board (whether by merger, consolidation, sale or transfer of shares (other than a merger where the Corporation is the surviving corporation and the shareholders and directors of the Corporation prior to the merger constitute a majority of the shareholders and directors, respectively, of the surviving corporation (or its parent)) (other the contemplated Form 10 going public transaction)) or (ii) all or substantially all of the Corporation's assets determined on a consolidated basis.

(d) For purposes of this Agreement, the term "Cause" shall mean any material breach of this Agreement or any other agreement or certificate signed by the Executive in connection with that certain Agreement and Plan of Merger by and among the Corporation and Newco, or material, gross and willful misconduct on the part of the Executive in connection with his employment duties hereunder, in all cases that is not cured within fourteen (14) days after receipt of notice thereof (to the extent such breach is capable of being cured), or the Executive's conviction of or entering of a guilty plea or a plea of no contest with respect to a felony or any crime involving fraud, larceny or embezzlement resulting in material harm to the Corporation by the Executive.

6. Effects of Termination.

(a) Upon termination of the Executive's employment pursuant to Section 5(a)(i) or (ii), in addition to the accrued but unpaid compensation and vacation pay through the date of death or Total Disability and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive or his estate or beneficiaries, as applicable, shall be entitled to the following severance benefits: (i) six (6) months' Base Salary at the then current rate, payable in a lump sum, less withholding of applicable taxes; (ii) continued provision for a period of twelve (12) months following the Executive's death of benefits under Benefit Plans extended from time to time by the Corporation to its senior executives; and (iii) payment on a pro-rated basis of any bonus or other payments earned in connection with any bonus plan to which the Executive was a participant as of the date of death or Total Disability.

(b) Upon termination of the Executive's employment pursuant to Section 5(a)(iii), where the Corporation has offered to renew the term of the Executive's employment for an additional one (1) year period and the Executive chooses not to continue in the employ of the Corporation, the Executive shall be entitled to receive only the accrued but unpaid compensation and vacation pay through the date of termination and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date. In the event the Corporation tenders a Non-Renewal Notice to the Executive, then the Executive shall be entitled to the same severance benefits as if the Executive's employment were terminated pursuant to Section 5(a)(v); provided, however, if such Non-Renewal Notice was triggered due to the Corporation's statement that the Executive's employment was terminated due to Section 5(a)(vi) (for "Cause"), then payment of severance benefits will be contingent upon a determination as to whether termination was properly for "Cause."

(c) Upon termination of the Executive's employment pursuant to Section 5(a)(v) or other than pursuant to Section 5(a)(i), 5(a)(ii), 5(a)(iii), 5(a)(iv), or 5(a)(vi) (i.e., without "Cause"), in addition to the accrued but unpaid compensation and vacation pay through the date of termination and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive shall be entitled to the following severance benefits: (i) the greater of twelve (12) months' Base Salary at the then current rate or the remainder of the Base Salary due under this Agreement, to be paid upon the date of termination of employment in monthly installments, less withholding of all applicable taxes; (ii) continued provision for a period of twelve (12) months after the date of termination of the benefits under Benefit Plans extended from time to time by the Corporation to its senior executives; and (iii) payment on a pro-rated basis of any bonus or other payments earned in connection with any bonus plan to which the Executive was a participant as of the date of the Executive's termination of employment. In addition, any options or restricted stock shall be immediately vested upon termination of Executive's employment pursuant to Section 5(a)(v) or by the Corporation or without "Cause".

(d) Upon termination of the Executive's employment pursuant to Section 5(a)(iv) or (vi), in addition to the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive shall be entitled to the following severance benefits: (i) accrued and unpaid Base Salary and vacation pay through the date of termination, less withholding of applicable taxes; and (ii) continued provision, for a period of one (1) month after the date of the Executive's termination of employment, of benefits under Benefit Plans extended to the Executive at the time of termination. Executive shall have any conversion rights available under the Corporation's or Benefit Plans and as otherwise provided by law, including the Comprehensive Omnibus Budget Reconciliation Act.

(e) Any payments required to be made hereunder by the Corporation to the Executive shall continue to the Executive's beneficiaries in the event of his death until paid in full.

7. Vacations. The Executive shall be entitled to a vacation of three (3) weeks per year, during which period his salary shall be paid in full. The Executive shall take his vacation at such time or times as the Executive and the Corporation shall determine is mutually convenient. Any vacation not taken in one (1) year shall not accrue, provided that if vacation is not taken due to the Corporation's business necessities, up to three (3) weeks' vacation may carry over to the subsequent year.

8. Disclosure of Confidential Information. The Executive recognizes, acknowledges and agrees that he has had and will continue to have access to secret and confidential information regarding the Corporation, including but not limited to, its products, formulae, patents, sources of supply, customer dealings, data, know-how and business plans, provided such information is not in or does not hereafter become part of the public domain, or become known to others through no fault of the Executive. The Executive acknowledges that such information is of great value to the Corporation, is the sole property of the Corporation, and has been and will be acquired by him in confidence. In consideration of the obligations undertaken by the Corporation herein, the Executive will not, at any time, during or after his employment hereunder, reveal, divulge or make known to any person, any information acquired by the Executive during the course of his employment, which is treated as confidential by the Corporation, and not otherwise in the public domain. The provisions of this Section 8 shall survive the termination of the Executive's employment hereunder except in the event of a termination of this Agreement pursuant to Section 5(a)(v), hereof, or as detailed in the provision above. All references to the Corporation in Section 8 and Section 9 hereof shall include any subsidiary of the Corporation.

9. Covenant Not To Compete or Solicit. Upon execution of this Employment Agreement, the Executive and the Corporation shall enter into that certain Non-Competition and Confidentiality Agreement attached hereto in the form of Exhibit A.

10. Miscellaneous.

(a) The Executive acknowledges that the services to be rendered by him under the provisions of this Agreement are of a special, unique and extraordinary character and that it would be difficult or impossible to replace such services. Accordingly, the Executive agrees that any breach or threatened breach by him of Sections 8 or 9 of this Agreement shall entitle the Corporation, in addition to all other legal remedies available to it, to apply to any court of competent jurisdiction to seek to enjoin such breach or threatened breach. The parties understand and intend that each restriction agreed to by the Executive hereinabove shall be construed as separable and divisible from every other restriction, that the unenforceability of any restriction shall not limit the enforceability, in whole or in part, of any other restriction, and that one or more or all of such restrictions may be enforced in whole or in part as the circumstances warrant. In the event that any restriction in this Agreement is more restrictive than permitted by law in the jurisdiction in which the Corporation seeks enforcement thereof, such restriction shall be limited to the extent permitted by law. The remedy of injunctive relief herein set forth shall be in addition to, and not in lieu of, any other rights or remedies that the Corporation may have at law or in equity.

(b) Neither the Executive nor the Corporation may assign or delegate any of their rights or duties under this Agreement without the express written consent of the other; provided however that the Corporation shall have the right to delegate its obligation of payment of all sums due to the Executive hereunder, provided that such delegation shall not relieve the Corporation of any of its obligations hereunder.

(c) This Agreement constitutes and embodies the full and complete understanding and agreement of the parties with respect to the Executive's employment by the Corporation, supersedes all prior understandings and agreements, whether oral or written, between the Executive and the Corporation, and shall not be amended, modified or changed except by an instrument in writing executed by the party to be charged. The invalidity or partial invalidity of one or more provisions of this Agreement shall not invalidate any other provision of this Agreement. No waiver by either party of any provision or condition to be performed shall be deemed a waiver of similar or dissimilar provisions or conditions at the same time or any prior or subsequent time.

(d) This Agreement shall inure to the benefit of, be binding upon and enforceable against, the parties hereto and their respective successors, heirs, beneficiaries and permitted assigns.

(e) The headings contained in this Agreement are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

(f) All notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when personally delivered, sent by registered or certified mail, return receipt requested, postage prepaid, or by private overnight mail service (e.g. Federal Express) to the party at the address set forth above or to such other address as either party may hereafter give notice of in accordance with the provisions hereof. Notices shall be deemed given on the sooner of the date actually received or the third business day after sending.

(g) This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without reference to principles of conflicts of laws and each of the parties hereto irrevocably consents to the jurisdiction and venue of the federal and state courts located in the State of New York.

(h) This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one of the same instrument. The parties hereto have executed this Agreement as of the date set forth above.

CORPORATION:

Aspen University, Inc.

By: /s/ Michael Mathews

Title: Chief Executive Officer

EXECUTIVE:

/s/ David Garrity
Signature

EXHIBIT A

Aspen University, Inc.
NON-DISCLOSURE AGREEMENT

In consideration of employment of the Employee by the Company and payment to the Employee of salary or wages, this Agreement is made between Aspen University, Inc. , a Delaware corporation, and David M. Garrity (the "Employee"). For purposes of the Agreement, the term “Company” shall include Aspen University, Inc. and its affiliates, now or hereafter existing.

1. Confidential Information. The Employee acknowledges that, in order for him to perform his or her duties properly, the Company must necessarily entrust the Employee with certain trade secrets and confidential business information (the "Confidential Information"). The Confidential Information includes, but is not limited to: source code, object code, operational and functional features and limitations of the Company's software; the Company's research and development plans and activities; the Company's manufacturing and production plans and activities; the prices, terms and conditions of the Company's contracts with its customers; the identities, needs and requirements of the Company's customers; the Company's pricing policies and price lists; the Company's business plans and strategies; the Company's marketing plans and strategies; personnel information; and financial information regarding the Company. The Employee further acknowledges that the development or acquisition of such Confidential Information is the result of great effort and expense by the Company, that the Confidential Information is critical to the survival and success of the Company, and that the unauthorized disclosure or use of the Confidential Information would cause the Company irreparable harm.

2. Nondisclosure of Confidential Information. The Employee agrees that, during the term of his or her employment with the Company and thereafter, he or she will not disclose the Confidential Information or use it in any way, except on behalf of the Company, whether or not such Confidential Information is produced by the Employee's own efforts. The Employee further agrees, upon termination of his or her employment, promptly to deliver to the Company all Confidential Information, whether or not such Confidential Information was produced by the Employee's own efforts, and to refrain from making, retaining or distributing copies thereof.

3. Inventions and Discoveries. Any invention, discovery, development, improvement, procedure, writing, work or trade secret (collectively referred to herein as "Inventions") that relates to any phase of the business of the Company, or results from any work performed on the premises of the Company or by use of the facilities, equipment or services of other employees of the Company, whether patentable, copyrightable or not, and that is made or discovered by the Employee individually or jointly with any other person or persons during the term of the Employee's employment with the Company (including any period of time prior to the date of this Agreement), shall forthwith be disclosed to the Company and shall be the sole property of the Company. Any such Invention shall be considered a work made for hire. The Employee hereby assigns to the Company all of his or her right, title and interest to any such Invention. The Employee further agrees to maintain adequate, current written records of any Invention within the scope of the foregoing provisions in the form of notes, sketches, drawings, memoranda or other written evidence, which records shall be and remain the sole property of the Company.

4. Patents, Trademarks and Copyrights. The Employee agrees that, during the term of his or her employment with the Company and thereafter, he or she will, whenever requested to do so by the Company and at the expense of the Company, apply or join with the Company in applying for patents, trademarks, copyrights, letters patent and other means for the protection of proprietary information, both foreign and domestic, with respect to any Invention described in paragraph 4. The Employee shall execute and deliver to the Company any and all other documents and instruments that, in the opinion of the Company and its counsel, are appropriate in order to obtain said patents, trademarks, copyrights, letters patent and other means of protecting proprietary information. The Employee shall further execute and deliver all such other instruments and take all other actions that in the opinion of the Company and its counsel shall be appropriate to vest in the Company (or in such person as the Company may specify) all right, title and interest in said patents, trademarks, copyrights, letters patent and other means of protecting proprietary information, and shall cooperate and assist in any litigation commenced by the Company against third parties with respect to the same.

5. Power of Attorney. In the event the Company is unable, after reasonable effort, to secure Employee's signature on any letters patent, copyright or other analogous protection relating to an Invention, whether because of Employee's physical or mental incapacity or for any other reason whatsoever, Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as his or her agent and attorney-in-fact, to act for and in his or her behalf and stead to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution thereon with the same legal force and effect as if executed by Employee.

6. Employee Developments. Employee represents that all inventions, discoveries, developments, improvements, procedures, writings, works, trade secrets or other intellectual property rights to which Employee claims ownership as of the date of this Agreement (the "Employee Developments"), and which the parties agree are excluded from this Agreement, are listed in Exhibit A attached hereto. If no such Employee Developments are listed in Exhibit A, Employee represents that there are no such Employee Developments at the time of signing this Agreement.

7. Restrictions on Competition. The Employee agrees that, during the term of his or her employment with the Company and for a period of one (1) year after termination for any reason of Employee's employment, he or she will not, directly or indirectly, render services to, work for or on behalf of, have an interest in, make any loan to, or assist in any manner any business that is competitive with that in which the Company was engaged or planned to engage on the date of the Employee's termination from the Company. The foregoing shall not prevent the Employee from owning up to one percent (1%) of the outstanding securities of a publicly held corporation that may compete with the Company. The Employee agrees that, during the term of his or her employment with the Company and for a period of one (1) year after termination for any reason of Employee's employment, he or she will not, directly or indirectly, solicit or accept work from any individual or entity that was a customer of the Employer during the Employee's employment with the Company.

8. Notice of Subsequent Employment. Employee shall, for a period of one (1) year after the termination of employment with the Company, notify the Company of any change of address, and of any subsequent employment (stating the name and address of the employer and the title and duties of the position) or other business activity. The Employee further agrees that the Company may, following termination of the Employee's employment for a period of one (1) year, communicate with the Employee's new employer for the purpose of informing the new employer of the existence of this Agreement and providing the new employer with a copy of this Agreement.

9. Enticement. For a period of one (1) year after the termination of employment with the Company, Employee will not hire or attempt to hire any employee of the Company, or assist in such hiring by anyone else, to work as an employee or independent contractor with any business that is competitive with that in which the Company was engaged or planned to engage on the date of the Employee's termination from the Company.

10. Return of Company Property. The Employee agrees, upon termination of his or her employment, promptly to deliver to the Company all files, keys, building passes, credit cards, books, documents, computer disks or tapes, and other property prepared by or on behalf of the Company or purchased with Company funds, and to refrain from making, retaining or distributing copies thereof. To the extent that Employee has any data belonging to the Company on any non-removable magnetic media owned by Employee (for example, a computer's hard disk drive), Employee agrees that immediately upon termination he or she will provide the Company with a copy of the data and then purge his or her computer of the data.

11. Specific Performance. The Employee acknowledges that a breach of this Agreement by the Employee will cause irreparable injury to the Company, that the Company's remedies at law will be inadequate in case of any such breach, and that the Company will be entitled to preliminary injunctive relief and other injunctive relief in case of any such breach.

12. Compliance with Other Agreements. The Employee represents and warrants to the Company that the execution of this Agreement by him, his or her performance of his or her obligations hereunder, and his or her employment by the Company will not, with or without the giving of notice or the passage of time, conflict with, result in the breach or termination of, or constitute default under, any agreement to which the Employee is a party or by which the Employee is or may be bound.

13. Waivers. The waiver by the Company or the Employee of any action, right or condition in this Agreement, or of any breach of a provision of this Agreement, shall not constitute a waiver of any other occurrences of the same event. Further, any subsequent change or changes in Employee's duties, salary, compensation, or employment status will not affect the validity or enforceability of this Agreement.

14. Survival; Binding Effect. This Agreement shall survive the termination of the Employee's employment with the Company regardless of the manner of such termination, and shall be binding upon the Employee and his or her heirs, executors and administrators.

15. Assignability by Company. This Agreement is assignable by the Company and inures to the benefit of the Company, its subsidiaries, affiliated corporations, successors and assignees. This Agreement, being personal, is not assignable by the Employee.

16. Headings; Gender References. The section headings in this Agreement are for reference purposes only and shall not be deemed to be a part of this Agreement or to affect the meaning or interpretation of this Agreement. Wherever used herein, the masculine pronoun shall, as appropriate, be construed to include the feminine.

17. Severability. The covenants of this Agreement are intended to be separable, and the expressions used therein are intended to refer to divisible entities. Accordingly, the invalidity of all or any part of any paragraph of this Agreement shall not render invalid the remainder of this Agreement or of such paragraph. If, in any judicial proceeding, any provision of this Agreement is found to be so broad as to be unenforceable, it is hereby agreed that such provision shall be interpreted to be only so broad as to be enforceable.

18. Governing Law. This Agreement shall be deemed to have been made in New York and shall be governed by and construed in accordance with the substantive law of New York, excluding, however, such laws as pertain to conflicts of law.

19. Consent to Jurisdiction. Employee hereby consents and submits to the jurisdiction of the state and federal courts in the state in which the Company's principal place of business is located at the time of termination of Employee's employment.

20. Attorney's Fees. Employee agrees that in the event that the Employer brings suit to enforce any term of this Agreement, the Employee shall be liable for the Employer's reasonable attorney's fees and costs with respect to any claim or counterclaim as to which the Employer is the prevailing party.

21. Entire Agreement; Amendments. This Agreement constitutes the entire understanding of the parties with respect to its subject matter, supersedes any prior communication or understanding with respect thereto, and no modification or waiver of any provision hereof shall be valid unless made in writing and signed by the parties.

22. Understanding of Agreement. THE EMPLOYEE STATES THAT HE OR SHE HAS HAD A REASONABLE PERIOD SUFFICIENT TO STUDY, UNDERSTAND AND CONSIDER THIS AGREEMENT, THAT HE OR SHE HAS HAD AN OPPORTUNITY TO CONSULT WITH COUNSEL OF HIS OR HER CHOICE, THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ALL OF ITS TERMS, THAT HE OR SHE IS ENTERING INTO AND SIGNING THIS AGREEMENT KNOWINGLY AND VOLUNTARILY, AND THAT IN DOING SO HE OR SHE IS NOT RELYING UPON ANY STATEMENTS OR REPRESENTATIONS BY THE COMPANY OR ITS AGENTS.

IN WITNESS WHEREOF, the parties have duly executed this Agreement under seal as of the 9th day of June, 2011.

Aspen University, Inc.

By: /s/ Michael Mathews	/s/ David Garrity
Michael D. Mathews,	David M. Garrity,
CEO	CFO

EXHIBIT A

List of Employee Developments (if applicable)

EXHIBIT 10.3

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is made and entered into as of this 19th day of May, 2011, by and between Aspen University Inc., a Delaware corporation with offices at 720 S. Colorado Blvd., Suite 1150N, Denver, Colorado 80246 (the "Corporation"), and Brad Powers, an individual residing at 535 W 23rd St., Apt. S7C, New York, NY 10011 (the "Executive"), under the following circumstances:

RECITALS:

A. The Corporation desires to secure the services of the Executive upon the terms and conditions hereinafter set forth; and

NOW, THEREFORE, the parties mutually agree as follows:

1. Employment. The Corporation hereby employs the Executive and the Executive hereby accepts employment as an executive of the Corporation, subject to the terms and conditions set forth in this Agreement.

2. Duties. The Executive shall serve as the Chief Marketing Officer, with such duties, responsibilities and authority as are commensurate and consistent with his position, as may be, from time to time, assigned to him by the Chief Executive Officer of the Corporation. The Executive shall report directly to the Chief Executive Officer of the Corporation. During the Term (as defined in Section 3), the Executive shall devote his full business time and efforts to the performance of his duties hereunder unless otherwise authorized by the Chief Executive Officer of the Corporation. Notwithstanding the foregoing, the expenditure of reasonable amounts of time by the Executive for the making of passive personal investments, the conduct of private business affairs, charitable and professional activities such as holding non-executive Director-level position(s) with other firms shall be allowed, provided such activities do not materially interfere with the services required to be rendered to the Corporation hereunder and do not violate the restrictive covenants set forth in Section 9 below.

3. Term of Employment. The term of the Executive's employment hereunder, unless sooner terminated as provided herein (the "Initial Term"), shall be for a period of four (4) years commencing on July 5, 2011 (the "Commencement Date"). The term of this Agreement shall automatically be extended for additional terms of one (1) year each (each a "Renewal Term") unless either party gives prior written notice of non-renewal to the other party no later than sixty (60) days prior to the expiration of the Initial Term ("Non-Renewal Notice"), or the then current Renewal Term, as the case may be. For purposes of this Agreement, the Initial Term and any Renewal Term are hereinafter collectively referred to as the "Term."

4. Compensation of Executive.

(a) The Corporation shall pay the Executive as compensation for his services hereunder, in equal semi-monthly or bi-weekly installments during the Term, the sum of $250,000 per annum (the "Base Salary"), less such deductions as shall be required to be withheld by applicable law and regulations. The Corporation shall review the Base Salary on an annual basis and agrees to increase it by at least 10% per annum, but has no right to decrease the Base Salary.

(b) In addition to the Base Salary set forth in Section 4(a) above, the Executive shall be entitled to receive an annual bonus in an amount equal to one hundred percent (100%) of his then-current Base Salary (to be paid 50% in cash, and 50% in restricted stock) based upon the achievement of performance targets with respect to the Company's business to be mutually agreed upon by the Executive and a majority of the Board of Directors of the Corporation (the "Board") (the "Bonus Target"); *provided, however*, that in the event that the business's performance for any fiscal year is greater than seventy-five percent (75%) but less than one hundred percent (100%) of the applicable Bonus Target, the Executive shall be entitled to the percentage of the annual bonus determined by linear interpolation; *provided further, however*, that in the event the parties are unable to agree to a mutually acceptable Bonus Target at any time during the Term, the Executive shall receive a guaranteed annual bonus for any such fiscal year of not less than fifteen percent (15%) of the Base Salary. In his sole discretion, the Executive may elect to receive the entirety of such annual bonus in restricted stock at the basis determined by the Board in good faith.

(c) The Corporation shall advance or reimburse the Executive for all reasonable out-of-pocket expenses actually incurred or paid by the Executive in the course of his employment, consistent with the Corporation's policy for reimbursement of expenses from time to time.

(d) The Executive shall be entitled to participate in such pension, profit sharing, group insurance, hospitalization, and group health and benefit plans and all other benefits and plans, including perquisites, if any, as the Corporation provides to its senior executives (the "Benefit Plans").

(e) The Corporation shall execute and deliver in favor of the Executive an indemnification agreement on the same terms and conditions entered into with the other officers and directors of the Corporation. Such agreement shall provide for the indemnification of the Executive for the term of his employment and for a period of at least six (6) years thereafter. The Corporation shall maintain directors' and officers' insurance during the Term and for a period of at least six (6) years thereafter.

5. Termination.

(a) This Agreement and the Executive's employment hereunder shall terminate upon the happening of any of the following events:

(i) upon the Executive's death;

(ii) upon the Executive's "Total Disability" (as herein defined);

(iii) upon the expiration of the Initial Term of this Agreement or any Renewal Term thereof, if either party has provided a timely notice of non-renewal in accordance with Section 3, above;

(iv) at the Executive's option, upon ninety (90) days prior written notice to the Corporation;

(v) at the Executive's option, in the event of an act by the Corporation, defined in Section 5(c), below, as constituting "Good Reason" for termination by the Executive; and

(vi) at the Corporation's option, in the event of an act by the Executive, defined in Section 5(d), below, as constituting "Cause" for termination by the Corporation.

(b) For purposes of this Agreement, the Executive shall be deemed to be suffering from a "Total Disability" if the Executive is (i) unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death, or last for a continuous period of not less than 12 months; (ii) by reason of any medically determinable physical or mental impairment that can be expected to result in death, or last for continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company; or (iii) determined to be totally disabled by the Social Security Administration. Any question as to the existence of a disability shall be determined by the written opinion of the Executive's regularly attending physician (or his guardian) (or the Social Security Administration, where applicable).

(c) For purposes of this Agreement, the term "Good Reason" shall mean that the Executive has resigned due to (i) any material diminution in Executive's authority, duties or responsibilities (unless the Executive has agreed to such diminution); (ii) a material change in the chain of reporting referenced in Section 2 (unless the Executive has agreed to such change); (iii) any material diminution in the Executive's Base Salary (unless the Executive has agreed to such diminution); (iv) any material change in the geographic location at which the Executive must perform services to a location outside of New York City Metro Area without the Executive's prior written consent; (or (v) any material violation by the Corporation of its obligations under this Agreement. Prior to the Executive terminating his employment with the Corporation for Good Reason, the Executive must provide written notice to the Corporation, within 90 days following the initial existence of such condition, that such Good Reason exists and setting forth in detail the grounds the Executive believes constitutes Good Reason. If the Corporation does not cure the conditions constituting Good Reason within sixty (60) days after receipt of written notice thereof from the Executive, then Executive's employment shall be deemed terminated for Good Reason.

(d) For purposes of this Agreement, the term "Cause" shall mean any material breach of this Agreement or material, gross and willful misconduct on the part of the Executive in connection with his employment duties hereunder, in all cases that is not cured within fourteen (14) days after receipt of notice thereof (to the extent such breach is capable of being cured), or the Executive's conviction of or entering of a guilty plea or a plea of no contest with respect to a felony or any crime involving fraud, larceny or embezzlement resulting in material harm to the Corporation by the Executive.

6. Effects of Termination.

(a) Upon termination of the Executive's employment pursuant to Section 5(a)(i) or (ii), in addition to the accrued but unpaid compensation and vacation pay through the date of death or Total Disability and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive or his estate or beneficiaries, as applicable, shall be entitled to the following severance benefits: (i) six (6) months' Base Salary at the then current rate, payable in a lump sum, less withholding of applicable taxes; (ii) continued provision for a period of twelve (12) months following the Executive's death of benefits under Benefit Plans extended from time to time by the Corporation to its senior executives; and (iii) payment on a pro-rated basis of any bonus or other payments earned in connection with any bonus plan to which the Executive was a participant as of the date of death or Total Disability.

(b) Upon termination of the Executive's employment pursuant to Section 5(a)(iii), where the Corporation has offered to renew the term of the Executive's employment for an additional one (1) year period and the Executive chooses not to continue in the employ of the Corporation, the Executive shall be entitled to receive only the accrued but unpaid compensation and vacation pay through the date of termination and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date. In the event the Corporation tenders a Non-Renewal Notice to the Executive, then the Executive shall be entitled to the same severance benefits as if the Executive's employment were terminated pursuant to Section 5(a)(v); provided, however, if such Non-Renewal Notice was triggered due to the Corporation's statement that the Executive's employment was terminated due to Section 5(a)(vi) (for "Cause"), then payment of severance benefits will be contingent upon a determination as to whether termination was properly for "Cause."

(c) Upon termination of the Executive's employment pursuant to Section 5(a)(v) or other than pursuant to Section 5(a)(i), 5(a)(ii), 5(a)(iii), 5(a)(iv), or 5(a)(vi) (i.e., without "Cause"), in addition to the accrued but unpaid compensation and vacation pay through the date of termination and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive shall be entitled to the following severance benefits: (i) (12) months' Base Salary at the then current rate, to be paid in equal semi-monthly or bi-weekly installments, less withholding of all applicable taxes, at such times he would have received them if there was no termination; (ii) continued provision for a period of twelve (12) months after the date of termination of the benefits under Benefit Plans extended from time to time by the Corporation to its senior executives; and (iii) payment on a pro-rated basis of any bonus or other payments earned in connection with any bonus plan to which the Executive was a participant as of the date of the Executive's termination of employment. In addition, any options or restricted stock shall be immediately vested upon termination of Executive's employment pursuant to Section 5(a)(v) or by the Corporation or without "Cause".

(d) Upon termination of the Executive's employment pursuant to Section 5(a)(iv) or (vi), in addition to the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive shall be entitled to the following severance benefits: accrued and unpaid Base Salary and vacation pay through the date of termination, less withholding of applicable taxes. Executive shall have any conversion rights available under the Corporation's or Benefit Plans and as otherwise provided by law, including the Comprehensive Omnibus Budget Reconciliation Act.

(e) Any payments required to be made hereunder by the Corporation to the Executive shall continue to the Executive's beneficiaries in the event of his death until paid in full.

7. Vacations. The Executive shall be entitled to a vacation of three (3) weeks per year, during which period his salary shall be paid in full. The Executive shall take his vacation at such time or times as the Executive and the Corporation shall determine is mutually convenient. Any vacation not taken in one (1) year shall not accrue, provided that if vacation is not taken due to the Corporation's business necessities, up to three (3) weeks' vacation may carry over to the subsequent year.

8. Covenant Not To Disclose, Compete or Solicit. Upon execution of this Employment Agreement, the Executive and the Corporation shall enter into that certain Non-Disclosure, Non-Competition and Non-Solicitation Agreement attached hereto in the form of Exhibit A.

9. Miscellaneous.

(a) The Executive acknowledges that the services to be rendered by him under the provisions of this Agreement are of a special, unique and extraordinary character and that it would be difficult or impossible to replace such services. Accordingly, the Executive agrees that any breach or threatened breach by him of Sections 8 or 9 of this Agreement shall entitle the Corporation, in addition to all other legal remedies available to it, to apply to any court of competent jurisdiction to seek to enjoin such breach or threatened breach. The parties understand and intend that each restriction agreed to by the Executive hereinabove shall be construed as separable and divisible from every other restriction, that the unenforceability of any restriction shall not limit the enforceability, in whole or in part, of any other restriction, and that one or more or all of such restrictions may be enforced in whole or in part as the circumstances warrant. In the event that any restriction in this Agreement is more restrictive than permitted by law in the jurisdiction in which the Corporation seeks enforcement thereof, such restriction shall be limited to the extent permitted by law. The remedy of injunctive relief herein set forth shall be in addition to, and not in lieu of, any other rights or remedies that the Corporation may have at law or in equity.

(b) Neither the Executive nor the Corporation may assign or delegate any of their rights or duties under this Agreement without the express written consent of the other; provided however that the Corporation shall have the right to delegate its obligation of payment of all sums due to the Executive hereunder, provided that such delegation shall not relieve the Corporation of any of its obligations hereunder.

(c) This Agreement constitutes and embodies the full and complete understanding and agreement of the parties with respect to the Executive's employment by the Corporation, supersedes all prior understandings and agreements, whether oral or written, between the Executive and the Corporation, and shall not be amended, modified or changed except by an instrument in writing executed by the party to be charged. The invalidity or partial invalidity of one or more provisions of this Agreement shall not invalidate any other provision of this Agreement. No waiver by either party of any provision or condition to be performed shall be deemed a waiver of similar or dissimilar provisions or conditions at the same time or any prior or subsequent time.

(d) This Agreement shall inure to the benefit of, be binding upon and enforceable against, the parties hereto and their respective successors, heirs, beneficiaries and permitted assigns.

(e) The headings contained in this Agreement are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

(f) All notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when personally delivered, sent by registered or certified mail, return receipt requested, postage prepaid, or by private overnight mail service (e.g. Federal Express) to the party at the address set forth above or to such other address as either party may hereafter give notice of in accordance with the provisions hereof. Notices shall be deemed given on the sooner of the date actually received or the third business day after sending.

(g) This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without reference to principles of conflicts of laws and each of the parties hereto irrevocably consents to the jurisdiction and venue of the federal and state courts located in the State of New York.

(h) This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one of the same instrument. The parties hereto have executed this Agreement as of the date set forth above.

10. Change of Control. Upon a Change of Control (as hereinafter defined), the Executive shall receive an amount equal to the same severance benefits as if the Executive's employment were terminated pursuant to Section 5(a)(v). The Executive (or his estate) shall receive the payments provided herein at such times he would have received them if there was no Change of Control. Notwithstanding anything contained herein to the contrary, in the event a Change of Control occurs prior to the termination of this Agreement pursuant to Section 5, the Executive shall not be entitled to the severance payments referenced in Section 5. For purposes of this Agreement "Change of Control" means the occurrence of any of the following events:

(a) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the "Exchange Act") becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing 50% or more of the total voting power of the Corporation's then outstanding voting securities or 50% or more of the fair market value of the Corporation;

(b) Within a twelve month period, any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing 30% or more of the total voting power of the Corporation's then outstanding voting securities;

(c) Within a twelve month period, less than a majority of the directors are Incumbent Directors. "Incumbent Directors" will mean directors who either (A) are directors of the Corporation as of the date hereof, or (B) are elected, or nominated for election, to the Board with the affirmative votes of a majority of the Incumbent Directors at the time of such election or nomination. Notwithstanding the preceding, in no event shall a change in the Board following the SEC Reporting Date, which results from the exercise by Michael Mathews of his rights to elect the Board, constitute a Change of Control; or

(d) The Corporation has sold all or substantially all of its assets to another person or entity that is not a majority-owned subsidiary of the Corporation.

Notwithstanding the preceding, the above-listed events must satisfy the requirements of Treasury Regulation Section 1.409A-3(i)(5) in order to be deemed a Change of Control.

11. Sarbanes-Oxley Act of 2002.

(a) In the event the Executive or the Corporation is the subject of an investigation (whether criminal, civil, or administrative) involving possible violations of the United States federal securities laws by the Executive, the Compensation Committee or the Board may, in its sole discretion, direct the Corporation to withhold any and all payments to the Executive (whether compensation or otherwise) which would have otherwise been made pursuant to this Agreement or otherwise would have been paid or payable by the Corporation, which the Compensation Committee or the Board believes, in its sole discretion, may or could be considered an "extraordinary payment" and therefore at risk and potentially subject to, the provisions of Section 1103 of the Sarbanes-Oxley Act of 2002 ("SOX") (including, but not limited to, any severance payments made to the Executive upon termination of employment). The withholding of any payment shall be until such time as the investigation is concluded, without charges having been brought or until the successful conclusion of any legal proceedings brought in connection with such amounts as directed by the Compensation Committee or the Board to be withheld with or without the accruing of interest (and if with interest the rate thereof). Except by an admission of wrongdoing or the final adjudication by a court or administrative agency finding the Executive liable for or guilty of violating any of the federal securities laws, rules or regulations, the Compensation Committee or the Board shall pay to the Executive such compensation or other payments. Notwithstanding the exclusion caused by the first clause of the prior sentence, the Executive shall receive such payments if provided for by a court or other administrative order.

(b) In the event that the Corporation restates any financial statements which have been contained in reports or registration statements filed with the SEC, and the restatement of the prior financial statements is as the result of material noncompliance with any financial reporting requirement under the securities laws, the Executive hereby acknowledges that the Corporation shall recover from the Executive (i) incentive based compensation (including stock options) awarded during the three year period preceding the date on which the Corporation is required to prepare the restatement (ii) in excess of what would have been paid the Executive under the restatement. Any rules passed by the Securities and Exchange Commission under Section 10D of the Securities Exchange Act of 1934 (added by Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act) shall be incorporated in this Agreement to the extent applicable. The Executive agrees to reimburse the Corporation for any bonuses received and/or profits realized from the sale of the Corporation's securities (including the cash received from exercise of any options (or other awards of stock rights) during the 12-month period following the first public issuance or filing with the SEC of the report or registration statement (whichever comes first) containing the financial information required to be restated. Provided, however, this Section shall not impose any liability on the Executive beyond any liability that is imposed under Section 304 of SOX.

(c) Notwithstanding the last sentence of Section 10(b), if the Corporation's common stock is listed on a national securities exchange and such exchange adopts rules requiring clawbacks beyond what Section 304 of SOX requires, such rules shall be incorporated in this Agreement to the extent applicable and the Executive shall comply with such rules, including but not limited to executing any amendment to this Agreement.

12. Section 409A.

(a) Notwithstanding anything to the contrary contained in this Agreement, if at the time of the Executive's separation from service within the meaning of Section 409A of the Code, the Corporation determines that the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of the Executive's separation from service would be considered deferred compensation subject to the 20% additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (i) six months and one day after the Executive's separation from service, or (ii) the Executive's death (the "Six Month Delay Rule").

(b) For purposes of this Section 12, amounts payable under the Agreement should not be considered a deferral of compensation subject to Section 409A to the extent provided in Treasury Regulation Section 1.409A-1(b)(4) (i.e., short-term deferrals), Treasury Regulation Section 1.409A-1(b)(9) (i.e., separation pay plans, including the exception under subparagraph (iii)), and other applicable provisions of Treasury Regulations Sections 1.409A-1 through A-6.

(c) To the extent that the Six Month Delay Rule applies to payments otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of the Six Month Delay Rule, and the balance of the installments shall be payable in accordance with their original schedule.

(d) To the extent that the Six Month Delay Rule applies to the provision of benefits (including, but not limited to, life insurance and medical insurance), such benefit coverage shall nonetheless be provided to the Executive during the first six months following his separation from service (the "Six Month Period"), provided that, during such Six-Month Period, the Executive pays to the Corporation, on a monthly basis in advance, an amount equal to the Monthly Cost (as defined below) of such benefit coverage. The Corporation shall reimburse the Executive for any such payments made by the Executive in a lump sum not later than 30 days following the sixth month anniversary of the Executive's separation from service. For purposes of this subparagraph, "Monthly Cost" means the minimum dollar amount which, if paid by the Executive on a monthly basis in advance, results in the Executive not being required to recognize any federal income tax on receipt of the benefit coverage during the Six Month Period.

(e) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

(f) The Corporation makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

[Signature Page to Follow]

CORPORATION:

Aspen University Inc.

By: /s/ Patrick Spada
Patrick Spada, Chairman

EXECUTIVE:

/s/ Brad Powers
Brad Powers

EXHIBIT A

(Company Name)
NON-DISCLOSURE, NON-COMPETITION AND NON-SOLICITATION AGREEMENT

In consideration of employment of the Employee by the Company and payment to the Employee of salary or wages, this Agreement is made between Aspen University Inc., a Delaware corporation, and Brad Powers (the "Employee"). For purposes of the Agreement, the term “Company” shall include Aspen University Inc. and its affiliates, now or hereafter existing.

WHEREAS, to induce the Company to hire the Employee as an employee of the Company, the Employee agrees to the covenants of non-disclosure, non-competition, and non-solicitation, as more particularly described herein.

NOW, THEREFORE, in consideration of the hiring by the Company of the Employee as an employee of the Company, the Employee hereby agrees as follows:

1. Confidential Information. The Employee acknowledges that, in order for him to perform his or her duties properly, the Company must necessarily entrust the Employee with certain trade secrets and confidential business information (the "Confidential Information"). The Confidential Information includes, but is not limited to: source code, object code, operational and functional features and limitations of the Company's software; the Company's research and development plans and activities; the Company's manufacturing and production plans and activities; the prices, terms and conditions of the Company's contracts with its customers; the identities, needs and requirements of the Company's customers; the Company's pricing policies and price lists; the Company's business plans and strategies; the Company's marketing plans and strategies; personnel information; and financial information regarding the Company. The Employee further acknowledges that the development or acquisition of such Confidential Information is the result of great effort and expense by the Company, that the Confidential Information is critical to the survival and success of the Company, and that the unauthorized disclosure or use of the Confidential Information would cause the Company irreparable harm.

2. Nondisclosure of Confidential Information. The Employee agrees that, during the term of his or her employment with the Company and thereafter, he or she will not disclose the Confidential Information or use it in any way, except on behalf of the Company, whether or not such Confidential Information is produced by the Employee's own efforts. The Employee further agrees, upon termination of his or her employment, promptly to deliver to the Company all Confidential Information, whether or not such Confidential Information was produced by the Employee's own efforts, and to refrain from making, retaining or distributing copies thereof.

3. Inventions and Discoveries. Any invention, discovery, development, improvement, procedure, writing, work or trade secret (collectively referred to herein as "Inventions") that relates to any phase of the business of the Company, or results from any work performed on the premises of the Company or by use of the facilities, equipment or services of other employees of the Company, whether patentable, copyrightable or not, and that is made or discovered by the Employee individually or jointly with any other person or persons during the term of the Employee's employment with the Company (including any period of time prior to the date of this Agreement), shall forthwith be disclosed to the Company and shall be the sole property of the Company. Any such Invention shall be considered a work made for hire. The Employee hereby assigns to the Company all of his or her right, title and interest to any such Invention. The Employee further agrees to maintain adequate, current written records of any Invention within the scope of the foregoing provisions in the form of notes, sketches, drawings, memoranda or other written evidence, which records shall be and remain the sole property of the Company.

4. Patents, Trademarks and Copyrights. The Employee agrees that, during the term of his or her employment with the Company and thereafter, he or she will, whenever requested to do so by the Company and at the expense of the Company, apply or join with the Company in applying for patents, trademarks, copyrights, letters patent and other means for the protection of proprietary information, both foreign and domestic, with respect to any Invention described in paragraph 4. The Employee shall execute and deliver to the Company any and all other documents and instruments that, in the opinion of the Company and its counsel, are appropriate in order to obtain said patents, trademarks, copyrights, letters patent and other means of protecting proprietary information. The Employee shall further execute and deliver all such other instruments and take all other actions that in the opinion of the Company and its counsel shall be appropriate to vest in the Company (or in such person as the Company may specify) all right, title and interest in said patents, trademarks, copyrights, letters patent and other means of protecting proprietary information, and shall cooperate and assist in any litigation commenced by the Company against third parties with respect to the same.

5. Power of Attorney. In the event the Company is unable, after reasonable effort, to secure Employee's signature on any letters patent, copyright or other analogous protection relating to an Invention, whether because of Employee's physical or mental incapacity or for any other reason whatsoever, Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as his or her agent and attorney-in-fact, to act for and in his or her behalf and stead to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution thereon with the same legal force and effect as if executed by Employee.

6. Employee Developments. Employee represents that all inventions, discoveries, developments, improvements, procedures, writings, works, trade secrets or other intellectual property rights to which Employee claims ownership as of the date of this Agreement (the "Employee Developments"), and which the parties agree are excluded from this Agreement, are listed in Exhibit A attached hereto. If no such Employee Developments are listed in Exhibit A, Employee represents that there are no such Employee Developments at the time of signing this Agreement.

7. Restrictions on Competition. The Employee agrees that, during the term of his or her employment with the Company and for a period of one year after termination for any reason of Employee's employment, he or she will not, directly or indirectly, render services to, work for or on behalf of, have an interest in, make any loan to, or assist in any manner any business that is competitive with that in which the Company was engaged or planned to engage on the date of the Employee's termination from the Company. The foregoing shall not prevent the Employee from owning up to one percent (1%) of the outstanding securities of a publicly held corporation that may compete with the Company.

8. Notice of Subsequent Employment. Employee shall, for a period of one year after the termination of employment with the Company, notify the Company of any change of address, and of any subsequent employment (stating the name and address of the employer and the title and duties of the position) or other business activity. The Employee further agrees that the Company may, following termination of the Employee's employment for a period of one year, communicate with the Employee's new employer for the purpose of informing the new employer of the existence of this Agreement and providing the new employer with a copy of this Agreement.

9. Enticement. For a period of one year after the termination of employment with the Company, Employee will not hire or attempt to hire any employee of the Company, or assist in such hiring by anyone else, to work as an employee or independent contractor with any business that is competitive with that in which the Company was engaged or planned to engage on the date of the Employee's termination from the Company.

10. Return of Company Property. The Employee agrees, upon termination of his or her employment, promptly to deliver to the Company all files, keys, building passes, credit cards, books, documents, computer disks or tapes, and other property prepared by or on behalf of the Company or purchased with Company funds, and to refrain from making, retaining or distributing copies thereof. To the extent that Employee has any data belonging to the Company on any non-removable magnetic media owned by Employee (for example, a computer's hard disk drive), Employee agrees that immediately upon termination he or she will provide the Company with a copy of the data and then purge his or her computer of the data.

11. Specific Performance. The Employee acknowledges that a breach of this Agreement by the Employee will cause irreparable injury to the Company, that the Company's remedies at law will be inadequate in case of any such breach, and that the Company will be entitled to preliminary injunctive relief and other injunctive relief in case of any such breach.

12. Compliance with Other Agreements. The Employee represents and warrants to the Company that the execution of this Agreement by him, his or her performance of his or her obligations hereunder, and his or her employment by the Company will not, with or without the giving of notice or the passage of time, conflict with, result in the breach or termination of, or constitute default under, any agreement to which the Employee is a party or by which the Employee is or may be bound.

13. Waivers. The waiver by the Company or the Employee of any action, right or condition in this Agreement, or of any breach of a provision of this Agreement, shall not constitute a waiver of any other occurrences of the same event. Further, any subsequent change or changes in Employee’s duties, salary, compensation, or employment status will not affect the validity or enforceability of this Agreement.

14. Survival; Binding Effect. This Agreement shall survive the termination of the Employment Agreement regardless of the manner of such termination, and shall be binding upon the Employee and his or her heirs, executors and administrators.

15. Assignability by Company. This Agreement is assignable by the Company and inures to the benefit of the Company, its subsidiaries, affiliated corporations, successors and assignees. This Agreement, being personal, is not assignable by the Employee.

16. Headings; Gender References. The section headings in this Agreement are for reference purposes only and shall not be deemed to be a part of this Agreement or to affect the meaning or interpretation of this Agreement. Wherever used herein, the masculine pronoun shall, as appropriate, be construed to include the feminine.

17. Severability. The covenants of this Agreement are intended to be separable, and the expressions used therein are intended to refer to divisible entities. Accordingly, the invalidity of all or any part of any paragraph of this Agreement shall not render invalid the remainder of this Agreement or of such paragraph. If, in any judicial proceeding, any provision of this Agreement is found to be so broad as to be unenforceable, it is hereby agreed that such provision shall be interpreted to be only so broad as to be enforceable.

18. Governing Law. This Agreement shall be deemed to have been made in New York and shall be governed by and construed in accordance with the substantive law of New York, excluding, however, such laws as pertain to conflicts of law.

19. Consent to Jurisdiction. Employee hereby consents and submits to the jurisdiction of the state and federal courts in the state of New York.

20. Attorney's Fees. Employee agrees that in the event that the Employer brings suit to enforce any term of this Agreement, the Employee shall be liable for the Employer's reasonable attorney's fees and costs with respect to any claim or counterclaim as to which the Employer is the prevailing party.

21. Entire Agreement; Amendments. This Agreement constitutes the entire understanding of the parties with respect to its subject matter, supersedes any prior communication or understanding with respect thereto, and no modification or waiver of any provision hereof shall be valid unless made in writing and signed by the parties.

22. Understanding of Agreement. THE EMPLOYEE STATES THAT HE OR SHE HAS HAD A REASONABLE PERIOD SUFFICIENT TO STUDY, UNDERSTAND AND CONSIDER THIS AGREEMENT, THAT HE OR SHE HAS HAD AN OPPORTUNITY TO CONSULT WITH COUNSEL OF HIS OR HER CHOICE, THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ALL OF ITS TERMS, THAT HE OR SHE IS ENTERING INTO AND SIGNING THIS AGREEMENT KNOWINGLY AND VOLUNTARILY, AND THAT IN DOING SO HE OR SHE IS NOT RELYING UPON ANY STATEMENTS OR REPRESENTATIONS BY THE COMPANY OR ITS AGENTS.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties have duly executed this Agreement under seal as of the 19th day of May, 2011.

COMPANY:	EMPLOYEE:
Aspen University Inc.	
By:/s/ Patrick Spada	/s/ Brad Powers
Patrick Spada, Chairman	Brad Powers

EXHIBIT A

List of Employee Developments (if applicable)

EXHIBIT 10.4

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is made and entered into as of this 1st day of January, 2012, by and between Aspen University, Inc., a Delaware corporation with offices at 224 West 30th Street, Suite 604, New York, NY 10001 (the "Corporation"), and Angela M. Siegel, an individual residing at 8234 E. Vernon Ave., Scottsdale, AZ 85257 (the "Executive"), under the following circumstances:

RECITALS:

A. The Corporation desires to secure the services of the Executive upon the terms and conditions hereinafter set forth; and

NOW, THEREFORE, the parties mutually agree as follows:

1. Employment. The Corporation hereby employs the Executive and the Executive hereby accepts employment as an executive of the Corporation, subject to the terms and conditions set forth in this Agreement.

2. Duties. The Executive shall serve as the Executive VP, Marketing, with responsibilities as may be, from time to time, assigned to her by the Chief Executive Officer (the "CEO") of the Corporation. The Executive shall report directly to the CEO of the Corporation. During the Term (as defined in Section 3), the Executive shall devote her full business time and efforts to the performance of her duties hereunder unless otherwise authorized by the CEO. Notwithstanding the foregoing, the expenditure of reasonable amounts of time by the Executive for the making of passive personal investments, the conduct of private business affairs, charitable and professional activities shall be allowed, provided such activities do not materially interfere with the services required to be rendered to the Corporation hereunder and do not violate the restrictive covenants referenced in Section 9 below.

3. Term of Employment. The term of the Executive's employment hereunder, unless sooner terminated as provided herein (the "Initial Term"), shall be for a period of five (5) years commencing on the date hereof (the "Commencement Date"). The term of this Agreement shall automatically be extended for additional terms of one (1) year each (each a "Renewal Term") unless either party gives prior written notice of non-renewal to the other party no later than sixty (60) days prior to the expiration of the Initial Term ("Non-Renewal Notice"), or the then current Renewal Term, as the case may be. For purposes of this Agreement, the Initial Term and any Renewal Term are hereinafter collectively referred to as the "Term."

4. Compensation of Executive.

(a) The Corporation shall pay the Executive as compensation for his services hereunder, in equal semi-monthly or bi-weekly installments during the Term, the sum of $150,000 per annum (the "Base Salary"), less such deductions as shall be required to be withheld by applicable law and regulations.

(b) In addition to the Base Salary set forth in Section 4(a) above, the Executive shall be entitled to receive an annual bonus in an amount equal to fifty percent (50%) of his then-current Base Salary based upon the achievement of performance targets with respect to the Company's business to be mutually agreed upon by the Executive and the CEO (the "Bonus Target"). The initial Bonus Target shall be determined by July 1, 2012 and shall be determined on or before July 1 of each year thereafter. In her sole discretion, the Executive may elect to receive all or any part of such annual bonus in cash or restricted stock at the value determined by the Board in good faith.

(c) The Corporation shall pay or reimburse the Executive for all reasonable out-of-pocket expenses actually incurred or paid by the Executive in the course of his employment, consistent with the Corporation's policy for reimbursement of expenses from time to time, provided that such reimbursement shall be made within 15 days following delivery of supporting documentation.

(d) The Executive shall be entitled to participate in such pension, profit sharing, group insurance, hospitalization, and group health and benefit plans and all other benefits and plans, including perquisites, if any, as the Corporation provides to its senior executives (the "Benefit Plans").

(e) In addition to the Base Salary and the bonus compensation, the Executive shall receive options to purchase 150,000 shares of the Corporation's Common Stock. The option agreement with respect to such options shall provide for such options to vest twenty five percent (25%) on each anniversary of the date hereof and shall permit the Executive at least twelve (12) months after the Executive's death or Total Disability (as defined in Section 5(a)(ii)) and at least three (3) months after the Executive's termination of employment for any other reason to exercise such vested options and, other than such restrictions, neither the options nor any shares of Common Stock obtained upon exercise thereof shall be subject to forfeiture or to the Company's or other stockholders' right to repurchase. The option agreement with respect to such options shall allow the Executive to exercise the options granted thereby on a "cashless basis." The options shall fully vest upon a Change in Control Transaction. The exercise price per share for such options will be subject to adjustment for dividends, splits, reclassifications and similar transactions. The option agreement shall be delivered by July 1, 2012.

(f) The Corporation shall execute and deliver in favor of the Executive an indemnification agreement on the same terms and conditions entered into with the other officers and directors of the Corporation. Such agreement shall provide for the indemnification of the Executive for the term of his employment and for a period of at least six (6) years thereafter, provided that the Corporation continues to maintain directors' and officers' insurance and such tail coverage is available at a reasonable cost. The Corporation shall maintain directors' and officers' insurance during the Term and for a period of at least six (6) years thereafter, provided that such coverage can be maintained at reasonable cost.

5. Termination.

(a) This Agreement and the Executive's employment hereunder shall terminate upon the happening of any of the following events:

(i) upon the Executive's death;

(ii) upon the Executive's "Total Disability" (as herein defined);

(iii) upon the expiration of the Initial Term of this Agreement or any Renewal Term thereof, if either party has provided a timely notice of non-renewal in accordance with Section 3, above;

(iv) at the Executive's option, upon six (6) months prior written notice to the Corporation;

(v) at the Executive's option, in the event of an act by the Corporation, defined in Section 5(c), below, as constituting "Good Reason" for termination by the Executive; and

(vi) at the Corporation's option, in the event of an act by the Executive, defined in Section 5(d), below, as constituting "Cause" for termination by the Corporation.

(b) For purposes of this Agreement, the Executive shall be deemed to be suffering from a "Total Disability" if the Executive has failed to perform his regular and customary duties to the Corporation for a period of 180 days out of any 360-day period and if before the Executive has become "Rehabilitated" (as herein defined) a majority of the members of the Board, exclusive of the Executive, vote to determine that the Executive is mentally or physically incapable or unable to continue to perform such regular and customary duties of employment. The Board shall not take any action that is materially inconsistent with reports from the Executive's attending physician(s) unless such action is based upon reports from a physician(s) appointed by the Corporation. The Executive agrees to cooperate as necessary for a review by a physician appointed by the Corporation. As used herein, the term "Rehabilitated" shall mean such time as the Executive is willing, able and commences to devote his time and energies to the affairs of the Corporation to the extent and in the manner that he did so prior to his Total Disability.

(c) For purposes of this Agreement, the term "Good Reason" shall mean that the Executive has resigned due to (i) any diminution of duties inconsistent with Executive's title, authority, duties and responsibilities (including, without limitation, a change in the chain of reporting); (ii) any reduction of or failure to pay Executive compensation provided for herein, except to the extent Executive consents in writing to any reduction, deferral or waiver of compensation, which non-payment continues for a period of fifteen (15) days following written notice to the Corporation by Executive of such non-payment; (iii) any relocation of the principal location of Executive's employment outside of Phoenix Metro Area without the Executive's prior written consent; (iv) the consummation of any Change in Control Transaction (as defined below); or (vi) any material violation by the Corporation of its obligations under this Agreement that is not cured within sixty (60) days Agreement after receipt of written notice thereof from the Executive. For purposes of this Agreement, the term "Change in Control Transaction" means the sale of the Corporation to an un-affiliated person or entity or group of un-affiliated persons or entities pursuant to which such party or parties acquire (i) shares of capital stock of the Corporation representing at least fifty percent (50%) of outstanding capital stock or sufficient to elect a majority of the Board (whether by merger, consolidation, sale or transfer of shares (other than a merger where the Corporation is the surviving corporation and the shareholders and directors of the Corporation prior to the merger constitute a majority of the shareholders and directors, respectively, of the surviving corporation (or its parent)) (other the contemplated reverse merger going public transaction)) or (ii) all or substantially all of the Corporation's assets determined on a consolidated basis.

(d) For purposes of this Agreement, the term "Cause" shall mean: (i) any material breach of this Agreement or any other agreement with the Corporation or its affiliates, or (ii) material negligence, gross negligence or willful misconduct on the part of the Executive in connection with his employment duties hereunder, in all cases that is not cured within fourteen (14) days after receipt of notice thereof (to the extent such breach is capable of being cured), or (iii) the Executive's conviction of or entering of a guilty plea or a plea of no contest with respect to a felony or any crime involving fraud, larceny or embezzlement resulting in material harm to the Corporation by the Executive.

6. Effects of Termination.

(a) Upon termination of the Executive's employment pursuant to Section 5(a)(i) or (ii), in addition to the accrued but unpaid compensation and vacation pay through the date of death or Total Disability and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive or his estate or beneficiaries, as applicable, shall be entitled to the following severance benefits: (i) six (6) months' Base Salary at the then current rate, payable in a lump sum, less withholding of applicable taxes; (ii) continued provision for a period of twelve (12) months following the Executive's death of benefits under Benefit Plans extended from time to time by the Corporation to its senior executives; and (iii) payment on a pro-rated basis of any bonus or other payments earned in connection with any bonus plan to which the Executive was a participant as of the date of death or Total Disability.

(b) Upon termination of the Executive's employment pursuant to Section 5(a)(iii), where the Corporation has offered to renew the term of the Executive's employment for an additional one (1) year period and the Executive chooses not to continue in the employ of the Corporation, the Executive shall be entitled to receive only the accrued but unpaid compensation and vacation pay through the date of termination and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date. In the event the Corporation tenders a Non-Renewal Notice to the Executive, then the Executive shall be entitled to the same severance benefits as if the Executive's employment were terminated pursuant to Section 5(a)(v); provided, however, if such Non-Renewal Notice was triggered due to the Corporation's statement that the Executive's employment was terminated due to Section 5(a)(vi) (for "Cause"), then payment of severance benefits will be contingent upon a determination as to whether termination was properly for "Cause."

(c) Upon termination of the Executive's employment pursuant to Section 5(a)(v) or other than pursuant to Section 5(a)(i), 5(a)(ii), 5(a)(iii), 5(a)(iv), or 5(a)(vi) (i.e., without "Cause"), in addition to the accrued but unpaid compensation and vacation pay through the date of termination and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive shall be entitled to the following severance benefits: (i) the greater of six (6) months' Base Salary at the then current rate or the remainder of the Base Salary due under this Agreement, to be paid upon the date of termination of employment in monthly installments, less withholding of all applicable taxes; (ii) continued provision for a period of twelve (12) months after the date of termination of the benefits under Benefit Plans extended from time to time by the Corporation to its senior executives; and (iii) payment on a pro-rated basis of any bonus or other payments earned in connection with any bonus plan to which the Executive was a participant as of the date of the Executive's termination of employment.

(d) Upon termination of the Executive's employment pursuant to Section 5(a)(iv) or (vi), in addition to the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive shall be entitled to the following severance benefits: (i) accrued and unpaid Base Salary and vacation pay through the date of termination, less withholding of applicable taxes; and (ii) continued provision, for a period of one (1) month after the date of the Executive's termination of employment, of benefits under Benefit Plans extended to the Executive at the time of termination. Executive shall have any conversion rights available under the Corporation's or Benefit Plans and as otherwise provided by law, including the Comprehensive Omnibus Budget Reconciliation Act.

(e) Any payments required to be made hereunder by the Corporation to the Executive shall continue to the Executive's beneficiaries in the event of his death until paid in full.

7. Vacations. The Executive shall be entitled to a vacation of (i) three (3) weeks per year during the first two (2) years of the Term, (ii) (4) weeks per year during the next three (3) years of the Term and (iii) five (5) weeks per year during any Renew Term, during which periods his salary shall be paid in full. The Executive shall take his vacation at such time or times as the Executive and the Corporation shall determine is mutually convenient. Any vacation not taken in one (1) year shall not accrue, provided that if vacation is not taken due to the Corporation's business necessities, up to three (3) weeks' vacation may carry over to the subsequent year.

8. Disclosure of Confidential Information. The Executive recognizes, acknowledges and agrees that he has had and will continue to have access to secret and confidential information regarding the Corporation, including but not limited to, its products, formulae, patents, sources of supply, customer dealings, data, know-how and business plans, provided such information is not in or does not hereafter become part of the public domain, or become known to others through no fault of the Executive. The Executive acknowledges that such information is of great value to the Corporation, is the sole property of the Corporation, and has been and will be acquired by him in confidence. In consideration of the obligations undertaken by the Corporation herein, the Executive will not, at any time, during or after his employment hereunder, reveal, divulge or make known to any person, any information acquired by the Executive during the course of his employment, which is treated as confidential by the Corporation, and not otherwise in the public domain. The provisions of this Section 8 shall survive the termination of the Executive's employment hereunder except in the event of a termination of this Agreement pursuant to Section 5(a)(v), hereof, or as detailed in the provision above. All references to the Corporation in Section 8 and Section 9 hereof shall include any subsidiary of the Corporation.

9. Covenant Not To Compete or Solicit. Upon execution of this Employment Agreement, the Executive and the Corporation shall enter into that certain Non-Competition and Confidentiality Agreement attached hereto in the form of Exhibit A.

10. Miscellaneous.

(a) The Executive acknowledges that the services to be rendered by him under the provisions of this Agreement are of a special, unique and extraordinary character and that it would be difficult or impossible to replace such services. Accordingly, the Executive agrees that any breach or threatened breach by him of Sections 8 or 9 of this Agreement shall entitle the Corporation, in addition to all other legal remedies available to it, to apply to any court of competent jurisdiction to seek to enjoin such breach or threatened breach. The parties understand and intend that each restriction agreed to by the Executive hereinabove shall be construed as separable and divisible from every other restriction, that the unenforceability of any restriction shall not limit the enforceability, in whole or in part, of any other restriction, and that one or more or all of such restrictions may be enforced in whole or in part as the circumstances warrant. In the event that any restriction in this Agreement is more restrictive than permitted by law in the jurisdiction in which the Corporation seeks enforcement thereof, such restriction shall be limited to the extent permitted by law. The remedy of injunctive relief herein set forth shall be in addition to, and not in lieu of, any other rights or remedies that the Corporation may have at law or in equity.

(b) Neither the Executive nor the Corporation may assign or delegate any of their rights or duties under this Agreement without the express written consent of the other; provided however that the Corporation shall have the right to delegate its obligation of payment of all sums due to the Executive hereunder, provided that such delegation shall not relieve the Corporation of any of its obligations hereunder.

(c) This Agreement constitutes and embodies the full and complete understanding and agreement of the parties with respect to the Executive's employment by the Corporation, supersedes all prior understandings and agreements, whether oral or written, between the Executive and the Corporation, and shall not be amended, modified or changed except by an instrument in writing executed by the party to be charged. The invalidity or partial invalidity of one or more provisions of this Agreement shall not invalidate any other provision of this Agreement. No waiver by either party of any provision or condition to be performed shall be deemed a waiver of similar or dissimilar provisions or conditions at the same time or any prior or subsequent time.

(d) This Agreement shall inure to the benefit of, be binding upon and enforceable against, the parties hereto and their respective successors, heirs, beneficiaries and permitted assigns.

(e) The headings contained in this Agreement are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

(f) All notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when personally delivered, sent by registered or certified mail, return receipt requested, postage prepaid, or by private overnight mail service (e.g. Federal Express) to the party at the address set forth above or to such other address as either party may hereafter give notice of in accordance with the provisions hereof. Notices shall be deemed given on the sooner of the date actually received or the third business day after sending.

(g) This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without reference to principles of conflicts of laws and each of the parties hereto irrevocably consents to the jurisdiction and venue of the federal and state courts located in Maricopa County, Arizona.

(h) This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one of the same instrument. The parties hereto have executed this Agreement as of the date set forth above.

11. Section 409A.

(a) Notwithstanding anything to the contrary contained in this Agreement, if at the time of the Executive's separation from service within the meaning of Section 409A of the Code, the Company determines that the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of the Executive's separation from service would be considered deferred compensation subject to the 20% additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (i) six months and one day after the Executive's separation from service, or (ii) the Executive's death (the "Six Month Delay Rule").

(b) For purposes of this Section 11, amounts payable under the Agreement should not be considered a deferral of compensation subject to Section 409A to the extent provided in Treasury Regulation Section 1.409A-1(b)(4) (i.e., short-term deferrals), Treasury Regulation Section 1.409A-1(b)(9) (i.e., separation pay plans, including the exception under subparagraph (iii)), and other applicable provisions of Treasury Regulations Sections 1.409A-1 through A-6.

(c) To the extent that the Six Month Delay Rule applies to payments otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of the Six Month Delay Rule, and the balance of the installments shall be payable in accordance with their original schedule.

(d) To the extent that the Six Month Delay Rule applies to the provision of benefits (including, but not limited to, life insurance and medical insurance), such benefit coverage shall nonetheless be provided to the Executive during the first six months following his separation from service (the "Six Month Period"), provided that, during such Six-Month Period, the Executive pays to the Company, on a monthly basis in advance, an amount equal to the Monthly Cost (as defined below) of such benefit coverage. The Company shall reimburse the Executive for any such payments made by the Executive in a lump sum not later than 30 days following the sixth month anniversary of the Executive's separation from service. For purposes of this subparagraph, "Monthly Cost" means the minimum dollar amount which, if paid by the Executive on a monthly basis in advance, results in the Executive not being required to recognize any federal income tax on receipt of the benefit coverage during the Six Month Period.

(e) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

(f) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

CORPORATION:
Aspen University, Inc.

By: /s/ Michael Mathews
Michael Mathews
Title CEO

EXECUTIVE
Angela Siegel
/s/ Angela Siegel
Signature

EXHIBIT A

Aspen University Inc.
NON-DISCLOSURE AGREEMENT

In consideration of employment of the Employee by the Company and payment to the Employee of salary or wages, this Agreement is made between Aspen University Inc., a Delaware corporation, and Angela M. Siegel (the "Employee"). For purposes of the Agreement, the term “Company” shall include Aspen University, Inc. and its affiliates, now or hereafter existing.

1. Confidential Information. The Employee acknowledges that, in order for him to perform his or her duties properly, the Company must necessarily entrust the Employee with certain trade secrets and confidential business information (the "Confidential Information"). The Confidential Information includes, but is not limited to: source code, object code, operational and functional features and limitations of the Company's software; the Company's research and development plans and activities; the Company's manufacturing and production plans and activities; the prices, terms and conditions of the Company's contracts with its customers; the identities, needs and requirements of the Company's customers; the Company's pricing policies and price lists; the Company's business plans and strategies; the Company's marketing plans and strategies; personnel information; and financial information regarding the Company. The Employee further acknowledges that the development or acquisition of such Confidential Information is the result of great effort and expense by the Company, that the Confidential Information is critical to the survival and success of the Company, and that the unauthorized disclosure or use of the Confidential Information would cause the Company irreparable harm.

2. Nondisclosure of Confidential Information. The Employee agrees that, during the term of his or her employment with the Company and thereafter, he or she will not disclose the Confidential Information or use it in any way, except on behalf of the Company, whether or not such Confidential Information is produced by the Employee's own efforts. The Employee further agrees, upon termination of his or her employment, promptly to deliver to the Company all Confidential Information, whether or not such Confidential Information was produced by the Employee's own efforts, and to refrain from making, retaining or distributing copies thereof.

3. Inventions and Discoveries. Any invention, discovery, development, improvement, procedure, writing, work or trade secret (collectively referred to herein as "Inventions") that relates to any phase of the business of the Company, or results from any work performed on the premises of the Company or by use of the facilities, equipment or services of other employees of the Company, whether patentable, copyrightable or not, and that is made or discovered by the Employee individually or jointly with any other person or persons during the term of the Employee's employment with the Company (including any period of time prior to the date of this Agreement), shall forthwith be disclosed to the Company and shall be the sole property of the Company. Any such Invention shall be considered a work made for hire. The Employee hereby assigns to the Company all of his or her right, title and interest to any such Invention. The Employee further agrees to maintain adequate, current written records of any Invention within the scope of the foregoing provisions in the form of notes, sketches, drawings, memoranda or other written evidence, which records shall be and remain the sole property of the Company.

4. Patents, Trademarks and Copyrights. The Employee agrees that, during the term of his or her employment with the Company and thereafter, he or she will, whenever requested to do so by the Company and at the expense of the Company, apply or join with the Company in applying for patents, trademarks, copyrights, letters patent and other means for the protection of proprietary information, both foreign and domestic, with respect to any Invention described in paragraph 4. The Employee shall execute and deliver to the Company any and all other documents and instruments that, in the opinion of the Company and its counsel, are appropriate in order to obtain said patents, trademarks, copyrights, letters patent and other means of protecting proprietary information. The Employee shall further execute and deliver all such other instruments and take all other actions that in the opinion of the Company and its counsel shall be appropriate to vest in the Company (or in such person as the Company may specify) all right, title and interest in said patents, trademarks, copyrights, letters patent and other means of protecting proprietary information, and shall cooperate and assist in any litigation commenced by the Company against third parties with respect to the same.

5. Power of Attorney. In the event the Company is unable, after reasonable effort, to secure Employee's signature on any letters patent, copyright or other analogous protection relating to an Invention, whether because of Employee's physical or mental incapacity or for any other reason whatsoever, Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as his or her agent and attorney-in-fact, to act for and in his or her behalf and stead to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution thereon with the same legal force and effect as if executed by Employee.

6. Employee Developments. Employee represents that all inventions, discoveries, developments, improvements, procedures, writings, works, trade secrets or other intellectual property rights to which Employee claims ownership as of the date of this Agreement (the "Employee Developments"), and which the parties agree are excluded from this Agreement, are listed in Exhibit A attached hereto. If no such Employee Developments are listed in Exhibit A, Employee represents that there are no such Employee Developments at the time of signing this Agreement.

7. Restrictions on Competition. The Employee agrees that, during the term of his or her employment with the Company and for a period of six (6) months after termination for any reason of Employee's employment, he or she will not, directly or indirectly, render services to, work for or on behalf of, have an interest in, make any loan to, or assist in any manner any business that is competitive with that in which the Company was engaged or planned to engage on the date of the Employee's termination from the Company. The foregoing shall not prevent the Employee from owning up to one percent (1%) of the outstanding securities of a publicly held corporation that may compete with the Company. The Employee agrees that, during the term of his or her employment with the Company and for a period of six (6) months after termination for any reason of Employee's employment, he or she will not, directly or indirectly, solicit or accept work from any individual or entity that was a customer of the Employer during the Employee's employment with the Company.

8. Notice of Subsequent Employment. Employee shall, for a period of three (3) months after the termination of employment with the Company, notify the Company of any change of address, and of any subsequent employment (stating the name and address of the employer and the title and duties of the position) or other business activity. The Employee further agrees that the Company may, following termination of the Employee's employment for a period of three (3) months, communicate with the Employee's new employer for the purpose of informing the new employer of the existence of this Agreement and providing the new employer with a copy of this Agreement.

9. Enticement. For a period of three (3) months after the termination of employment with the Company, Employee will not hire or attempt to hire any employee of the Company, or assist in such hiring by anyone else, to work as an employee or independent contractor with any business that is competitive with that in which the Company was engaged or planned to engage on the date of the Employee's termination from the Company.

10. Return of Company Property. The Employee agrees, upon termination of his or her employment, promptly to deliver to the Company all files, keys, building passes, credit cards, books, documents, computer disks or tapes, and other property prepared by or on behalf of the Company or purchased with Company funds, and to refrain from making, retaining or distributing copies thereof. To the extent that Employee has any data belonging to the Company on any non-removable magnetic media owned by Employee (for example, a computer's hard disk drive), Employee agrees that immediately upon termination he or she will provide the Company with a copy of the data and then purge his or her computer of the data.

11. Specific Performance. The Employee acknowledges that a breach of this Agreement by the Employee will cause irreparable injury to the Company, that the Company's remedies at law will be inadequate in case of any such breach, and that the Company will be entitled to preliminary injunctive relief and other injunctive relief in case of any such breach.

12. Compliance with Other Agreements. The Employee represents and warrants to the Company that the execution of this Agreement by him, his or her performance of his or her obligations hereunder, and his or her employment by the Company will not, with or without the giving of notice or the passage of time, conflict with, result in the breach or termination of, or constitute default under, any agreement to which the Employee is a party or by which the Employee is or may be bound.

13. Waivers. The waiver by the Company or the Employee of any action, right or condition in this Agreement, or of any breach of a provision of this Agreement, shall not constitute a waiver of any other occurrences of the same event. Further, any subsequent change or changes in Employee’s duties, salary, compensation, or employment status will not affect the validity or enforceability of this Agreement.

14. Survival; Binding Effect. This Agreement shall survive the termination of the Employee's employment with the Company regardless of the manner of such termination, and shall be binding upon the Employee and his or her heirs, executors and administrators.

15. Assignability by Company. This Agreement is assignable by the Company and inures to the benefit of the Company, its subsidiaries, affiliated corporations, successors and assignees. This Agreement, being personal, is not assignable by the Employee.

16. Headings; Gender References. The section headings in this Agreement are for reference purposes only and shall not be deemed to be a part of this Agreement or to affect the meaning or interpretation of this Agreement. Wherever used herein, the masculine pronoun shall, as appropriate, be construed to include the feminine.

17. Severability. The covenants of this Agreement are intended to be separable, and the expressions used therein are intended to refer to divisible entities. Accordingly, the invalidity of all or any part of any paragraph of this Agreement shall not render invalid the remainder of this Agreement or of such paragraph. If, in any judicial proceeding, any provision of this Agreement is found to be so broad as to be unenforceable, it is hereby agreed that such provision shall be interpreted to be only so broad as to be enforceable.

18. Governing Law. This Agreement shall be deemed to have been made in New York and shall be governed by and construed in accordance with the substantive law of New York, excluding, however, such laws as pertain to conflicts of law.

19. Consent to Jurisdiction. Employee hereby consents and submits to the jurisdiction of the state and federal courts in Maricopa County, Arizona.

20. Attorney's Fees. Employee agrees that in the event that the Employer brings suit to enforce any term of this Agreement, the Employee shall be liable for the Employer's reasonable attorney's fees and costs with respect to any claim or counterclaim as to which the Employer is the prevailing party.

21. Entire Agreement; Amendments. This Agreement constitutes the entire understanding of the parties with respect to its subject matter, supersedes any prior communication or understanding with respect thereto, and no modification or waiver of any provision hereof shall be valid unless made in writing and signed by the parties.

22. Understanding of Agreement. THE EMPLOYEE STATES THAT HE OR SHE HAS HAD A REASONABLE PERIOD SUFFICIENT TO STUDY, UNDERSTAND AND CONSIDER THIS AGREEMENT, THAT HE OR SHE HAS HAD AN OPPORTUNITY TO CONSULT WITH COUNSEL OF HIS OR HER CHOICE, THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ALL OF ITS TERMS, THAT HE OR SHE IS ENTERING INTO AND SIGNING THIS AGREEMENT KNOWINGLY AND VOLUNTARILY, AND THAT IN DOING SO HE OR SHE IS NOT RELYING UPON ANY STATEMENTS OR REPRESENTATIONS BY THE COMPANY OR ITS AGENTS.

IN WITNESS WHEREOF, the parties have duly executed this Agreement under seal as of the 1st, day of January, 2011.

Aspen University, Inc.

By: Michael Mathews	/s/ Angela Siegel
Michael D. Mathews, CEO	Angela M. Siegel, EVP, Marketing

<u>EXHIBIT A</u>

List of Employee Developments (if applicable)

EXHIBIT 10.5

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is made and entered into as of this 1st day of January, 2012, by and between Aspen University, Inc., a Delaware corporation with offices at 224 West 30th Street, Suite 604, New York, NY 10001 (the "Company"), and Gerald B. Williams, an individual residing at 1401 Woodbury Lane, Liberty, MO 64068 (the "Executive"), under the following circumstances:

RECITALS:

A. The Company desires to secure the services of the Executive upon the terms and conditions hereinafter set forth; and

B. The Executive desires to provide such services upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, the parties mutually agree as follows:

1. Employment. The Company hereby employs the Executive and the Executive hereby accepts employment as an executive of the Company, subject to the terms and conditions set forth in this Agreement.

2. Duties. The Executive shall serve as the President with responsibilities as may be, from time to time, assigned to him by the Chief Executive Officer (the "CEO") of the Company. The Executive shall report directly to the CEO of the Company. During the Term (as defined in Section 3), the Executive shall devote his full business time and efforts to the performance of his duties hereunder unless otherwise authorized by the CEO. Notwithstanding the foregoing, the expenditure of reasonable amounts of time by the Executive for the making of passive personal investments, the conduct of private business affairs, charitable and professional activities shall be allowed, provided such activities do not materially interfere with the services required to be rendered to the Company hereunder and do not violate the restrictive covenants set forth in Section 9 below.

3. Term of Employment. The term of the Executive's employment hereunder, unless sooner terminated as provided herein (the "Initial Term"), shall be for a period of five (5) years commencing on the date hereof (the "Commencement Date"). The term of this Agreement shall automatically be extended for additional terms of one (1) year each (each a "Renewal Term") unless either party gives prior written notice of non-renewal to the other party no later than sixty (60) days prior to the expiration of the Initial Term ("Non-Renewal Notice"), or the then current Renewal Term, as the case may be. For purposes of this Agreement, the Initial Term and any Renewal Term are hereinafter collectively referred to as the "Term."

4. Compensation of Executive.

(a) The Company shall pay the Executive as compensation for his services hereunder, in equal semi-monthly or bi-weekly installments during the Term, the sum of $150,000 per annum (the "Base Salary"), less such deductions as shall be required to be withheld by applicable law and regulations.

(b) In addition to the Base Salary set forth in Section 4(a) above, the Executive shall be entitled to receive an annual bonus in an amount equal to fifty percent (50%) of his then-current Base Salary (to be paid 50% in cash, and 50% in common stock of the Company or, if the principal owner of its capital stock (the "Parent") files reports with the Securities and Exchange Commission ("SEC"), of the Parent (the common stock of the Company or the Parent the "Common Stock") based upon the achievement of performance targets with respect to the Company's business to be mutually agreed upon by the Executive and the CEO (the "Bonus Target"). In his sole discretion, the Executive may elect to receive the entirety of such annual bonus in Common Stock at the basis determined by the Board of Directors in good faith.

(c) The Company shall pay or reimburse the Executive for all reasonable out-of-pocket expenses actually incurred or paid by the Executive in the course of his employment, consistent with the Company's policy for reimbursement of expenses from time to time.

(d) The Executive shall be entitled to participate in such pension, profit sharing, group insurance, hospitalization, and group health and benefit plans and all other benefits and plans, including perquisites, if any, as the Company provides to its senior executives (the "Benefit Plans").

(e) In addition to the Base Salary and the bonus compensation, the Executive shall receive five-year options to purchase 200,000 shares of the Common Stock at an exercise price of $1.00 per share. The option agreement with respect to such options shall provide for such options to vest twenty five percent (25%) on each anniversary of the date hereof and shall permit the Executive at least twelve (12) months after the Executive's death or Total Disability (as defined in Section 5(a)(ii)) and three (3) months after the Executive's termination of employment for any other reason to exercise such vested options, provided that such exercise shall not occur later than the expiration of the term and, other than such restrictions, neither the options nor any shares of Common Stock obtained upon exercise thereof shall be subject to forfeiture or to the Company's or other stockholders' right to repurchase. Provided, however, any clawback provisions contained in the CEO's option agreement shall also be contained in the Executive's option agreement and any clawback provisions required by applicable law or rules or by the rules of the principal market where the Common Stock trades from time-to-time shall be deemed to be contained in the Executive's option agreement. The option agreement with respect to such options shall allow the Executive to exercise the options granted thereby on through a broker-assisted cashless exercise. The options shall fully vest upon a Change in Control Transaction (as defined in Section 10). The exercise price per share for such options will be subject to adjustment for dividends, splits, reclassifications and similar transactions.

(f) The Company shall execute and deliver in favor of the Executive an indemnification agreement on the same terms and conditions entered into with the other officers and directors of the Company. Such agreement shall provide for the indemnification of the Executive for the term of his employment and for a period of at least six (6) years thereafter. The Company shall maintain directors' and officers' insurance during the Term and for a period of at least six (6) years thereafter.

5. Termination.

(a) This Agreement and the Executive's employment hereunder shall terminate upon the happening of any of the following events:

(i) upon the Executive's death;

(ii) upon the Executive's "Total Disability" (as herein defined);

(iii) upon the expiration of the Initial Term of this Agreement or any Renewal Term thereof, if either party has provided a timely notice of non-renewal in accordance with Section 3, above;

(iv) at the Executive's option, upon ninety (90) days prior written notice to the Company;

(v) at the Executive's option, in the event of an act by the Company, defined in Section 5(c), below, as constituting "Good Reason" for termination by the Executive; and

(vi) at the Company's option, in the event of an act by the Executive, defined in Section 5(d), below, as constituting "Cause" for termination by the Company.

(b) For purposes of this Agreement, the Executive shall be deemed to be suffering from a "Total Disability" if the Executive is (i) unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death, or last for a continuous period of not less than 12 months; (ii) by reason of any medically determinable physical or mental impairment that can be expected to result in death, or last for continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company; or (iii) determined to be totally disabled by the Social Security Administration. Any question as to the existence of a disability shall be determined by the written opinion of the Executive's regularly attending physician (or his guardian) (or the Social Security Administration, where applicable).

(c) For purposes of this Agreement, the term "Good Reason" shall mean that the Executive has resigned due to (i) any material diminution of in Executive's authority, duties and/or responsibilities (unless the Executive has agreed to such diminution); (ii) a material change in the chain of reporting referenced in Section 2 (unless the Executive has agreed to such diminution); (iii) any material reduction in Executive's Base Salary (unless the Executive has agreed to such reduction); (iv) any material change in the geographic location at which the Executive must perform services to a location outside of Kansas City Metro Area without the Executive's prior written consent; or (v) any material violation by the Company of its obligations under this Agreement. Prior to the Executive terminating his employment with the Company for Good Reason, the Executive must provide written notice to the Company, within 90 days following the initial existence of such condition, that such Good Reason exists and setting forth in detail the grounds the Executive believes constitutes Good Reason. If the Company does not cure the conditions constituting Good Reason within sixty (60) days after receipt of written notice thereof from the Executive, the Executive may terminate this Agreement for Good Reason.

(d) For purposes of this Agreement, the term "Cause" shall mean:

(i) the Executive is convicted of a felony or commits a felonious act which is related to the Executive's employment or the business of the Company; (ii) the Executive, in carrying out his duties hereunder, has acted with gross negligence or intentional misconduct resulting, in either case, in harm to the Company; (iii) the Executive misappropriates Company funds or otherwise defrauds the Company; (iv) the Executive materially breaches any provision of Sections 8 or 9 of this Agreement or the Non-Disclosure Agreement; (v) the Executive breaches his fiduciary duty to the Company resulting in profit to him, directly or indirectly; (vi) the Executive materially breaches any agreement with the Company; (vii) the Executive materially fails to perform his duties under Section 2 or performs such duties in a manner not customary for an executive of similar status and compensation; (viii) it is later determined that Executive fraudulently concealed facts or made misrepresentations concerning Executive's prior employment; (ix) the Executive fails on more than occasion to comply with the directive's of the Company's board of directors; or (x) the Executive suffers from alcoholism or drug addiction or otherwise uses alcohol to excess or uses drugs in any form except strictly in accordance with the recommendation of a physician or dentist.

6. Effects of Termination.

(a) Upon termination of the Executive's employment pursuant to Section 5(a)(i) or (ii), in addition to the accrued but unpaid compensation and vacation pay through the date of death or Total Disability and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive or his estate or beneficiaries, as applicable, shall be entitled to the following severance benefits: (i) three (3) months' Base Salary at the then current rate, payable in a lump sum, less withholding of applicable taxes; (ii) continued provision for a period of twelve (12) months following the Executive's death of benefits under Benefit Plans extended from time to time by the Company to its senior executives; and (iii) payment on a pro-rated basis of any bonus or other payments earned in connection with any bonus plan to which the Executive was a participant as of the date of death or Total Disability.

(b) Upon termination of the Executive's employment pursuant to Section 5(a)(iii), where the Company has offered to renew the term of the Executive's employment for an additional one (1) year period and the Executive chooses not to continue in the employ of the Company, the Executive shall be entitled to receive only the accrued but unpaid compensation and vacation pay through the date of termination and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date. In the event the Company tenders a Non-Renewal Notice to the Executive, then the Executive shall be entitled to the same severance benefits as if the Executive's employment were terminated pursuant to Section 5(a)(v); provided, however, if such Non-Renewal Notice was triggered due to the Company's statement that the Executive's employment was terminated due to Section 5(a)(vi) (for "Cause"), then payment of severance benefits will be contingent upon a determination as to whether termination was properly for "Cause."

(c) Upon termination of the Executive's employment pursuant to Section 5(a)(v) or other than pursuant to Section 5(a)(i), 5(a)(ii), 5(a)(iii), 5(a)(iv), or 5(a)(vi) (i.e., without "Cause"), in addition to the accrued but unpaid compensation and vacation pay through the date of termination and any other benefits accrued to him under any Benefit Plans outstanding at such time and the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive shall be entitled to the following severance benefits: (i) the greater of three (3) months' Base Salary at the then current rate or the remainder of the Base Salary due under this Agreement, to be paid upon the date of termination of employment in monthly installments, less withholding of all applicable taxes; (ii) continued provision for a period of twelve (12) months after the date of termination of the benefits under Benefit Plans extended from time to time by the Company to its senior executives; and (iii) payment on a pro-rated basis of any bonus or other payments earned in connection with any bonus plan to which the Executive was a participant as of the date of the Executive's termination of employment.

(d) Upon termination of the Executive's employment pursuant to Section 5(a)(iv) or (vi), in addition to the reimbursement of documented, unreimbursed expenses incurred prior to such date, the Executive shall be entitled to the following severance benefits: (i) accrued and unpaid Base Salary and vacation pay through the date of termination, less withholding of applicable taxes; and (ii) continued provision, for a period of one (1) month after the date of the Executive's termination of employment, of benefits under Benefit Plans extended to the Executive at the time of termination. Executive shall have any conversion rights available under the Company's or Benefit Plans and as otherwise provided by law, including the Comprehensive Omnibus Budget Reconciliation Act.

(e) Any payments required to be made hereunder by the Company to the Executive shall continue to the Executive's beneficiaries in the event of his death until paid in full.

7. Vacations. The Executive shall be entitled to a vacation of three (3) weeks per year, during which period his salary shall be paid in full. The Executive shall take his vacation at such time or times as the Executive and the Company shall determine is mutually convenient. Any vacation not taken in one (1) year shall not accrue, provided that if vacation is not taken due to the Company's business necessities, up to three (3) weeks' vacation may carry over to the subsequent year.

8. Disclosure of Confidential Information. The Executive recognizes, acknowledges and agrees that he has had and will continue to have access to secret and confidential information regarding the Company, including but not limited to, its products, formulae, patents, sources of supply, customer dealings, data, know-how and business plans, provided such information is not in or does not hereafter become part of the public domain, or become known to others through no fault of the Executive. The Executive acknowledges that such information is of great value to the Company, is the sole property of the Company, and has been and will be acquired by him in confidence. In consideration of the obligations undertaken by the Company herein, the Executive will not, at any time, during or after his employment hereunder, reveal, divulge or make known to any person, any information acquired by the Executive during the course of his employment, which is treated as confidential by the Company, and not otherwise in the public domain. The provisions of this Section 8 shall survive the termination of the Executive's employment hereunder except in the event of a termination of this Agreement pursuant to Section 5(a)(v), hereof, or as detailed in the provision above. All references to the Company in Section 8 and Section 9 hereof shall include any subsidiary of the Company.

9. Covenant Not To Disclose, Compete or Solicit. Upon execution of this Employment Agreement, the Executive and the Company shall enter into that certain Non-Disclosure, Non-Competition and Non-Solicitation Agreement attached hereto in the form of Exhibit A (the "Non-Disclosure Agreement").

10. Change of Control. Upon a Change of Control (as hereinafter defined), the Executive shall receive an amount equal to the same severance benefits as if the Executive's employment were terminated pursuant to Section 5(a)(v). The Executive (or his estate) shall receive the payments provided herein at such times he would have received them if there was no Change of Control. Notwithstanding anything contained herein to the contrary, in the event the Executive receives severance pursuant to a Change of Control, then the Executive should not also receive severance pursuant to Section 6 as a result of the termination of Executive's employment pursuant to Section 5. For purposes of this Agreement "Change of Control" means the occurrence of any of the following events:

(a) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the "Exchange Act") becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the total voting power of the Company's then outstanding voting securities or 50% or more of the fair market value of the Company. Provided, however, if the Company closes a reverse merger with a corporation which files reports with the SEC under the Exchange Act, a Change of Control shall not be deemed to have occurred;

(b) Within a 12 month period, less than a majority of the directors of the Company are Incumbent Directors. “Incumbent Directors” will mean directors who either (A) are directors of the Company as of the date hereof, or (B) are elected, or nominated for election, to the Board with the affirmative votes of a majority of the Incumbent Directors at the time of such election or nomination. Notwithstanding the preceding, in no event shall a change in the Board in connection with the Company’s proposed reverse merger constitute a Change of Control; or

(c) The Company has sold all or substantially all of its assets to another person or entity that is not a majority-owned subsidiary of the Company.

Notwithstanding the preceding, the above-listed events must satisfy the requirements of Treasury Regulation Section 1.409A-3(i)(5) in order to be deemed a Change of Control.

11. Sarbanes-Oxley Act of 2002.

(a) In the event the Executive or the Company is the subject of an investigation (whether criminal, civil, or administrative) involving possible violations of the United States federal securities laws by the Executive, the Compensation Committee or the Board may, in its sole discretion, direct the Company to withhold any and all payments to the Executive (whether compensation or otherwise) which would have otherwise been made pursuant to this Agreement or otherwise would have been paid or payable by the Company, which the Compensation Committee or the Board believes, in its sole discretion, may or could be considered an “extraordinary payment” and therefore at risk and potentially subject to, the provisions of Section 1103 of the Sarbanes-Oxley Act of 2002 (“SOX”) (including, but not limited to, any severance payments made to the Executive upon termination of employment). The withholding of any payment shall be until such time as the investigation is concluded, without charges having been brought or until the successful conclusion of any legal proceedings brought in connection with such amounts as directed by the Compensation Committee or the Board to be withheld with or without the accruing of interest (and if with interest the rate thereof). Except by an admission of wrongdoing or the final adjudication by a court or administrative agency finding the Executive liable for or guilty of violating any of the federal securities laws, rules or regulations, the Compensation Committee or the Board shall pay to the Executive such compensation or other payments. Notwithstanding the exclusion caused by the first clause of the prior sentence, the Executive shall receive such payments if provided for by a court or other administrative order.

(b) In the event that the Company restates any financial statements which have been contained in reports or registration statements filed with the SEC, and the restatement of the prior financial statements is as the result of material noncompliance with any financial reporting requirement under the securities laws, the Executive hereby acknowledges that the Company shall recover from the Executive (i) incentive based compensation (including stock options) awarded during the three year period preceding the date on which the Company is required to prepare the restatement (ii) in excess of what would have been paid the Executive under the restatement. Any rules passed by the SEC under Section 10D of the Securities Exchange Act of 1934 (added by Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act) shall be incorporated in this Agreement to the extent applicable. The Executive agrees to reimburse the Company for any bonuses received and/or profits realized from the sale of the Company's securities (including the cash received from exercise of any options (or other awards of stock rights) during the 12-month period following the first public issuance or filing with the SEC of the report or registration statement (whichever comes first) containing the financial information required to be restated. Provided, however, this Section shall not impose any liability on the Executive beyond any liability that is imposed under Section 304 of SOX.

(c) Notwithstanding the last sentence of Section 10(b), if the Company's common stock is listed on a national securities exchange and such exchange adopts rules requiring clawbacks beyond what Section 304 of SOX requires, such rules shall be incorporated in this Agreement to the extent applicable and the Executive shall comply with such rules, including but not limited to executing any amendment to this Agreement.

12. Section 409A.

(a) Notwithstanding anything to the contrary contained in this Agreement, if at the time of the Executive's separation from service within the meaning of Section 409A of the Code, the Company determines that the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of the Executive's separation from service would be considered deferred compensation subject to the 20% additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (i) six months and one day after the Executive's separation from service, or (ii) the Executive's death (the "Six Month Delay Rule").

(b) For purposes of this Section 12, amounts payable under the Agreement should not be considered a deferral of compensation subject to Section 409A to the extent provided in Treasury Regulation Section 1.409A-1(b)(4) (i.e., short-term deferrals), Treasury Regulation Section 1.409A-1(b)(9) (i.e., separation pay plans, including the exception under subparagraph (iii)), and other applicable provisions of Treasury Regulations Sections 1.409A-1 through A-6.

(c) To the extent that the Six Month Delay Rule applies to payments otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of the Six Month Delay Rule, and the balance of the installments shall be payable in accordance with their original schedule.

(d) To the extent that the Six Month Delay Rule applies to the provision of benefits (including, but not limited to, life insurance and medical insurance), such benefit coverage shall nonetheless be provided to the Executive during the first six months following his separation from service (the "Six Month Period"), provided that, during such Six-Month Period, the Executive pays to the Company, on a monthly basis in advance, an amount equal to the Monthly Cost (as defined below) of such benefit coverage. The Company shall reimburse the Executive for any such payments made by the Executive in a lump sum not later than 30 days following the sixth month anniversary of the Executive's separation from service. For purposes of this subparagraph, "Monthly Cost" means the minimum dollar amount which, if paid by the Executive on a monthly basis in advance, results in the Executive not being required to recognize any federal income tax on receipt of the benefit coverage during the Six Month Period.

(e) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

(f) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

13. Miscellaneous.

(a) The Executive acknowledges that the services to be rendered by him under the provisions of this Agreement are of a special, unique and extraordinary character and that it would be difficult or impossible to replace such services. Accordingly, the Executive agrees that any breach or threatened breach by him of Sections 8 or 9 of this Agreement shall entitle the Company, in addition to all other legal remedies available to it, to apply to any court of competent jurisdiction to seek to enjoin such breach or threatened breach. The parties understand and intend that each restriction agreed to by the Executive hereinabove shall be construed as separable and divisible from every other restriction, that the unenforceability of any restriction shall not limit the enforceability, in whole or in part, of any other restriction, and that one or more or all of such restrictions may be enforced in whole or in part as the circumstances warrant. In the event that any restriction in this Agreement is more restrictive than permitted by law in the jurisdiction in which the Company seeks enforcement thereof, such restriction shall be limited to the extent permitted by law. The remedy of injunctive relief herein set forth shall be in addition to, and not in lieu of, any other rights or remedies that the Company may have at law or in equity.

(b) Neither the Executive nor the Company may assign or delegate any of their rights or duties under this Agreement without the express written consent of the other; provided however that the Company shall have the right to delegate its obligation of payment of all sums due to the Executive hereunder, provided that such delegation shall not relieve the Company of any of its obligations hereunder.

(c) This Agreement constitutes and embodies the full and complete understanding and agreement of the parties with respect to the Executive's employment by the Company, supersedes all prior understandings and agreements, whether oral or written, between the Executive and the Company, and shall not be amended, modified or changed except by an instrument in writing executed by the party to be charged. The invalidity or partial invalidity of one or more provisions of this Agreement shall not invalidate any other provision of this Agreement. No waiver by either party of any provision or condition to be performed shall be deemed a waiver of similar or dissimilar provisions or conditions at the same time or any prior or subsequent time.

(d) This Agreement shall inure to the benefit of, be binding upon and enforceable against, the parties hereto and their respective successors, heirs, beneficiaries and permitted assigns.

(e) The headings contained in this Agreement are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

(f) All notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when personally delivered, sent by registered or certified mail, return receipt requested, postage prepaid, or by private overnight mail service (e.g. Federal Express) to the party at the address set forth above or to such other address as either party may hereafter give notice of in accordance with the provisions hereof. Notices shall be deemed given on the sooner of the date actually received or the third business day after sending.

(g) This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without reference to principles of conflicts of laws and each of the parties hereto irrevocably consents to the jurisdiction and venue of the federal and state courts located in the State of New York.

(h) This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one of the same instrument. The parties hereto have executed this Agreement as of the date set forth above.

[Signature Page to Follow]

CORPORATION:

Aspen University, Inc.

By: /s/ Michael Mathews
Michael Mathews, Chief Executive Officer

Title:CEO

EXECUTIVE:

Gerald B. Williams

/s/ Gerald B. Williams
Signature

EXHIBIT A

Aspen University Inc.
NON-DISCLOSURE, NON-COMPETITION AND NON-SOLICITATION AGREEMENT

In consideration of employment of the Executive by the Company and payment to the Executive of salary or wages, this Agreement is made between Aspen University Inc., a Delaware corporation, and Gerald B. Williams (the "Executive"). For purposes of the Agreement, the term “Company” shall include Aspen University Inc. and its affiliates, now or hereafter existing.

WHEREAS, to induce the Company to hire the Executive as an employee of the Company, the Executive agrees to the covenants of non-disclosure, non-competition, and non-solicitation, as more particularly described herein.

NOW, THEREFORE, in consideration of the hiring by the Company of the Executive as an employee of the Company, the Executive hereby agrees as follows:

1. Confidential Information. The Executive acknowledges that, in order for him to perform his or her duties properly, the Company must necessarily entrust the Executive with certain trade secrets and confidential business information (the "Confidential Information"). The Confidential Information includes, but is not limited to: source code, object code, operational and functional features and limitations of the Company's software; the Company's research and development plans and activities; the Company's manufacturing and production plans and activities; the prices, terms and conditions of the Company's contracts with its customers; the identities, needs and requirements of the Company's customers; the Company's pricing policies and price lists; the Company's business plans and strategies; the Company's marketing plans and strategies; personnel information; and financial information regarding the Company. The Executive further acknowledges that the development or acquisition of such Confidential Information is the result of great effort and expense by the Company, that the Confidential Information is critical to the survival and success of the Company, and that the unauthorized disclosure or use of the Confidential Information would cause the Company irreparable harm.

2. Nondisclosure of Confidential Information. The Executive agrees that, during the term of his or her employment with the Company and thereafter, he or she will not disclose the Confidential Information or use it in any way, except on behalf of the Company, whether or not such Confidential Information is produced by the Executive's own efforts. The Executive further agrees, upon termination of his or her employment, promptly to deliver to the Company all Confidential Information, whether or not such Confidential Information was produced by the Executive's own efforts, and to refrain from making, retaining or distributing copies thereof.

3. Inventions and Discoveries. Any invention, discovery, development, improvement, procedure, writing, work or trade secret (collectively referred to herein as "Inventions") that relates to any phase of the business of the Company, or results from any work performed on the premises of the Company or by use of the facilities, equipment or services of other employees of the Company, whether patentable, copyrightable or not, and that is made or discovered by the Executive individually or jointly with any other person or persons during the term of the Executive's employment with the Company (including any period of time prior to the date of this Agreement), shall forthwith be disclosed to the Company and shall be the sole property of the Company. Any such Invention shall be considered a work made for hire. The Executive hereby assigns to the Company all of his or her right, title and interest to any such Invention. The Executive further agrees to maintain adequate, current written records of any Invention within the scope of the foregoing provisions in the form of notes, sketches, drawings, memoranda or other written evidence, which records shall be and remain the sole property of the Company.

4. Patents, Trademarks and Copyrights. The Executive agrees that, during the term of his or her employment with the Company and thereafter, he or she will, whenever requested to do so by the Company and at the expense of the Company, apply or join with the Company in applying for patents, trademarks, copyrights, letters patent and other means for the protection of proprietary information, both foreign and domestic, with respect to any Invention described in paragraph 4. The Executive shall execute and deliver to the Company any and all other documents and instruments that, in the opinion of the Company and its counsel, are appropriate in order to obtain said patents, trademarks, copyrights, letters patent and other means of protecting proprietary information. The Executive shall further execute and deliver all such other instruments and take all other actions that in the opinion of the Company and its counsel shall be appropriate to vest in the Company (or in such person as the Company may specify) all right, title and interest in said patents, trademarks, copyrights, letters patent and other means of protecting proprietary information, and shall cooperate and assist in any litigation commenced by the Company against third parties with respect to the same.

5. Power of Attorney. In the event the Company is unable, after reasonable effort, to secure Executive's signature on any letters patent, copyright or other analogous protection relating to an Invention, whether because of Executive's physical or mental incapacity or for any other reason whatsoever, Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as his or her agent and attorney-in-fact, to act for and in his or her behalf and stead to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution thereon with the same legal force and effect as if executed by Executive.

6. Executive Developments. Executive represents that all inventions, discoveries, developments, improvements, procedures, writings, works, trade secrets or other intellectual property rights to which Executive claims ownership as of the date of this Agreement (the "Executive Developments"), and which the parties agree are excluded from this Agreement, are listed in Exhibit A attached hereto. If no such Executive Developments are listed in Exhibit A, Executive represents that there are no such Executive Developments at the time of signing this Agreement.

7. Restrictions on Competition. The Executive agrees that, during the term of his or her employment with the Company and for a period of three (3) months after termination for any reason of Executive's employment, he or she will not, directly or indirectly, render services to, work for or on behalf of, have an interest in, make any loan to, or assist in any manner any business that is competitive with that in which the Company was engaged or planned to engage on the date of the Executive's termination from the Company. The foregoing shall not prevent the Executive from owning up to one percent (1%) of the outstanding securities of a publicly held corporation that may compete with the Company. The Executive agrees that, during the term of his or her employment with the Company and for a period of three (3) months after termination for any reason of Executive's employment, he or she will not, directly or indirectly, solicit or accept work from any individual or entity that was a customer of the Employer during the Executive's employment with the Company.

8. Notice of Subsequent Employment. Executive shall, for a period of three (3) months after the termination of employment with the Company, notify the Company of any change of address, and of any subsequent employment (stating the name and address of the employer and the title and duties of the position) or other business activity. The Executive further agrees that the Company may, following termination of the Executive's employment for a period of three (3) months, communicate with the Executive's new employer for the purpose of informing the new employer of the existence of this Agreement and providing the new employer with a copy of this Agreement.

9. Enticement. For a period of three (3) months after the termination of employment with the Company, Executive will not hire or attempt to hire any employee of the Company, or assist in such hiring by anyone else, to work as an employee or independent contractor with any business that is competitive with that in which the Company was engaged or planned to engage on the date of the Executive's termination from the Company.

10. Return of Company Property. The Executive agrees, upon termination of his or her employment, promptly to deliver to the Company all files, keys, building passes, credit cards, books, documents, computer disks or tapes, and other property prepared by or on behalf of the Company or purchased with Company funds, and to refrain from making, retaining or distributing copies thereof. To the extent that Executive has any data belonging to the Company on any non-removable magnetic media owned by Executive (for example, a computer's hard disk drive), Executive agrees that immediately upon termination he or she will provide the Company with a copy of the data and then purge his or her computer of the data.

11. Equitable Relief. The Executive acknowledges that a breach of this Agreement by the Executive will cause irreparable injury to the Company, that the Company's remedies at law will be inadequate in case of any such breach, and that the Company will be entitled to temporary and preliminary injunctive relief and other injunctive relief in case of any such breach without having to post a bond or other security or plead or prove irreparable injury and lack of an adequate remedy at law.

12. Compliance with Other Agreements. The Executive represents and warrants to the Company that the execution of this Agreement by him, his or her performance of his or her obligations hereunder, and his or her employment by the Company will not, with or without the giving of notice or the passage of time, conflict with, result in the breach or termination of, or constitute default under, any agreement to which the Executive is a party or by which the Executive is or may be bound.

13. Waivers. The waiver by the Company or the Executive of any action, right or condition in this Agreement, or of any breach of a provision of this Agreement, shall not constitute a waiver of any other occurrences of the same event. Further, any subsequent change or changes in Executive's duties, salary, compensation, or employment status will not affect the validity or enforceability of this Agreement.

14. Survival; Binding Effect. This Agreement shall survive the termination of the Executive's employment with the Company regardless of the manner of such termination, and shall be binding upon the Executive and his or her heirs, executors and administrators.

15. Assignability by Company. This Agreement is assignable by the Company and inures to the benefit of the Company, its subsidiaries, affiliated corporations, successors and assignees. This Agreement, being personal, is not assignable by the Executive.

16. Headings; Gender References. The section headings in this Agreement are for reference purposes only and shall not be deemed to be a part of this Agreement or to affect the meaning or interpretation of this Agreement. Wherever used herein, the masculine pronoun shall, as appropriate, be construed to include the feminine.

17. Severability. The covenants of this Agreement are intended to be separable, and the expressions used therein are intended to refer to divisible entities. Accordingly, the invalidity of all or any part of any paragraph of this Agreement shall not render invalid the remainder of this Agreement or of such paragraph. If, in any judicial proceeding, any provision of this Agreement is found to be so broad as to be unenforceable, it is hereby agreed that such provision shall be interpreted to be only so broad as to be enforceable.

18. Governing Law. This Agreement shall be deemed to have been made in New York and shall be governed by and construed in accordance with the substantive law of New York, excluding, however, such laws as pertain to conflicts of law.

19. Exclusive Jurisdiction; Venue. Any action brought by either party against the other concerning the transactions contemplated by this Agreement shall be brought only in the state or federal courts of the United States, State of New York and venue shall be in the County of New York or appropriate federal district and division. The parties to this Agreement hereby irrevocably waive any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens.Executive

20. Attorney's Fees. Executive agrees that in the event that the Employer brings suit to enforce any term of this Agreement, the Executive shall be liable for the Employer's reasonable attorney's fees and costs with respect to any claim or counterclaim as to which the Employer is the prevailing party.

21. Entire Agreement; Amendments. This Agreement constitutes the entire understanding of the parties with respect to its subject matter, supersedes any prior communication or understanding with respect thereto, and no modification or waiver of any provision hereof shall be valid unless made in writing and signed by the parties.

22. Understanding of Agreement. THE EXECUTIVE STATES THAT HE OR SHE HAS HAD A REASONABLE PERIOD SUFFICIENT TO STUDY, UNDERSTAND AND CONSIDER THIS AGREEMENT, THAT HE OR SHE HAS HAD AN OPPORTUNITY TO CONSULT WITH COUNSEL OF HIS OR HER CHOICE, THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ALL OF ITS TERMS, THAT HE OR SHE IS ENTERING INTO AND SIGNING THIS AGREEMENT KNOWINGLY AND VOLUNTARILY, AND THAT IN DOING SO HE OR SHE IS NOT RELYING UPON ANY STATEMENTS OR REPRESENTATIONS BY THE COMPANY OR ITS AGENTS.

IN WITNESS WHEREOF, the parties have duly executed this Agreement under seal as of the 1st day of January, 2012.

Aspen University Inc.

By: */s/ Michael D. Mathews*
Michael D. Mathews, CEO

/s/ Gerald B. Williams
Gerald B. Williams, President

EXHIBIT 10.6

AGREEMENT

This **AGREEMENT** (the "Agreement") is entered into as of the 16th day of September, 2011 (the "Effective Date") by and among Higher Education Management Group, Inc. ("HEMG"), Patrick Spada ("Spada") and Aspen University Inc., a Delaware corporation ("Aspen"). HEMG, Spada and Aspen are sometimes referred to herein individually as a "Party" or collectively as the "Parties."

WHEREAS, Spada owns and controls HEMG;

WHEREAS, HEMG owns 11,307,450 shares of Series C Preferred Stock of Aspen ("Series C");

WHEREAS, each share of Series C is currently convertible into 1.6947826 shares of common stock of Aspen ("Common Stock");

WHEREAS, HEMG desires to sell a portion of its Aspen Series C; and

WHEREAS, Aspen desires to raise additional funds through an offering of its capital stock and warrants.

NOW, **THEREFORE**, in consideration of the premises and the mutual covenants set forth in this Agreement, and intending to be legally bound, the Parties agree as follows:

1. **Basic Transaction**.

(a) Subject to and in accordance with the terms of this Agreement, HEMG hereby agrees to (i) sell (A) 3,769,146 of its Series C (the "Offered Stock") to those persons set forth on Exhibit A (collectively, the "Purchaser") for the share amounts and the prices set forth on Exhibit A amounting to an aggregate price of $1,000,000 (the "Purchase Price") and (B) 2,826,860 of its Series C (the "MDM Stock") to MDM Partners LLC and/or its assigns ("MDM") for $750,000 (the "MDM Purchase Price"); and (ii) provide MDM an option, but not an obligation, to purchase 942,286 of its Series C (the "MDM Option Stock") to MDM for $250,000; provided, however, that (X) Aspen's board of directors approves such transfers and provides HEMG with resolutions, reasonably satisfactory to HEMG and its counsel, which approves each such sale so that it is a "Permitted Transfer" under Aspen's Amended And Restated Certificate Of Incorporation, and (Y) the closing of the sale of the Offered Stock (the "Closing") takes place no later than September 21, 2011. The closing of the sale of the MDM Stock must take place on or before January 3, 2012. Aspen shall be required to pay any broker-dealer commissions due in connection with the sale of the Offered Stock under this Agreement, except any commissions incurred by HEMG or Spada and/or their affiliates (other than Aspen) under agreements entered into by HEMG or Spada.

(b) At the Closing, HEMG and Spada shall enter into the same Lock-up/Leak-Out Agreement that will be entered into by all directors of Aspen, which shall be no less favorable to HEMG and Spada than the agreement attached hereto as Exhibit B(the "Lock-up Agreement").

(c) Spada and HEMG each represent and warrant that HEMG has not sold, transferred, gifted, pledged or hypothecated any Series C since May 20, 2011 and HEMG agrees that it shall not do any of the foregoing acts prior to the first to occur of the Closing or 6:00 pm New York time on September 16, 2011. Spada and HEMG further represent that as a condition of Closing, they shall execute and deliver to Aspen an affidavit of loss and indemnity agreement in the form annexed as Exhibit C ("Affidavit of Loss and Indemnity Agreement"). As soon as practicable following the Closing, Aspen shall deliver stock certificates to Paul Schneier and Erin Klaas, in the amounts of 45,000 and 50,000 shares of Common Stock, respectively, subject to receipt by Aspen of an Affidavit of Loss and Indemnity Agreement from each.

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(d) At the Closing, Spada will execute and deliver to Aspen (i) his resignation as an officer and director of Aspen, and (ii) his resignation as a manager of Aspen Marketing LLC in the forms of which are annexed as Exhibits D-1 and D-2 (the "Resignations").

(e) At the Closing, Aspen and HEMG will enter into a Consulting Agreement under which HEMG will serve as a consultant to Aspen, the form of which is annexed as Exhibit E (the "Consulting Agreement"). HEMG agrees the loan from Aspen to Spada, with a current balance of $22,793, shall be repaid through deductions from the monthly payments due to Spada under the Consulting Agreement in an amount equal to $2,000 commencing in the 14^{th} month and $2,793 in the final month, provided that if HEMG terminates the Consulting Agreement prior to the end of the two year term, HEMG shall pay any remaining balance of the loan within 30 days of termination.

(f) At the Closing, Aspen and Spada will enter into an amended and restated Non-Disclosure, Non-Competition, and Non-Solicitation Agreement, the form of which is annexed as Exhibit F (the "Amended Non-Compete Agreement").

(g) At the Closing, Aspen will enter into Indemnification Agreements (the "Indemnification Agreements") in the form of Exhibit G with each of Spada, HEMG, Nicholas Spada, Steve Karl, Beth Karl, and Betty Bednarski.

(h) At the Closing, Aspen will enter into Mutual Releases (the "Mutual Releases"), in the form of Exhibit H, with each of Spada, HEMG, Nicholas Spada, Steve Karl, Beth Karl, Betty Bednarski, and Aspen University Publications, Inc.

(i) At the Closing, Aspen will enter into separation and release agreements with each of Steve Karl (severance of 6 months base pay, or $75,000), Beth Karl (severance of 6 months base pay, or $32,500), and Betty Bednarski (termination payment of 6 months of fees, or $6,000) (the "Separation Agreements"), which will provide for the payment of severance or such other amounts, as applicable, following termination of employment or services, as applicable, (including resignation), in the form of Exhibit I.

(j) At the Closing, Aspen will repay a $15,000 loan due to Steve Karl, which has an outstanding balance of $16,161.30 as of August 29, 2011, in full.

(k) [Intentionally Omitted].

(l) The Closing is conditioned upon (i) Aspen consummating an offering of its capital stock and warrants to third parties who invest at least $1,300,000 and no more than $2,000,000 at a price per share no less than $0.70 per share, with warrant coverage no greater than 50%, and resulting in a revised capitalization table as set forth on Exhibit J and (ii) the Parties making the deliveries set forth herein.

(m) Spada and HEMG acknowledge that in order to locate a Purchaser, Aspen must agree with the Purchaser and other investors who invest, in the aggregate, at least $1,300,000 and no more than $2,000,000 in Aspen that Aspen will become an SEC Reporting Company, as that term is defined by Aspen's Second Amended and Restated Certificate of Incorporation (to be filed in connection with its current offering), as soon as practicable. In connection with that goal, Spada and HEMG agree to co-operate with, and fully respond to, Aspen's auditors' requests for information and confirmation; provided, however, that nothing contained herein shall require Spada or HEMG to agree that a confirmation request is true and correct. In addition, in connection with any audits for periods during which Spada served as an officer of Aspen, Spada agrees to execute the standard representation letters similar to what he signed in prior years.

(n) At the Closing, Spada and HEMG shall enter into stock purchase agreement(s) with the Purchaser in the Form annexed as Exhibit K (collectively, the "Stock Purchase Agreement") which will provide for shares of the Offered Stock to be transferred and delivered to Purchaser, and the Purchase Price paid to HEMG, pursuant to an escrow agreement with Harris Cramer LLP, as escrow agent ("Escrow Agent"), in the form annexed as Exhibit L (the "Escrow agreement").

(o) At the Closing, Spada and HEMG shall enter into a stock purchase agreement with MDM in the Form annexed as Exhibit M (the "MDM Stock Purchase Agreement") which will be personally guarantied by Michael Mathews (the "Mathews Guaranty"), Aspen's CEO, and which will provide for shares of the MDM Stock to be transferred and delivered to MDM, and the MDM Purchase Price paid to HEMG, pursuant to an escrow agreement with the Escrow Agent, in the form annexed as Exhibit N (the "MDM Escrow Agreement").

(p) At the Closing, Spada and HEMG shall enter into a stock option purchase agreement with MDM in the Form annexed as Exhibit O (the "MDM Option Purchase Agreement") which will provide for shares of the MDM Option Stock to be transferred and delivered to an escrow agreement with the Escrow Agent, in the form annexed as Exhibit P (the "MDM Option Escrow Agreement").

(q) During the term of the Consulting Agreement, if Aspen adopts an incentive stock option plan, Spada will be eligible to participate in such plan and will receive option grants as if he were still an officer and director of Aspen. In addition, any vesting period for Spada's initial option grant shall be deemed to have commenced as of the date of the Closing.

(r) At the Closing, Aspen and HEMG will enter into a stock pledge agreement with Aspen in the form annexed as Exhibit Q (the "Stock Pledge Agreement") pursuant to which it will provide Aspen with a security interest in 772,793 shares of HEMG's Series C (the "Pledged Stock") to secure the payment of the $772,793 owed by HEMG to Aspen under the Marketing Agreements.

(s) At the Closing, HEMG shall execute and deliver to the Aspen a limited proxy in the form annexed as Exhibit R (the "Proxy"), which provides the board of directors of Aspen the authority to vote the Series C retained by HEMG (including shares held by the Escrow Agent) pursuant to the terms and conditions of the Proxy.

2. **Deliveries on the Closing Date.**

(a) On the Closing Date, Spada and HEMG shall execute and deliver to Aspen the following:

(i) The Lock-Up/Leak-Out Agreement;

(ii) The Mutual Release Agreement (to which either of them is a party).

(iii) The Consulting Agreement.

(iv) The Amended Non-compete Agreement.

(v) The Indemnification Agreement (to which either of them is a party).

(vi) The Resignations.

(vii) The Stock Pledge Agreement.

(x) The Proxy.

(xi) Any other documents deemed reasonably necessary by Aspen to effectuate the transactions described in this Agreement.

(b) On the Closing Date, Aspen shall execute and deliver to Spada and HEMG the following:

(i) The Lock-Up/Leak-Out Agreement;

(ii) The Mutual Release Agreement (with Spada and HEMG).

(iv) The Consulting Agreement.

(v) The Amended Non-compete Agreement.

(vi) The Indemnification Agreement (with Spada and HEMG).

(vii) Any other documents deemed reasonably necessary by HEMG to effectuate the transactions described in this Agreement.

(c) On the Closing Date, Aspen shall execute and deliver to Spada and HEMG fully executed copies of the following:

(i) The Separation Agreements.

(ii) The Mutual Release Agreements (with parties other than Spada and HEMG).

(iii) The Indemnification Agreements (with parties other than Spada and HEMG) .

(iv) Evidence reasonably satisfactory to Spada and HEMG that the $15,000 loan due to Steve Karl has been paid in full including interest through the date of Closing.

(d) On the Closing Date, (A) HEMG shall (i) execute and deliver to the Escrow Agent the Stock Purchase Agreement, the Escrow Agreement, the MDM Escrow Agreement, and the MDM Option Escrow Agreement, (ii) execute and deliver to MDM the MDM Stock Purchase Agreement and the MDM Option Purchase Agreement, and (iii) deliver to the Escrow Agent original stock certificate(s) representing the Offered Stock, the MDM Stock, and the MDM Option Stock, along with one or more stock powers executed in blank with medallion guarantee and instructions to the Escrow Agent sufficient to provide for the transfer of the Offered Stock to the Purchaser and the MDM Stock to MDM, and the MDM Option Stock to MDM, (B) Escrow Agent shall pay the Purchase Price to HEMG via wire transfer, and (C) MDM shall (i) execute and deliver to the Escrow Agent the MDM Escrow Agreement and the MDM Option Escrow Agreement, and (ii) execute and deliver to HEMG the MDM Stock Purchase Agreement and the MDM Option Purchase Agreement. The payment of the Purchase Price to HEMG by the Escrow Agent shall be a condition precedent to the effectiveness of (I) the sale of the Offered Stock to Purchaser, and (II) the resignations.

3. **Termination.** Either Party may terminate this Agreement if the Closing has not occurred by 6:00 pm New York time on September 21, 2011.

4. **Legal Fees and Expenses**. Aspen shall reimburse Spada and HEMG for all of their reasonable legal fees and expenses incurred in connection with this Agreement. At the request of and on behalf of Spada and HEMG, Aspen has advanced a $30,000 retainer to Dillon, Bitar & Luther, L.L.C., attorneys for Spada and HEMG in connection with this Agreement.

5. **Arbitration**.

(a) Except as otherwise provided in this Agreement, any claim or controversy arising among or between the parties hereto pertaining to any claim or controversy arising out of or respecting any matter contained in this Agreement or in any agreement entered into pursuant to or in connection with this Agreement, or any difference as to the interpretation of any of the provisions of this Agreement or of such other agreement, shall be settled by arbitration in the State of New Jersey, by one (1) arbitrator, under the then prevailing rules of the American Arbitration Association. In any arbitration involving this Agreement or any agreement entered into pursuant to or in connection with this Agreement, the arbitrator shall not make any award which includes punitive or exemplary damages or which will alter, change, cancel or rescind any provision of this Agreement, and his or her award shall be consistent with the provisions of this Agreement. The award of the arbitrators shall be binding and final, and judgment may be entered thereon, in any court of competent jurisdiction.

(b) Judgment upon any award rendered by the arbitrator shall be binding and conclusive upon the parties and may be entered in any court of competent jurisdiction.

(c) Notwithstanding the requirement of this Section that any dispute under or in connection with this Agreement be resolved through arbitration, either party may apply to any court of competent jurisdiction for any of the provisional remedies to which such party may be entitled under the laws of the State of New Jersey, including, but not limited to, injunction, attachment, or replevin, pending the determination of any claim or controversy pursuant to the arbitration provisions of this Agreement.

(d) Any arbitration proceeding arising under or in connection with this Agreement or any agreement entered into pursuant to or in connection with this Agreement shall be held in Morris County, New Jersey or at such other location as may be agreed to by the parties in writing.

(e) Service of process and notice of arbitration of any and all documents and papers may be made by either certified or registered mail or by a national overnight delivery service that provides a delivery receipt, addressed to any party at the address listed in this Agreement or at such other address as the parties may designate in writing to the other parties, from time to time.

6. **Miscellaneous**.

(a) Survival of Representations and Warranties. All of the representations and warranties of the Parties contained in this Agreement shall survive the Closing.

(b) Press Releases and Public Announcements. Notwithstanding anything to the contrary in this Agreement, no Party shall issue any press release or make any public announcement relating to the subject matter of this Agreement prior to the Closing without the prior written approval of the other Party; provided, however, that Aspen may make any public disclosure it believes in good faith is required by applicable law (in which case such Aspen will use its reasonable best efforts to give the other Parties prior notice of the proposed disclosure).

(c) No Third-Party Beneficiaries. Except as specifically provided for herein, this Agreement shall not confer any rights or remedies upon any person or entity other than the Parties and their respective successors and permitted assigns.

(d) Entire Agreement. This Agreement (including the documents referred to herein) constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they related in any way to the subject matter hereof.

(e) Successors and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns.

(f) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Signatures may be original, facsimile or pdf.

(g) Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

(h) Notices. All notices, offers, acceptance and any other acts under this Agreement (except payment) shall be in writing, and shall be sufficiently given if delivered to the addressees in person, by Federal Express or similar receipted next business day delivery as follows:

If to Aspen:	Aspen University Inc. 224 W. 30th Street New York, NY 10001 Attention: Mr. Michael Mathews
If to HEMG or Spada:	Patrick Spada 144 Vista Drive Cedar Knolls, NJ 07927

or to such other address as any of them, by notice to the other may designate from time to time.

(i) Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to the principles of choice of laws thereof. Each of the parties hereby consents and submits to the jurisdiction of the state and federal courts in the State of New Jersey for any dispute arising under or in connection with this Agreement.

(j) Amendments and Waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by the Parties. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

(k) Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

(l) Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word "including" shall mean including without limitation.

(m) Incorporation of Exhibits and Schedules. The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

[SIGNATURE PAGE FOLLOWS]

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

ASPEN:

Aspen University Inc.

By: /s/ Michael Mathews
Michael Mathews, Chief Executive Officer

HEMG:

Higher Education Management Group, Inc

By: /s/ Patrick Spada
Patrick Spada, President

SPADA:

s/ Patrick Spada
Patrick Spada

EXHIBIT 10.7

CONSULTING AGREEMENT

This **CONSULTING AGREEMENT** (the "Agreement") is entered into as of the 16th day of September, 2011 by and between Aspen University Inc., a Delaware corporation (the "Company"), and Higher Education Management Group, Inc. (the "Consultant").

WHEREAS, the Company desires to retain the services of the Consultant and the Consultant is willing to accept such service arrangement and render such services, all upon and subject to the terms and conditions contained in this Agreement;

NOW, **THEREFORE**, in consideration of the premises and the mutual covenants set forth in this Agreement, and intending to be legally bound, the Company and the Consultant agree as follows:

1. **Engagement.** The Company hereby engages and retains the Consultant and the Consultant hereby agrees to render services upon the terms and conditions hereinafter set forth.

2. **Term**. The term of this Agreement (the "Term") shall commence on the date of this Agreement and shall continue for a period of two (2) years, unless sooner terminated in accordance with the provisions of Section 6.

3. **Services**. During the Term, the Consultant shall use good faith efforts to make himself reasonably available to consult with the Company on educational matters related to accreditation (the "Services") upon the written request of the Company; provided, however, the Consultant shall not be required to perform Services for more than (i) 20 hours per calendar month, (ii) 10 hours in any one (1) week, or (iii) 8 hours in any one (1) day. The Company shall use good faith efforts to provide Consultant with reasonable prior written notice of its need for Consultant's Services and acknowledges that Consultant will have other business interests and activities and will not always be available to provide Services on the days or according to the schedule desired by Company. Consultant shall perform such Services from his home office or from such other location as shall be acceptable to Consultant in his sole discretion. Consultant shall report to the Company's CEO, who shall be Consultant's principal contact at the Company in regard to the Services. Consultant shall perform the Services in a diligent and competent manner. All services shall to be performed by the Consultant under this Agreement shall be performed by Patrick Spada ("Spada").

4. **Compensation and Expenses.**

(a) Compensation. During the Term, the Company shall pay the Consultant a monthly fee of $11,666.67 for services provided hereunder. Notwithstanding the preceding, (i) $151,666.67, constituting the first 13 months' fees, shall be paid to Consultant in advance on the date of the execution and delivery of this Agreement, and (ii) the monthly fee shall be paid in advance to Consultant on the first day of each month commencing on the 14th month. Such fees shall be due and payable in full and Company shall not receive a refund or credit if Company does not use Consultant's Services for 20 hours in any one month, provided that such failure is not due to Consultant's refusal to provide the Services as required hereunder.

Notwithstanding anything contained herein to the contrary, the Consultant hereby agrees to allow the Company to offset amounts due the Consultant under this Agreement as follows: (i) $2,000 per month with respect to monthly payments commencing in the 14th month, and (ii) $2,793 with respect to the payment due on the 24th month of this Agreement, for a total of $22,793. These offsets arose from that certain loan from the Company to Spada, who is the sole shareholder of the Consultant, and are in accordance with that certain agreement dated as of the date of this Agreement by and among the Company, the Consultant, and Spada.

(b) Records. The Consultant shall maintain a monthly time sheet detailing the tasks performed by the Consultant and time spent on such tasks. Within ten (10) business days of a written request by the Company for a copy of any such time sheet, the Consultant shall provide a copy of such time sheet to the Company.

(c) Expenses. If approved in advance by the Company, the Company shall reimburse travel and other expenses and costs incurred by Consultant in the performance of Services. All approved expenses shall be reimbursed by the Company within fifteen (15) days of being submitted to the Company by Consultant.

5. **Independent Contractor Relationship.**

(a) The Consultant acknowledges that the Consultant is an independent contractor and not an employee of the Company, and that the Consultant is not the legal representative or agent of the Company. Consultant does not have the power to obligate the Company for any purpose other than specifically provided in this Agreement. The Consultant further acknowledges that the scope of his engagement hereunder does not include any supervisory responsibilities with respect to the Company's personnel. The Consultant expressly acknowledges that the relationship intended to be created by this Agreement is a business relationship based entirely on, and circumscribed by, the express provisions of this Agreement and that no partnership, joint venture, agency, fiduciary or employment relationship is intended or created by reason of this Agreement.

(b) The Company shall carry no worker's compensation insurance or any health or accident insurance to cover the Consultant or his employees. The Company shall not pay contributions to social security, unemployment insurance, federal or state withholding taxes, nor provide any other contributions or benefits, which might be expected in an employer-employee relationship. Neither the Consultant nor his employees shall be entitled to medical coverage, life insurance or to participation in any current or future Company pension plan.

(c) The Company, to the extent applicable, shall issue the Consultant a Form 1099 for all payments made hereunder. All taxes, withholding and the like on any and all amounts paid under this Agreement shall be the Consultant's responsibility. The Consultant agrees that the Consultant shall indemnify and hold the Company, its employees, affiliates, and agents, harmless from and against any judgments, fines, costs, or fees associated with such payments hereunder.

6. **Termination.**

(a) This Agreement shall automatically terminate on the date that the Consultant first publicly sells any shares of Aspen common stock.

(b) Consultant shall have the right to terminate this Agreement through ninety (90) days notice to Company at any time after the first anniversary of this Agreement.

(c) Notwithstanding the preceding, the Company shall have the right to terminate this Agreement immediately if Consultant willfully breaches Section 7 and fails to cure any such breach within thirty (30) days of receiving written notice of such breach from the Company.

(d) Upon termination of this Agreement, the Consultant shall only be entitled to receive any compensation earned and any expenses incurred in accordance with this Agreement though the effective date of termination. Any and all other rights granted to the Consultant under this Agreement shall terminate as of the date of such termination.

7. **Confidentiality; Non-Competition and Non-Solicitation.** Consultant's performance of Services shall be covered by the amended and restated Non-Disclosure, Non-Competition, and Non-Solicitation Agreement entered into between Consultant and Company on or about the date hereof (the "Amended Non-compete").

8. **Equitable Relief**. The Company and the Consultant recognize that the Services to be rendered under this Agreement by the Consultant are special, unique and of extraordinary character, and that in the event of the breach by the Consultant of the terms and conditions of this Agreement or if the Consultant shall take any action in violation of Section 7, the Company shall be entitled to institute and prosecute proceedings in any court of competent jurisdiction to enjoin the Consultant from breaching the provisions of Section 7. In such action, the Company shall not be required to plead or prove irreparable harm or lack of an adequate remedy at law or post a bond or any security.

9. **Survival.** Sections 6(d) and 7 through 18 shall survive termination of this Agreement.

10. **Assignability**. The rights and obligations of the Company under this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Company. The Consultant's obligations hereunder may not be assigned or alienated without the prior written consent of the Company and any attempt to do so by the Consultant will be void.

11. **Severability.** If any provision of this Agreement otherwise is deemed to be invalid or unenforceable or is prohibited by the laws of the state or jurisdiction where it is to be performed, this Agreement shall be considered divisible as to such provision and such provision shall be inoperative in such state or jurisdiction and shall not be part of the consideration moving from either of the parties to the other. The remaining provisions of this Agreement shall be valid and binding and of like effect as though such provisions were not included. If any restriction set forth in this Agreement is deemed unreasonable in scope, it is the parties' intent that it shall be construed in such a manner as to impose only those restrictions that are reasonable in light of the circumstances and as are necessary to assure the Company the benefits of this Agreement.

12. **Notices and Addresses**. All notices, offers, acceptance and any other acts under this Agreement (except payment) shall be in writing, and shall be sufficiently given if delivered to the addressees in person, by Federal Express or similar national overnight delivery service that provides a delivery receipt, or by facsimile delivery followed by Federal Express or similar next business day delivery, as follows:

To the Company:	To the Consultant:
Aspen University Inc. 224 West 30th Street Suite 604 New York, NY 10001 Attn: Mr. Michael Mathews	Higher Education Management Group, Inc. 144 Vista Drive Cedar Knolls, NJ 07927 Attn: Mr. Patrick Spada

or to such other address as either of them, by notice to the other may designate from time to time. The transmission confirmation receipt from the sender's facsimile machine shall be evidence of successful facsimile delivery. Time shall be counted to, or from, as the case may be, the delivery in person or by mailing.

13. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. The execution of this Agreement may be by actual or facsimile signature.

14. **Attorney's Fees**. In the event that there is any controversy or claim arising out of or relating to this Agreement, or to the interpretation, breach or enforcement thereof, and any action or proceeding is commenced to enforce the provisions of this Agreement, the prevailing party shall be entitled to a reasonable attorney's fee, costs and expenses.

15. **Governing Law**. This Agreement and any dispute, disagreement, or issue of construction or interpretation arising hereunder whether relating to its execution, its validity, and the obligations provided therein or performance shall be governed or interpreted according to the internal laws of the State of New Jersey without regard to choice of law considerations.

16. **Entire Agreement**. This Agreement constitutes the entire agreement between the parties and supersedes all prior oral and written agreements between the parties hereto with respect to the subject matter hereof. Neither this Agreement nor any provision hereof may be changed, waived, discharged or terminated orally, except by a statement in writing signed by the party or parties against whom enforcement or the change, waiver discharge or termination is sought.

17. **Additional Documents**. The parties hereto shall execute such additional instruments as may be reasonably required by their counsel in order to carry out the purpose and intent of this Agreement and to fulfill the obligations of the parties hereunder.

18. **Section and Paragraph Headings**. The section and paragraph headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Company and the Consultant have executed this Agreement as of the date and year first above written.

COMPANY:

Aspen University Inc.

By: /s/ Michael Mathews
Michael Mathews, Chief Executive Officer

CONSULTANT:

Higher Education Management Group, Inc.

By: /s/ Patrick Spada
Patrick Spada, President

EXHIBIT 10.8

Lock-Up/Leak-Out Agreement

September 16, 2011

Patrick Spada
Higher Education Management Group, Inc.
144 Vista Drive
Cedar Knolls, NJ 07927535

Re: Lock-Up/Leak-Out Agreement

Dear Patrick:

As partial consideration for that certain agreement (the "Agreement"), dated September 16, 2011 by and among Aspen University Inc., a Delaware corporation ("Aspen"), Higher Education Management Group, Inc. ("HEMG") and Patrick Spada ("Spada"), HEMG and Spada agree to the restrictions contained herein.

1. From the date hereof until twelve months following the SEC Reporting Date, as that term is defined in Aspen's Second Amended and Restated Certificate of Incorporation to be filed in connection with the closing of the Agreement (the "Term"), HEMG and Spada shall not, directly or indirectly, (i) sell, offer to sell, contract or agree to sell, hypothecate, or pledge any of its shares of Series C Preferred stock, common stock or any other capital stock of Aspen or any entity with which Aspen merges or consummates a share exchange (collectively, "Shares"), (ii) sell, transfer or grant any option to purchase or otherwise dispose of or agree to dispose of, directly or indirectly, in respect of, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Securities Exchange Act of 1934 and the rules and regulations of the Securities and Exchange Commission promulgated thereunder with respect to any Shares or (iii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares, or any rights to purchase the Shares, whether any such transaction is to be settled by delivery of the Shares or such other securities, in cash or otherwise. The restrictions in this Section shall not apply to (a) bona fide gifts provided that such recipient agrees in writing to be bound by the terms of this Agreement, or (b) dispositions to any trust for you or your principal's direct or indirect benefit and/or your principal's immediate family, provided that such trust agrees in writing to be bound by the terms of this Agreement, and (c) sales or dispositions authorized pursuant to Section 2 below.

2. Commencing upon the expiration of the Term and continuing for a period of twelve (12) months, HEMG and Spada, collectively, shall, in any given week, be allowed to sell, transfer or otherwise dispose of up to 5% of the total trading volume for the Shares for the prior 10 trading days not including any days in the week of sale, or such greater amount as the board of directors of Aspen may determine from time to time. If Aspen's board of directors increases the amount of shares that any other shareholder who (A) (i) is currently a director of Aspen, or (ii) an affiliate of any such director, and (B) is subject to a Lock-up/Leak-Out Agreement or other restrictions similar to those contained in this Agreement, may sell, Aspen shall also increase the shares that Spada and HEMG may sell in an equal amount measured on a percentage basis. In the event that any other shareholder who is currently a director of Aspen or an affiliate of any such director is provided with registration rights with respect to shares of Aspen, HEMG and Spada shall be provided similar registration rights.

3. For two years from the SEC Reporting Date, Aspen covenants that it will file the reports required to be filed under the Securities Exchange Act of 1934 (or successor statute) and the rules and regulations adopted by the Securities and Exchange Commission thereunder (or, in the event that the Company is not required to file such reports, it will make publicly available information as set forth in Rule 144(c)(2) promulgated under the Securities Act), and it will take such further action as HEMG may reasonably request, or to the extent required from time to time to enable HEMG to sell the Shares without registration under the Securities Act within the limitation of the exemption provided by (a) Rule 144, as such Rule may be amended from time to time, or (b) any similar rule or regulation hereafter adopted by the Commission and Exchange Commission. Upon request of HEMG, Aspen will deliver to HEMG a written statement as to whether it has complied with such requirements.

By signing below, you hereby agree in writing to be bound by the terms of this letter agreement. You agree that your right to sell common stock is subject to applicable law.

Yours very truly,

/s/ Michael Mathews
Michael Mathews
Chief Executive Officer

I agree to the foregoing:

Higher Education Management
Group, Inc.

By: /s/ Patrick Spada
Patrick Spada, President

/s/ Patrick Spada
Patrick Spada

EXHIBIT 10.9

Lock-Up/Leak-Out Agreement

September 16, 2011

Re: Lock-Up/Leak-Out Agreement

Dear _______________:

In connection with that certain agreement (the "Agreement"), dated September 16, 2011 by and among Aspen University Inc., a Delaware corporation ("Aspen"), Higher Education Management Group, Inc. ("HEMG") and Patrick Spada ("Spada"), you agree to the restrictions contained herein.

1. From the date hereof until twelve months following the SEC Reporting Date, as that term is defined in Aspen's Second Amended and Restated Certificate of Incorporation to be filed in connection with the closing of the Agreement (the "Term"), you shall not, directly or indirectly, including through any persons or entities controlled by you, (i) sell, offer to sell, contract or agree to sell, hypothecate, or pledge any of your shares of Series C Preferred stock, common stock or any other capital stock of Aspen or any entity with which Aspen merges or consummates a share exchange (collectively, "Shares"), (ii) sell, transfer or grant any option to purchase or otherwise dispose of or agree to dispose of, directly or indirectly, in respect of, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Securities Exchange Act of 1934 and the rules and regulations of the Securities and Exchange Commission promulgated thereunder with respect to any Shares or (iii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares, or any rights to purchase the Shares, whether any such transaction is to be settled by delivery of the Shares or such other securities, in cash or otherwise. The restrictions in this Section shall not apply to (a) bona fide gifts provided that such recipient agrees in writing to be bound by the terms of this Agreement, or (b) dispositions to any trust for you or your principal's direct or indirect benefit and/or your principal's immediate family, provided that such trust agrees in writing to be bound by the terms of this Agreement, and (c) sales or dispositions authorized pursuant to Section 2 below.

2. Commencing upon the expiration of the Term and continuing for a period of twelve (12) months, you (and/or persons or entities controlled by you) shall, in any given week, be allowed to sell, transfer or otherwise dispose of up to 5% of the total trading volume for the Shares for the prior 10 trading days not including any days in the week of sale, or such greater amount as the board of directors of Aspen may determine from time to time. If Aspen's board of directors increases the amount of shares that any other shareholder who (A) (i) is currently a director of Aspen, or (ii) an affiliate of any such director, and (B) is subject to a Lock-up/Leak-Out Agreement or other restrictions similar to those contained in this Agreement, may sell, Aspen shall also increase the shares that you (and persons or entities controlled by you) may sell in an equal amount measured on a percentage basis. In the event that any other shareholder who is currently a director of Aspen or an affiliate of any such director is provided with registration rights with respect to shares of Aspen, you shall be provided similar registration rights.

By signing below, you hereby agree in writing to be bound by the terms of this letter agreement. You agree that your right to sell common stock is subject to applicable law.

Yours very truly,

Michael Mathews
Chief Executive Officer

I agree to the foregoing:

____

EXHIBIT 10.10

PLEDGE AGREEMENT

THIS PLEDGE AGREEMENT (the "Agreement"), made and entered into this 16th day of September, 2011, by and among Higher Education Management Group, Inc. (the "Pledgor") and Aspen University Inc., a Delaware corporation (the "Company").

WHEREAS, the Company and the Pledgor entered into those certain Marketing Agreements dated March 30, 2008 and December 1, 2008 (collectively, "the Marketing Agreements");

WHEREAS, as of the date of this Agreement, the Pledgor owes the Company $772,793 (the "Obligation") pursuant to the Marketing Agreements;

WHEREAS, the Obligations are due on or before the fifth year anniversary of the applicable Marketing Agreement (each a "Due Date" and collectively, the "Due Dates"); and

WHEREAS, the Company and the Pledgor have entered into this Agreement as collateral to secure repayment by Pledgor of the Obligations.

NOW, THEREFORE, in order to secure the repayment of the Obligations, and for good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties hereto agree as follows:

1. Security Interest.

(a) As collateral security for the repayment of the Obligations as described above, the Pledgor hereby grants to the Company, and such Company shall have a security interest in 772,793 shares of Series C Preferred Stock of the Company, issued in the name of the Pledgor (the "Shares"). Simultaneously with the execution of this Agreement, the Pledgor will deliver the Shares to the Company along with a duly executed stock power, endorsed in blank.

(b) The Company shall also have a security interest in all securities and other property, rights or interests of any description at any time issued or issuable as an addition to, in substitution or exchange for, or with respect to the Shares, including without limitation, (i) shares issued as dividends or as the result of any change in the name of the Pledgor, or (ii) any reclassification, or any split-up or other corporate reorganization, collectively referred to as the "New Shares." The Pledgor will promptly deliver to the Company duly executed stock powers for any New Shares.

(c) The Pledgor represents and warrants that

(i) The Pledgor is the sole beneficial and record owner of the Shares;

(ii) The Shares are free and clear of all liens, pledges, charges, encumbrances, security interest or right or option of any third person to purchase or otherwise acquire any of the Shares and the Pledgor has the unrestricted right to pledge the Shares as contemplated hereby;

(iii) Subject to that certain Irrevocable Proxy granted by the Pledgor to the Company (the "Proxy"), the Pledgor possesses the voting rights in the Shares, and will possess the voting rights, if any, in any New Shares free and clear of any restrictions; and

(iv) the Shares are not subject to any restriction on sale, transfer, assignment or hypothecation other than such restrictions as arise out of non-registration thereof;

2. Disposition of Collateral Upon Full Payment. Full payment of the Obligations shall operate as a full and complete release of all of the Company's rights and interests hereunder in the Shares, and after full payment as aforesaid has been received, this instrument shall be void and of no further effect and the Shares shall be returned to the Pledgor.

3. Default.

(a) The Pledgor shall be in default under this Agreement upon the happening of any of the following events or conditions:

(i) The occurrence of a default under the Marketing Agreements (including, without limitation, the failure to timely pay the Obligations on or before each applicable Due Date);

(ii) Default in the performance of any obligation, covenant, agreement or liability under this Agreement and such failure shall continue uncured for a period of ten (10) business days after notice from the Holder of such failure; or

(iii) Any warranty, representation, or statement made or furnished to the Company by or on behalf of the Pledgor or any other person in connection with the Marketing Agreements proves to have been false in any material respect when made or furnished; or

(iv) Sale, or further encumbrance to or of any portion of the Shares without the prior written consent of the Company, or the making of any levy, seizure, or attachment thereof or thereon.

(b) The remedies of the Company as provided herein and in the other documents and instruments executed in connection with the Marketing Agreements, may be exercised in any order and shall be cumulative and concurrent, and may be pursued singly, successively, or together at the sole discretion of the Company, and may be exercised as often as occasion therefor shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

(c) Upon the occurrence of any such default or at any time thereafter, the Company may, at its option, declare the Obligations secured hereby immediately due and payable without demand or notice of any kind and the same thereupon shall immediately become and be due and payable without demand or notice (but with such adjustments, if any, with respect to interest or other charges and may be provided for in the Marketing Agreements, and the Company shall have and may exercise from time to time any and all rights and remedies of a secured party under the Uniform Commercial Code (including, without limitation, the right to sell or liquidate any or all of the Shares without notice and to apply the proceeds to the Obligations in any order of priority as the Company sees fit) and any and all rights and remedies available to it under any other applicable law, and in addition, all right, title and interest in the Shares shall, at the option of the Company, be transferred to the Company and the Company shall in that event be and become the registered and beneficial owner of the Shares subject to any applicable state and federal securities laws, and the Pledgor shall cease to have any further interest therein.

4. Voting Rights. Subject to the Proxy, voting rights with respect to the Shares shall remain with the Pledgor until a default occurs and the Company gives notice of such default to the Pledgor. Upon receipt of such notice of default, the Company may immediately transfer the shares into the name of the Company on the books and records of the Company and to issue new certificates evidencing the transfer without any further action or consent necessary from the Pledgor to effectuate the transfer. This Agreement serves as authorization to the Company to transfer the Shares into the name of the Company in the event of default.

5. Miscellaneous Provisions.

(a) This Agreement shall remain in full force and effect as long as any of the Obligations shall remain unpaid in whole or in part.

(b) The Pledgor, without the written consent of the Company, shall not assign or grant any other security interest in the Shares being pledged herein.

(c) Until the Obligations are paid in full or until the Shares are released, transferred or otherwise disposed of pursuant to the terms of this Agreement, or according to law, the Shares shall be kept by the Company at its principal residence (or principal office, if Company is not an individual).

(d) In its discretion, the Company may, at any time, take any one or more of the following actions, without liability, except to account for property actually received by it:

(i) after default hereunder, make any compromise or settlement deemed advisable with respect to any of the Shares; and

(ii) take or release any other collateral as security for the Obligations.

(e) The Company shall be under no duty to exercise or to withhold the exercise of any of the rights, powers, privileges and options expressly or implicitly granted to the Company in this Agreement, and shall not be responsible for any failure to do so or delay in so doing; nor shall the Company be responsible for any decline in value of any of the Shares.

(f) The Company shall exercise reasonable care in the custody and preservation of the Shares and shall always be deemed to have exercised reasonable care if it takes such action in that connection as the Pledgor shall reasonably request in writing, but no omission to comply with any request of the Pledgor shall, of itself, be deemed a failure to exercise reasonable care. Without limiting the generality of the foregoing, the Company shall have no responsibility for ascertaining any maturities, calls, conversions, exchanges, offers, tenders or similar matters relating to any of the Shares nor for informing the undersigned with respect to any thereof. The Company shall not be bound to take any steps necessary to preserve any rights in the Shares against prior parties, and the Pledgor shall take all necessary steps for such purposes.

(g) The Pledgor shall promptly deliver to the Company all written notices, and shall promptly give the Company written notice of any other notices received by it with respect to the Shares.

(h) The Pledgor hereby notifies the Company that any New Shares shall be delivered directly to the Company until such time as the Company shall notify the Pledgor otherwise.

6. Entire Agreement. This Agreement constitutes the entire Agreement between the parties and supersedes all prior oral or written agreements regarding the same subject matter.

7. Severability. In the event any parts of this Agreement are found to be void, the remaining provisions of this Agreement shall nevertheless be binding with the same effect as though the void parts were deleted.

8. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. The execution of this Agreement may be by actual or facsimile signature.

9. Benefit. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their legal representatives, successors and assigns.

10. Notices and Addresses. All notices, offers, acceptance and any other acts under this Agreement (except payment) shall be in writing, and shall be sufficiently given if delivered to the addressees in person, by Federal Express or similar receipted delivery, by facsimile delivery or, if mailed, postage prepaid, by certified mail, return receipt requested, as follows:

The Company:	Aspen University Inc. 224 W. 30th Street, Suite 604 New York, NY 10001
The Pledgor:	Higher Education Management Group, Inc. c/o Patrick Spada 144 Vista Drive Cedar Knolls, NJ 07927

or to such other address as either of them, by notice to the other may designate from time to time. The transmission confirmation receipt from the sender's facsimile machine shall be conclusive evidence of successful facsimile delivery. Time shall be counted to, or from, as the case may be, the delivery in person or by mailing.

11. Attorney's Fees. In the event that there is any controversy or claim arising out of or relating to this Agreement, or to the interpretation, breach or enforcement thereof, and any action or proceeding is commenced to enforce the provisions of this Agreement, the prevailing party shall be entitled to a reasonable attorney's fee, including the fees on appeal, costs and expenses.

12. Governing Law. This Agreement and any dispute, disagreement, or issue of construction or interpretation arising hereunder whether relating to its execution, its validity, the obligations provided therein or performance shall be governed or interpreted according to the laws of the State of Delaware.

13. Oral Evidence. This Agreement constitutes the entire Agreement between the parties and supersedes all prior oral and written agreements between the parties hereto with respect to the subject matter hereof. Neither this Agreement nor any provision hereof may be changed, waived, discharged or terminated orally, except by a statement in writing signed by the party or parties against which enforcement or the change, waiver discharge or termination is sought.

14. Additional Documents. The parties hereto shall execute such additional instruments as may be reasonably required by their counsel in order to carry out the purpose and intent of this Agreement and to fulfill the obligations of the parties hereunder.

15. Section or Paragraph Headings. Paragraph headings herein have been inserted for reference only and shall not be deemed to limit or otherwise affect, in any matter, or be deemed to interpret in whole or in part any of the terms or provisions of this Agreement.

[Signature Page to Follow]

IN WITNESS WHEREOF the parties hereto have set their hand and seals the day and year first above written.

COMPANY:

Aspen University Inc.

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

PLEDGOR:

Higher Education Management Group, Inc.

By: /s/ Patrick Spada
Patrick Spada, President

Exhibit 10.11

PLEDGE AGREEMENT

THIS PLEDGE AGREEMENT (the "Agreement"), made and entered into this 13th day of March, 2012, by and among Michael D. Mathews, Michael D'Anton, MD, and John Scheiblehoffer, MD (collectively, the "Pledgor") and Aspen University Inc., a Delaware corporation (the "Company").

WHEREAS, the Company contends that Higher Education Management Group, Inc. and Patrick Spada (collectively, the "Debtor"), jointly and severally, are indebted to the Company in the amount of $2,161,785 or such lesser amount as may be shown on the Company's balance sheet as of December 31, 2011 (the "Debt"); and

WHEREAS, the Company has requested the Pledgor to secure payment of the Debt.

WHEREAS, the Company and the Pledgor have entered into this Agreement as collateral to secure repayment by the Pledgor of the Debt.

NOW, THEREFORE, in order to secure the repayment of the Debt, and for good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties hereto agree as follows:

1. Security Interest.

(a) As collateral security for the repayment of the Debt as described above, the Pledgor hereby grants to the Company, and such Company shall have a security interest in the shares of capital stock of the Company, issued in the name of the Pledgor, set forth on Schedule A (the "Shares"). Simultaneously with the execution of this Agreement, the Pledgor will deliver the Shares to the Company along with a duly executed stock power, endorsed in blank.

(b) The Company shall also have a security interest in all securities and other property, rights or interests of any description at any time issued or issuable as an addition to, in substitution or exchange for, or with respect to the Shares, including without limitation, (i) shares issued as dividends or as the result of any change in the name of the Pledgor, or (ii) any reclassification, or any split-up, (iii) any shares issued in connection with any merger including the proposed merger with Aspen Group, Inc. (f/k/a Elite Nutritional Brands, Inc.), or other corporate reorganization, collectively referred to as the "New Shares." The Pledgor will promptly deliver to the Company duly executed stock powers for any New Shares.

(c) Each Pledgor represents and warrants as to himself that

(i) Each Pledgor is the sole beneficial and record owner of the Shares, as reflected on Schedule A;

(ii) The Shares are free and clear of all liens, pledges, charges, encumbrances, security interest or right or option of any third person to purchase or otherwise acquire any of the Shares and the Pledgor has the unrestricted right to pledge the Shares as contemplated hereby;

(iii) Each Pledgor possesses the voting rights in the Shares, and will possess the voting rights, if any, in any New Shares free and clear of any restrictions; and

(iv) The Shares are not subject to any restriction on sale, transfer, assignment or hypothecation other than such restrictions as arise out of non-registration thereof.

(d) Nothing contained in this Agreement shall be deemed to imply that any Pledgor is personally guaranteeing the Debt or is personally liable for the Debt, except to the extent of the Shares, as reflected on Schedule A.

2. Disposition of Collateral.

(a) If the Debtor makes full payment of the Debt, then the Shares shall be returned to the Pledgor, as listed on Schedule A.

(b) If the Debtor has failed to make payment of the Debt in full prior to December 15, 2012, then a number of Shares equal to the Cancellation Amount (as defined in Section 2(c)) shall be cancelled by the Company, and the remaining Shares shall be returned to the Pledgor. Any Shares cancelled pursuant to this Section 2 shall be done on a pro rata basis among the Pledgers based upon their respective number of Shares pledged.

(c) For purposes of this Section 2, the "Cancellation Amount" shall be determined by dividing the outstanding amount of the Debt as of December 15, 2012, by the Share Price. The "Share Price" shall initially be $1.00 per share of common stock of the Company (or Aspen Group, Inc., or such other company with which the Company merges), as adjusted for dividends, splits, combinations and other customary adjustments.

3. Default.

(a) The Pledgor shall be in default under this Agreement upon the happening of any of the following events or conditions:

(i) Default in the performance of any obligation, covenant, agreement or liability under this Agreement and such failure shall continue uncured for a period of ten (10) business days after notice from the Company of such failure;

(ii) Any warranty, representation, or statement made or furnished to the Company by or on behalf of the Pledgor proves to have been false in any material respect when made or furnished; or

(iii) Sale, or further encumbrance to or of any portion of the Shares or the New Shares without the prior written consent of the Company, or the making of any levy, seizure, or attachment thereof or thereon.

(b) The remedies of the Company as provided herein may be exercised in any order and shall be cumulative and concurrent, and may be pursued singly, successively, or together at the sole discretion of the Company, and may be exercised as often as occasion therefor shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

(c) Upon the occurrence of any such default or at any time thereafter, the Company may, at its option, declare the Debt secured hereby immediately due and payable 10 business days after the giving of notice, and the Company shall have and may exercise from time to time any and all rights and remedies of a secured party under the Uniform Commercial Code (including, without limitation, the right to sell or liquidate any or all of the Shares and New Shares but with at least 10 business days prior notice and to apply the proceeds to the Debt in any order of priority as the Company sees fit) and any and all rights and remedies available to it under any other applicable law, and in addition, all right, title and interest in the Shares and New Shares shall, at the option of the Company, be transferred to the Company and the Company shall in that event be and become the registered and beneficial owner of the Shares and New Shares subject to any applicable state and federal securities laws, and the Pledgor shall cease to have any further interest therein.

4. Voting Rights. Voting rights with respect to the Shares shall remain with the Pledgor until a default occurs and the Company gives at least 10 days prior notice of such default to the Pledgor. Upon receipt of such notice of default, the Company may immediately transfer the Shares or New Shares into the name of the Company on the books and records of the Company and to issue new certificates evidencing the transfer without any further action or consent necessary from the Pledgor to effectuate the transfer. This Agreement serves as authorization to the Company to transfer the Shares or New Shares into the name of the Company in the event of default.

5. Miscellaneous Provisions.

(a) This Agreement shall remain in full force and effect as long as any of the Debt shall remain unpaid in whole or in part.

(b) The Pledgor, without the written consent of the Company, shall not assign or grant any other security interest in the Shares being pledged herein.

(c) Until the Debt are paid in full or until the Shares are released, transferred or otherwise disposed of pursuant to the terms of this Agreement, or according to law, the Shares shall be kept by the Company at its principal residence (or principal office, if Company is not an individual).

(d) In its discretion, the Company may, at any time, take any one or more of the following actions, without liability, except to account for property actually received by it:

(i) After default hereunder, make any compromise or settlement deemed advisable with respect to any of the Shares or New Shares; and

(ii) Take or release any other collateral as security for the Debt.

(e) The Company shall be under no duty to exercise or to withhold the exercise of any of the rights, powers, privileges and options expressly or implicitly granted to the Company in this Agreement, and shall not be responsible for any failure to do so or delay in so doing; nor shall the Company be responsible for any decline in value of any of the Shares or New Shares.

(f) The Company shall exercise reasonable care in the custody and preservation of the Shares and New Shares and shall always be deemed to have exercised reasonable care if it takes such action in that connection as the Pledgor shall reasonably request in writing, but no omission to comply with any request of the Pledgor shall, of itself, be deemed a failure to exercise reasonable care. Without limiting the generality of the foregoing, the Company shall have no responsibility for ascertaining any maturities, calls, conversions, exchanges, offers, tenders or similar matters relating to any of the Shares or New Shares nor for informing the undersigned with respect to any thereof. The Company shall not be bound to take any steps necessary to preserve any rights in the Shares or New Shares against prior parties, and the Pledgor shall take all necessary steps for such purposes.

(g) The Pledgor shall promptly deliver to the Company all written notices, and shall promptly give the Company written notice of any other notices received by it with respect to the Shares or the New Shares.

(h) The Pledgor hereby notifies the Company that any New Shares shall be delivered directly to the Company until such time as the Company shall notify the Pledgor otherwise.

6. Entire Agreement. This Agreement constitutes the entire Agreement between the parties and supersedes all prior oral or written agreements regarding the same subject matter.

7. Severability. In the event any parts of this Agreement are found to be void, the remaining provisions of this Agreement shall nevertheless be binding with the same effect as though the void parts were deleted.

8. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. The execution of this Agreement may be by actual or facsimile signature.

9. Benefit. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their legal representatives, successors and assigns.

10. Notices and Addresses. All notices, offers, acceptance and any other acts under this Agreement (except payment) shall be in writing, and shall be sufficiently given if delivered to the addressees in person, by Federal Express or similar overnight courier, as follows:

The Company:	Aspen University Inc. 224 W. 30th Street, Suite 604 New York, NY 10001 Attn: David Garrity, CFO
The Pledgor:	Michael D. Mathews 224 W. 30th Street, Suite 604 New York, NY 10001
	Michael D'Anton, MD 224 W. 30th Street Suite 604 New York, NY 10001
	John Scheiblehoffer, MD 224 W. 30th Street Suite 604 New York, NY 10001

or to such other address as either of them, by notice to the other may designate from time to time.

11. Attorney's Fees. In the event that there is any controversy or claim arising out of or relating to this Agreement, or to the interpretation, breach or enforcement thereof, and any action or proceeding is commenced to enforce the provisions of this Agreement, the prevailing party shall be entitled to a reasonable attorney's fee, including the fees on appeal, costs and expenses.

12. Governing Law. This Agreement and any dispute, disagreement, or issue of construction or interpretation arising hereunder whether relating to its execution, its validity, the Debt provided therein or performance shall be governed or interpreted according to the laws of the State of Delaware.

13. Oral Evidence. This Agreement constitutes the entire Agreement between the parties and supersedes all prior oral and written agreements between the parties hereto with respect to the subject matter hereof. Neither this Agreement nor any provision hereof may be changed, waived, discharged or terminated orally, except by a statement in writing signed by the party or parties against which enforcement or the change, waiver discharge or termination is sought.

14. Additional Documents. The parties hereto shall execute such additional instruments as may be reasonably required by their counsel in order to carry out the purpose and intent of this Agreement and to fulfill the Debt of the parties hereunder.

15. Section or Paragraph Headings. Paragraph headings herein have been inserted for reference only and shall not be deemed to limit or otherwise affect, in any matter, or be deemed to interpret in whole or in part any of the terms or provisions of this Agreement.

[Signature Page to Follow]

IN WITNESS WHEREOF the parties hereto have set their hand and seals the day and year first above written.

COMPANY:

Aspen University Inc.

By: */s/ David Garrity*
David Garrity
Chief Financial Officer

PLEDGOR:

/s/ Michael Mathews
Michael D. Mathews

/s/ Michael D'Anton
Michael D'Anton, MD

/s/ John Scheibelhoffer
John Scheibelhoffer, MD

Schedule A

Michael Mathews	800,000 shares of common stock
John Scheibelhoffer	680,893 shares of common stock
Michael D'Anton	680,892 shares of common stock

Exhibit 10.12

Aspen University Inc.
224 W. 30th Street, Suite 604
New York, NY 10001

March 8, 2012

To the persons listed on Schedule A

Re: Pledge Agreement

Dear Sirs:

This letter agreement (this "Agreement") relates to that certain pledge agreement (the "Pledge Agreement") dated September 16, 2011 by and between Aspen University Inc., a Delaware corporation (the "Company"), and Higher Education Management Group, Inc., a Nevada corporation ("HEMG"), whereby HEMG pledged 772,793 shares of Series C preferred stock of the Company to the Company in order to secure repayment of those certain obligations in the aggregate amount of $772,793 (the "Obligation") pursuant to those certain marketing agreements dated March 30, 2008 and December 1, 2008 by and between the Company and HEMG.

This Agreement documents your grant to the Company of a security interest in a number of shares of common stock of the Company set forth opposite your name on Schedule A (the "Pledged Shares") as collateral security for the repayment of the Obligations. The terms and conditions of such pledge shall be governed by the same terms and conditions provided for in the Pledge Agreement, as it may be amended from time to time.

Nothing contained in this Agreement shall be deemed to imply that you are personally guaranteeing the Obligation or are personally liable for the Obligation, except to the extent of your Pledged Shares, as reflected on Schedule A.

If the foregoing is acceptable to you, please sign in the place indicated below and return an executed copy to us.

Sincerely,

/s/ David Garrity
David Garrity
Chief Financial Officer

AGREED AND ACCEPTED:

/s/ Michael Mathews
Michael Mathews

SCHEDULE A

Name	Number of Pledged Shares
Michael Mathews	117,943
TOTAL	**117,943**

Exhibit 10.13

ASPEN GROUP, INC.
2012 EQUITY INCENTIVE PLAN

1. Scope of Plan; Definitions.

(a) This 2012 Equity Incentive Plan (the "Plan") is intended to advance the interests of Aspen Group, Inc. (the "Company") and its Related Corporations by enhancing the ability of the Company to attract and retain qualified employees, consultants, Officers and directors, by creating incentives and rewards for their contributions to the success of the Company and its Related Corporations. This Plan will provide to (a) Officers and other employees of the Company and its Related Corporations opportunities to purchase common stock ("Common Stock") of the Company pursuant to Options granted hereunder which qualify as incentive stock options ("ISOs") under Section 422(b) of the Internal Revenue Code of 1986 (the "Code"), (b) directors, Officers, employees and consultants of the Company and Related Corporations opportunities to purchase Common Stock in the Company pursuant to options granted hereunder which do not qualify as ISOs ("Non-Qualified Options"); (c) directors, Officers, employees and consultants of the Company and Related Corporations opportunities to receive shares of Common Stock of the Company which normally are subject to restrictions on sale ("Restricted Stock"); (d) directors, Officers, employees and consultants of the Company and Related Corporations opportunities to receive grants of stock appreciation rights ("SARs"); and (e) directors, Officers, employees and consultants of the Company and Related Corporations opportunities to receive grants of restricted stock units ("RSUs"). ISOs, Non-Discretionary Options and Non-Qualified Options are referred to hereafter as "Options." Options, Restricted Stock, RSUs and SARs are sometimes referred to hereafter collectively as "Stock Rights." Any of the Options and/or Stock Rights may in the Compensation Committee's discretion be issued in tandem to one or more other Options and/or Stock Rights to the extent permitted by law.

(b) For purposes of the Plan, capitalized words and terms shall have the following meaning:

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

"Bulletin Board" shall mean the Over-the-Counter Bulletin Board.

"Chairman" means the chairman of the Board.

"Change of Control" means the occurrence of any of the following events: (i) the consummation of the sale or disposition by the Company of all or substantially all of the Company's assets in a transaction which requires shareholder approval under applicable state law; or (ii) the consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least 50% of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

“Code” shall have the meaning given to it in Section 1(a).

“Common Stock” shall have the meaning given to it in Section 1(a).

“Company” shall have the meaning given to it in Section 1(a).

“Compensation Committee” means the compensation committee of the Board, if any, which shall consist of two or more members of the Board, each of whom shall be both an “outside director” within the meaning of Section 162(m) of the Code and a “non-employee director” within the meaning of Rule 16b-3. All references in this Plan to the Compensation Committee shall mean the Board when (i) there is no Compensation Committee or (ii) the Board has retained the power to administer this Plan.

“Disability” means “permanent and total disability” as defined in Section 22(e)(3) of the Code or successor statute.

“Disqualifying Disposition” means any disposition (including any sale) of Common Stock underlying an ISO before the later of (i) two years after the date of employee was granted the ISO or (ii) one year after the date the employee acquired Common Stock by exercising the ISO.

“Exchange Act” shall have the meaning given to it in Section 1(a).

“Fair Market Value” shall be determined as of the last Trading Day before the date a Stock Right is granted and shall mean:

(1) the closing price on the principal market if the Common Stock is listed on a national securities exchange or the Bulletin Board.

(2) if the Company’s shares are not listed on a national securities exchange or the Bulletin Board, then the closing price if reported or the average bid and asked price for the Company’s shares as published by Pink Sheets LLC;

(3) if there are no prices available under clauses (1) or (2), then Fair Market Value shall be based upon the average closing bid and asked price as determined following a polling of all dealers making a market in the Company’s Common Stock; or

(4) if there is no regularly established trading market for the Company’s Common Stock, the Fair Market Value shall be established by the Board or the Compensation Committee taking into consideration all relevant factors including the most recent price at which the Company’s Common Stock was sold.

“ISO” shall have the meaning given to it in Section 1(a).

“Non-Discretionary Options” shall have the meaning given to it in Section 1(a).

"Non-Qualified Options" shall have the meaning given to it in Section 1(a).

"Officers" means a person who is an executive officer of the Company and is required to file ownership reports under Section 16(a) of the Exchange Act.

"Options" shall have the meaning given to it in Section 1(a).

"Plan" shall have the meaning given to it in Section 1(a).

"Related Corporations" shall mean a corporation which is a subsidiary corporation with respect to the Company within the meaning of Section 425(f) of the Code.

"Restricted Stock" shall have the meaning contained in Section 1(a).

"RSU" shall have the meaning given to it in Section 1(a).

"SAR" shall have the meaning given to it in Section 1(a).

"Securities Act" means the Securities Act of 1933.

"Stock Rights" shall have the meaning given to it in Section 1(a).

"Trading Day" shall mean a day on which the New York Stock Exchange is open for business.

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

2. Administration of the Plan.

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

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

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

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

(d) In addition to such other rights of indemnification as he may have as a member of the Board, and with respect to administration of the Plan and the granting of Stock Rights under it, each member of the Board and of the Compensation Committee shall be entitled without further act on his part to indemnification from the Company for all expenses (including advances of litigation expenses, the amount of judgment and the amount of approved settlements made with a view to the curtailment of costs of litigation) reasonably incurred by him in connection with or arising out of any action, suit or proceeding, including any appeal thereof, with respect to the administration of the Plan or the granting of Stock Rights under it in which he may be involved by reason of his being or having been a member of the Board or the Compensation Committee, whether or not he continues to be such member of the Board or the Compensation Committee at the time of the incurring of such expenses; provided, however, that such indemnity shall be subject to the limitations contained in any Indemnification Agreement between the Company and the Board member or Officer. The foregoing right of indemnification shall inure to the benefit of the heirs, executors or administrators of each such member of the Board or the Compensation Committee and shall be in addition to all other rights to which such member of the Board or the Compensation Committee would be entitled to as a matter of law, contract or otherwise.

(e) The Board may delegate the powers to grant Stock Rights to Officers to the extent permitted by the laws of the Company's state of incorporation.

3. Eligible Employees and Others. ISOs may be granted to any employee of the Company or any Related Corporation. Those Officers and directors of the Company who are not employees may not be granted ISOs under the Plan. Subject to compliance with Rule 16b-3 and other applicable securities laws, Non-Qualified Options, Restricted Stock, RSUs and SARs may be granted to any director (whether or not an employee), Officers, employees or consultants of the Company or any Related Corporation. The Compensation Committee may take into consideration a recipient's individual circumstances in determining whether to grant an ISO, a Non-Qualified Option, Restricted Stock, RSUs or a SAR. Granting of any Stock Right to any individual or entity shall neither entitle that individual or entity to, nor disqualify him from participation in, any other grant of Stock Rights.

4. Common Stock. The Common Stock subject to Stock Rights shall be authorized but unissued shares of Common Stock, par value $0.001, or shares of Common Stock reacquired by the Company in any manner, including purchase, forfeiture or otherwise. The aggregate number of shares of Common Stock which may be issued pursuant to the Plan is 2,500,000, less any Stock Rights previously granted or exercised subject to adjustment as provided in Section 14. Any such shares may be issued under ISOs, Non-Qualified Options, Restricted Stock, RSUs or SARs, so long as the number of shares so issued does not exceed the limitations in this Section. If any Stock Rights granted under the Plan shall expire or terminate for any reason without having been exercised in full or shall cease for any reason to be exercisable in whole or in part, or if the Company shall reacquire any unvested shares, the unpurchased shares subject to such Stock Rights and any unvested shares so reacquired by the Company shall again be available for grants under the Plan.

5. Granting of Stock Rights.

(a) The date of grant of a Stock Right under the Plan will be the date specified by the Board or Compensation Committee at the time it grants the Stock Right; provided, however, that such date shall not be prior to the date on which the Board or Compensation Committee acts to approve the grant. The Board or Compensation Committee shall have the right, with the consent of the optionee, to convert an ISO granted under the Plan to a Non-Qualified Option pursuant to Section 17.

(b) The Board or Compensation Committee shall grant Stock Rights to participants that it, in its sole discretion, selects. Stock Rights shall be granted on such terms as the Board or Compensation Committee shall determine except that ISOs shall be granted on terms that comply with the Code and regulations thereunder.

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

(d) An RSU gives the grantee the right to receive a number of shares of the Company's Common Stock on applicable vesting or other dates. Delivery of the RSUs may be deferred beyond vesting as determined by the Board or Compensation Committee. RSUs shall be evidenced by an RSU agreement in the form determined by the Board or Compensation Committee. With respect to an RSU, which becomes non-forfeitable due to the lapse of time, the Compensation Committee shall prescribe in the RSU agreement the vesting period. With respect to the granting of the RSU, which becomes non-forfeitable due to the satisfaction of certain pre-established performance-based objectives imposed by the Board or Compensation Committee, the measurement date of whether such performance-based objectives have been satisfied shall be a date no earlier than the first anniversary of the date of the RSU. A recipient who is granted an RSU shall possess no incidents of ownership with respect to such underlying Common Stock, although the RSU agreement may provide for payments in lieu of dividends to such grantee.

(e) Notwithstanding any provision of this Plan, the Board or Compensation Committee may impose conditions and restrictions on any grant of Stock Rights including forfeiture of vested Options, cancellation of Common Stock acquired in connection with any Stock Right and forfeiture of profits.

(f) The Options and SARs shall not be exercisable for a period of more than 10 years from the date of grant.

6. Sale of Shares. The shares underlying Stock Rights granted to any Officers, director or a beneficial owner of 10% or more of the Company's securities registered under Section 12 of the Exchange Act shall not be sold, assigned or transferred by the grantee until at least six months elapse from the date of the grant thereof.

7. ISO Minimum Option Price and Other Limitations.

(a) The exercise price per share relating to all Options granted under the Plan shall not be less than the Fair Market Value per share of Common Stock on the last trading day prior to the date of such grant. For purposes of determining the exercise price, the date of the grant shall be the later of (i) the date of approval by the Board or Compensation Committee or the Board, or (ii) for ISOs, the date the recipient becomes an employee of the Company. In the case of an ISO to be granted to an employee owning Common Stock which represents more than 10% of the total combined voting power of all classes of stock of the Company or any Related Corporation, the price per share shall not be less than 110% of the Fair Market Value per share of Common Stock on the date of grant and such ISO shall not be exercisable after the expiration of five years from the date of grant.

(b) In no event shall the aggregate Fair Market Value (determined at the time an ISO is granted) of Common Stock for which ISOs granted to any employee are exercisable for the first time by such employee during any calendar year (under all stock option plans of the Company and any Related Corporation) exceed $100,000.

8. Duration of Stock Rights. Subject to earlier termination as provided in Sections 3, 5, 9, 10 and 11, each Option and SAR shall expire on the date specified in the original instrument granting such Stock Right (except with respect to any part of an ISO that is converted into a Non-Qualified Option pursuant to Section 17), provided, however, that such instrument must comply with Section 422 of the Code with regard to ISOs and Rule 16b-3 with regard to all Stock Rights granted pursuant to the Plan to Officers, directors and 10% shareholders of the Company.

9. Exercise of Options and SARs; Vesting of Stock Rights. Subject to the provisions of Sections 3 and 9 through 13, each Option and SAR granted under the Plan shall be exercisable as follows:

(a) The Options and SARs shall either be fully vested and exercisable from the date of grant or shall vest and become exercisable in such installments as the Board or Compensation Committee may specify.

(b) Once an installment becomes exercisable it shall remain exercisable until expiration or termination of the Option and SAR, unless otherwise specified by the Board or Compensation Committee.

(c) Each Option and SAR or installment, once it becomes exercisable, may be exercised at any time or from time to time, in whole or in part, for up to the total number of shares with respect to which it is then exercisable.

(d) The Board or Compensation Committee shall have the right to accelerate the vesting date of any installment of any Stock Right; provided that the Board or Compensation Committee shall not accelerate the exercise date of any installment of any Option granted to any employee as an ISO (and not previously converted into a Non-Qualified Option pursuant to Section 17) if such acceleration would violate the annual exercisability limitation contained in Section 422(d) of the Code as described in Section 7(b).

10. Termination of Employment. Subject to any greater restrictions or limitations as may be imposed by the Board or Compensation Committee or by a written agreement, if an optionee ceases to be employed by the Company and all Related Corporations other than by reason of death or Disability, no further installments of his Options shall vest or become exercisable, and his Options shall terminate as provided for in the grant or on the day 12 months after the day of the termination of his employment (except three months for ISOs), whichever is earlier, but in no event later than on their specified expiration dates. Employment shall be considered as continuing uninterrupted during any bona fide leave of absence (such as those attributable to illness, military obligations or governmental service) provided that the period of such leave does not exceed 90 days or, if longer, any period during which such optionee's right to re-employment is guaranteed by statute. A leave of absence with the written approval of the Board shall not be considered an interruption of employment under the Plan, provided that such written approval contractually obligates the Company or any Related Corporation to continue the employment of the optionee after the approved period of absence. ISOs granted under the Plan shall not be affected by any change of employment within or among the Company and Related Corporations so long as the optionee continues to be an employee of the Company or any Related Corporation.

11. Death; Disability. Unless otherwise determined by the Board or Compensation Committee or by a written agreement:

(a) If the holder of an Option or SAR ceases to be employed by the Company and all Related Corporations by reason of his death, any Options or SARs held by the optionee may be exercised to the extent he could have exercised it on the date of his death, by his estate, personal representative or beneficiary who has acquired the Options or SARs by will or by the laws of descent and distribution, at any time prior to the earlier of: (i) the Options' or SARs' specified expiration date or (ii) one year (except three months for an ISO) from the date of death.

(b) If the holder of an Option or SAR ceases to be employed by the Company and all Related Corporations, or a director or Director Advisor can no longer perform his duties, by reason of his Disability, any Options or SARs held by the optionee may be exercised to the extent he could have exercised it on the date of termination due to Disability until the earlier of (i) the Options' or SARs' specified expiration date or (ii) one year from the date of the termination.

12. Assignment, Transfer or Sale.

(a) No ISO granted under this Plan shall be assignable or transferable by the grantee except by will or by the laws of descent and distribution, and during the lifetime of the grantee, each ISO shall be exercisable only by him, his guardian or legal representative.

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

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

14. Adjustments Upon Certain Events.

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

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

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

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

(d) Notwithstanding the foregoing, any adjustments made pursuant to Section 14(a), (b) or (c) with respect to ISOs shall be made only after the Board or Compensation Committee, after consulting with counsel for the Company, determines whether such adjustments would constitute a "modification" of such ISOs (as that term is defined in Section 425(h) of the Code) or would cause any adverse tax consequences for the holders of such ISOs. If the Board or Compensation Committee determines that such adjustments made with respect to ISOs would constitute a modification of such ISOs it may refrain from making such adjustments.

(e) No fractional shares shall be issued under the Plan and the optionee shall receive from the Company cash in lieu of such fractional shares.

15. Means of Exercising Stock Rights.

(a) An Option or SAR (or any part or installment thereof) shall be exercised by giving written notice to the Company at its principal office address. Such notice shall identify the Stock Right being exercised and specify the number of shares as to which such Stock Right is being exercised, accompanied by full payment of the exercise price therefor (to the extent it is exercisable in cash) either (i) in United States dollars by check or wire transfer; or (ii) at the discretion of the Board or Compensation Committee, through delivery of shares of Common Stock having a Fair Market Value equal as of the date of the exercise to the cash exercise price of the Stock Right; or (iii) at the discretion of the Board or Compensation Committee, by any combination of (i) and (ii) above. If the Board or Compensation Committee exercises its discretion to permit payment of the exercise price of an ISO by means of the methods set forth in clauses (ii) or (iii) of the preceding sentence, such discretion need not be exercised in writing at the time of the grant of the Stock Right in question. The holder of a Stock Right shall not have the rights of a shareholder with respect to the shares covered by his Stock Right until the date of issuance of a stock certificate to him for such shares. Except as expressly provided above in Section 14 with respect to changes in capitalization and stock dividends, no adjustment shall be made for dividends or similar rights for which the record date is before the date such stock certificate is issued.

(b) Each notice of exercise shall, unless the shares of Common Stock are covered by a then current registration statement under the Securities Act, contain the holder's acknowledgment in form and substance satisfactory to the Company that (i) such shares are being purchased for investment and not for distribution or resale (other than a distribution or resale which, in the opinion of counsel satisfactory to the Company, may be made without violating the registration provisions of the Securities Act), (ii) the holder has been advised and understands that (1) the shares have not been registered under the Securities Act and are "restricted securities" within the meaning of Rule 144 under the Securities Act and are subject to restrictions on transfer and (2) the Company is under no obligation to register the shares under the Securities Act or to take any action which would make available to the holder any exemption from such registration, and (iii) such shares may not be transferred without compliance with all applicable federal and state securities laws. Notwithstanding the above, should the Company be advised by counsel that issuance of shares should be delayed pending registration under federal or state securities laws or the receipt of an opinion that an appropriate exemption therefrom is available, the Company may defer exercise of any Stock Right granted hereunder until either such event has occurred.

16. Term, Termination and Amendment.

(a) This Plan was adopted by the Board. This Plan may be approved by the Company's shareholders, which approval is required for ISOs.

(b) The Board may terminate the Plan at any time. Unless sooner terminated, the Plan shall terminate on March __, 2022 [or 10 years from the date the Board adopts the Plan]. No Stock Rights may be granted under the Plan once the Plan is terminated. Termination of the Plan shall not impair rights and obligations under any Stock Right granted while the Plan is in effect, except with the written consent of the grantee.

(c) The Board at any time, and from time to time, may amend the Plan. Provided, however, except as provided in Section 14 relating to adjustments in Common Stock, no amendment shall be effective unless approved by the shareholders of the Company to the extent (i) shareholder approval is necessary to satisfy the requirements of Section 422 of the Code or (ii) required by the rules of the principal national securities exchange or trading market upon which the Company's Common Stock trades. Rights under any Stock Rights granted before amendment of the Plan shall not be impaired by any amendment of the Plan, except with the written consent of the grantee.

(d) The Board at any time, and from time to time, may amend the terms of any one or more Stock Rights; provided, however, that the rights under the Stock Right shall not be impaired by any such amendment, except with the written consent of the grantee.

17. Conversion of ISOs into Non-Qualified Options; Termination of ISOs. The Board or Compensation Committee, at the written request of any optionee, may in its discretion take such actions as may be necessary to convert such optionee's ISOs (or any installments or portions of installments thereof) that have not been exercised on the date of conversion into Non-Qualified Options at any time prior to the expiration of such ISOs, regardless of whether the optionee is an employee of the Company or a Related Corporation at the time of such conversion. Provided, however, the Board or Compensation Committee shall not reprice the Options or extend the exercise period or reduce the exercise price of the appropriate installments of such Options without the approval of the Company's shareholders. At the time of such conversion, the Board or Compensation Committee (with the consent of the optionee) may impose such conditions on the exercise of the resulting Non-Qualified Options as the Board or Compensation Committee in its discretion may determine, provided that such conditions shall not be inconsistent with this Plan. Nothing in the Plan shall be deemed to give any optionee the right to have such optionee's ISOs converted into Non-Qualified Options, and no such conversion shall occur until and unless the Board or Compensation Committee takes appropriate action. The Compensation Committee, with the consent of the optionee, may also terminate any portion of any ISO that has not been exercised at the time of such termination.

18. Application of Funds. The proceeds received by the Company from the sale of shares pursuant to Options or SARS (if cash settled) granted under the Plan shall be used for general corporate purposes.

19. Governmental Regulations. The Company's obligation to sell and deliver shares of the Common Stock under this Plan is subject to the approval of any governmental authority required in connection with the authorization, issuance or sale of such shares.

20. Withholding of Additional Income Taxes. In connection with the granting, exercise or vesting of a Stock Right or the making of a Disqualifying Disposition the Company, in accordance with Section 3402(a) of the Code, may require the optionee to pay additional withholding taxes in respect of the amount that is considered compensation includable in such person's gross income.

To the extent that the Company is required to withhold taxes for federal income tax purposes as provided above, if any optionee may elect to satisfy such withholding requirement by (i) paying the amount of the required withholding tax to the Company; (ii) delivering to the Company shares of its Common Stock (including shares of Restricted Stock) previously owned by the optionee; or (iii) having the Company retain a portion of the shares covered by an Option exercise. The number of shares to be delivered to or withheld by the Company times the Fair Market Value of such shares shall equal the cash required to be withheld.

21. Notice to Company of Disqualifying Disposition. Each employee who receives an ISO must agree to notify the Company in writing immediately after the employee makes a Disqualifying Disposition of any Common Stock acquired pursuant to the exercise of an ISO. If the employee has died before such stock is sold, the holding periods requirements of the Disqualifying Disposition do not apply and no Disqualifying Disposition can occur thereafter.

22. Continued Employment. The grant of a Stock Right pursuant to the Plan shall not be construed to imply or to constitute evidence of any agreement, express or implied, on the part of the Company or any Related Corporation to retain the grantee in the employ of the Company or a Related Corporation, as a member of the Company's Board or in any other capacity, whichever the case may be.

23. Governing Law; Construction. The validity and construction of the Plan and the instruments evidencing Stock Rights shall be governed by the laws of the Company's state of incorporation. In construing this Plan, the singular shall include the plural and the masculine gender shall include the feminine and neuter, unless the context otherwise requires.

24. Forfeiture of Stock Rights. Notwithstanding any other provision of this Plan, all vested or unvested Stock Rights shall be immediately forfeited at the discretion of the Board if any of the following events occur:

(a) Termination of the relationship with the grantee for cause including, but not limited to, fraud, theft, dishonesty and violation of Company policy;

(b) Purchasing or selling securities of the Company in violation of the Company's insider trading guidelines then in effect;

(c) Breaching any duty of confidentiality including that required by the Company's insider trading guidelines then in effect;

(d) Competing with the Company;

(e) Failure to execute the Company's standard stock rights agreement; or

(f) A finding by the Board that the grantee has acted disloyally and/or against the interests of the Company.

The Board or the Compensation Committee may impose other forfeiture restrictions which are more or less restrictive and require a return of profits from the sale of Common Stock as part of said forfeiture provisions if such forfeiture provisions and/or return of provisions are contained in a Stock Rights agreement.

EMPLOYEE NON-QUALIFIED STOCK OPTION AGREEMENT

THIS EMPLOYEE NON-QUALIFIED STOCK OPTION AGREEMENT (the "Agreement") entered into as of __________, 2012 (the "Grant Date") between Aspen Group, Inc. (the "Company") and _________ (the "Optionee").

WHEREAS, by action taken by the Board of Directors (the "Board") it has adopted the 2012 Stock Incentive Plan (the "Plan"); and

WHEREAS, pursuant to the Plan, it has been determined that in order to enhance the ability of the Company to attract and retain qualified employees, consultants and directors, the Company has granted the Optionee the right to purchase the common stock of the Company pursuant to stock options.

NOW THEREFORE, in consideration of the mutual covenants and promises hereafter set forth and for other good and valuable consideration, receipt of which is acknowledged, the parties hereto agree as follows:

1. <u>Grant of Non-Qualified Options</u>. The Company irrevocably granted to the Optionee, as a matter of separate agreement and not in lieu of salary or other compensation for services, the right and option to purchase all or any part of _____________ shares of authorized but unissued or treasury common stock of the Company (the "Options") on the terms and conditions herein set forth. This Agreement replaces any stock option agreement previously provided to the Optionee, if any, with respect to these Options. The Optionee acknowledges receipt of a copy of the Plan, as amended.

2. <u>Price</u>. The exercise price of the Options is $_________ per share.

3. <u>Vesting - When Exercisable</u>.

(a) The Option shall vest ___________________, subject to the Optionee's continued employment or service with the Company for which the Option was granted on each applicable vesting date. Any fractional vesting shall be rounded up to the extent necessary. Notwithstanding any other provision in this Agreement, the Options shall vest immediately on the occurrence of a Change of Control as defined under the Plan.

(b) Subject to Sections 3(c) and 4 of this Agreement, any of the vested Options may be exercised prior to and until 6:00 p.m. New York time five years from the Grant Date (the "Expiration Date"). None of the Options may be exercised prior to vesting.

(c) Notwithstanding any other provision of this Agreement, upon resolution of the Board or the Committee (as defined in the Plan), the Options, whether vested or unvested, shall be immediately forfeited in the event any of the following events occur:

(1) The Optionee is dismissed as an employee based upon fraud, theft, or dishonesty, which is reflected in a written or electronic notice given to the employee;

(2) The Optionee purchases or sells securities of the Company in violation of the Company's insider trading guidelines then in effect, if any;

(3) The Optionee breaches any duty of confidentiality including that required by the Company's insider trading guidelines then in effect, if any;

(4) The Optionee competes with the Company during a period of one year following termination of employment, including by soliciting customers located within or otherwise where the Company is doing business within any state, or where the Company expects to do business within three months following termination and, in this later event, the Optionee has actual knowledge of such plans;

(5) The Optionee is unavailable for consultation after termination of the Optionee if such availability is a condition of any agreement between the Company and the Optionee;

(6) The Optionee recruits Company personnel for another entity or business within 12 months following termination of employment;

(7) The Optionee fails to assign any invention, technology, or related intellectual property rights to the Company within 30 days after the Company's written request for such assignment, if such assignment is a condition of any agreement between the Company and the Optionee; or

(8) The Optionee acts in a disloyal manner to the Company.

4. Termination of Relationship.

(a) If for any reason, except death or disability as provided below, the Optionee ceases to be a member of the Board, employee, officer, executive, or consultant or advisor providing services to the Company, then all rights granted hereunder shall terminate effective three months from that date. Any part of the Options that was not vested immediately before termination of the Optionee's employment shall terminate at that time.

(b) If the Optionee shall die while an employee of the Company, the Optionee's estate or any Transferee, as defined herein, shall have the right within one year of death to exercise the Optionee's vested Options subject to Section 3(c). For the purpose of this Agreement, "Transferee" shall mean a person to whom such shares are transferred by will or by the laws of descent and distribution.

(c) If the Optionee becomes disabled (within the meaning of Section 22(e)(3) of the Internal Revenue Code of 1986) while a member of the Board, employee, officer, executive, or consultant or advisor providing services to, the Company, and the Optionee's services are terminated as a consequence of such disability, then the vested Options may be exercised within one year from the date the services were terminated as a result of the disability.

(d) Notwithstanding anything contained in this Section 4, the Options may not be exercised after the Expiration Date.

5. Profits on the Sale of Certain Shares; Redemption. If any of the events specified in Section 3(c) of this Agreement occur within one year from the date the Optionee last performed the Services for the Company (the "Termination Date") (or such longer period required by any written agreement), all profits earned from the sale of the Company's securities, including the sale of shares of common stock underlying this Option, during the two-year period commencing one year prior to the Termination Date shall be forfeited and immediately paid by the Optionee to the Company. Further, in such event, the Company may at its option redeem shares of common stock acquired upon exercise of this Option by payment of the exercise price to the Optionee. To the extent that another written agreement with the Company extends the events in Section 3(c) beyond one year following the Termination Date, the two-year period shall be extended by an equal number of days. The Company's rights under this Section 5 do not lapse one year from the Termination Date but are a contract right subject to any appropriate statutory limitation period.

6. Method of Exercise. The Options shall be exercisable by a written notice in the form attached to this Agreement, which shall:

(a) be signed by the person or persons entitled to exercise the Options and, if the Options are being exercised by any person or persons other than the Optionee, be accompanied by proof, satisfactory to counsel for the Company, of the right of such person or persons to exercise the Options;

(b) be accompanied by full payment of the exercise price by tender to the Company of an amount equal to the exercise price multiplied by the number of underlying shares being purchased either in cash, by wire transfer, or by certified check or bank cashier's check, payable to the order of the Company;

(c) be accompanied by payment of any amount that the Company, in its sole discretion, deems necessary to comply with any federal, state or local withholding requirements for income and employment tax purposes. If the Optionee fails to make such payment in a timely manner, the Company may: (i) decline to permit exercise of the Options or (ii) withhold and set-off against compensation and any other amounts payable to the Optionee the amount of such required payment. Such withholding may be in the shares underlying the Options at the sole discretion of the Company.

The certificate or certificates for shares of common stock as to which the Options shall be exercised shall be registered in the name of the person or persons exercising the Options.

7. Anti-Dilution Provisions. The Options granted hereunder shall have the anti-dilution rights set forth in Section 14 of the Plan.

8. Necessity to Become Holder of Record. Neither the Optionee, the Optionee's estate, nor any Transferee shall have any rights as a shareholder with respect to any shares underlying the Options until such person shall have become the holder of record of such shares. No dividends or cash distributions, ordinary or extraordinary, shall be provided to the holder if the record date is prior to the date on which such person became the holder of record thereof.

9. Reservation of Right to Terminate Relationship. Nothing contained in this Agreement shall restrict the right of the Company to terminate the relationship of the Optionee at any time, with or without cause. The termination of the relationship of the Optionee by the Company, regardless of the reason therefor, shall have the results provided for in Sections 3 and 4 of this Agreement.

10. Conditions to Exercise of Options. If a Registration Statement on Form S-8 (or any other successor form) is not effective as to the shares of common stock issuable upon exercise of the Options, the remainder of this Section 10 is applicable as to federal law. In order to enable the Company to comply with the Securities Act of 1933 (the "Securities Act") and relevant state law, the Company may require the Optionee, the Optionee's estate, or any Transferee as a condition of the exercising of the Options granted hereunder, to give written assurance satisfactory to the Company that the shares subject to the Options are being acquired for such person's own account, for investment only, with no view to the distribution of same, and that any subsequent resale of any such shares either shall be made pursuant to a registration statement under the Securities Act and applicable state law which has become effective and is current with regard to the shares being sold, or shall be pursuant to an exemption from registration under the Securities Act and applicable state law.

The Options are further subject to the requirement that, if at any time the Board shall determine, in its discretion, that the listing, registration, or qualification of the shares of common stock underlying the Options upon any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary as a condition of, or in connection with the issue or purchase of shares underlying the Options, the Options may not be exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected.

11. Sale of Shares Acquired Upon Exercise of Options. If the Optionee is an officer (as defined by Section 16(b) of the Securities Exchange Act of 1934 ("Section 16(b)")) or a director of the Company, any shares of the Company's common stock acquired pursuant to the Options cannot be sold by the Optionee until at least six months elapse from the Grant Date except in case of death or disability or if the grant was exempt from the short-swing profit provisions of Section 16(b).

12. Transfer. No transfer of the Options by the Optionee by will or by the laws of descent and distribution shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of the letters testamentary or such other evidence as the Board may deem necessary to establish the authority of the estate and the acceptance by the Transferee or Transferees of the terms and conditions of the Options.

13. Duties of the Company. The Company will at all times during the term of the Options:

(a) Reserve and keep available for issue such number of shares of its authorized and unissued common stock as will be sufficient to satisfy the requirements of this Agreement;

(b) Pay all original issue taxes with respect to the issuance of shares pursuant hereto and all other fees and expenses necessarily incurred by the Company in connection therewith;

(c) Use its best efforts to comply with all laws and regulations which, in the opinion of counsel for the Company, shall be applicable thereto.

14. Parties Bound by Plan. The Plan and each determination, interpretation or other action made or taken pursuant to the provisions of the Plan shall be final and shall be binding and conclusive for all purposes on the Company and the Optionee and the Optionee's respective successors in interest.

15. Severability. In the event any parts of this Agreement are found to be void, the remaining provisions of this Agreement shall nevertheless be binding with the same effect as though the void parts were deleted.

16. Arbitration. Any controversy, dispute or claim arising out of or relating to this Agreement, or its interpretation, application, implementation, breach or enforcement which the parties are unable to resolve by mutual agreement, except to the extent a party is seeking equitable relief, shall be settled by submission by either party of the controversy, claim or dispute to binding arbitration in New York County, New York (unless the parties agree in writing to a different location), before a single arbitrator in accordance with the rules of the American Arbitration Association then in effect. The decision and award made by the arbitrator shall be final, binding and conclusive on all parties hereto for all purposes, and judgment may be entered thereon in any court having jurisdiction thereof.

17. Benefit. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their legal representatives, successors and assigns.

18. Notices and Addresses. All notices, offers, acceptance and any other acts under this Agreement (except payment) shall be in writing and shall be delivered to the addresses in person, by FedEx or similar receipted delivery as follows:

The Optionee:	______________ ______________ ______________
The Company:	Aspen Group, Inc. 224 West 30th Street, Suite 604 New York, New York 10001 Attention: Michael Mathews
with a copy to:	Michael D. Harris, Esq. Harris Cramer LLP 3507 Kyoto Gardens Drive, Suite 320 Palm Beach Gardens, FL 33410

or to such other address as either of them, by notice to the other may designate from time to time.

19. Attorney's Fees. In the event that there is any controversy or claim arising out of or relating to this Agreement, or to the interpretation, breach or enforcement thereof, and any action or proceeding is commenced to enforce the provisions of this Agreement, the prevailing party shall be entitled to a reasonable attorneys' fees, costs and expenses.

20. Governing Law. This Agreement and any dispute, disagreement, or issue of construction or interpretation arising hereunder whether relating to its execution, its validity, the obligations provided herein or performance shall be governed or interpreted according to the laws of Delaware without regard to choice of law considerations.

21. Oral Evidence. This Agreement constitutes the entire Agreement between the parties and supersedes all prior oral and written agreements between the parties hereto with respect to the subject matter hereof. Neither this Agreement nor any provision hereof may be changed, waived, discharged or terminated orally, except by a statement in writing signed by the party or parties against which enforcement or the change, waiver discharge or termination is sought.

22. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. The execution of this Agreement may be by actual or facsimile signature.

23. Section or Paragraph Headings. Section headings herein have been inserted for reference only and shall not be deemed to limit or otherwise affect, in any matter, or be deemed to interpret in whole or in part any of the terms or provisions of this Agreement.

24. Stop-Transfer Orders.

(a) The Optionee agrees that, in order to ensure compliance with the restrictions set forth in the Plan and this Agreement, the Company may issue appropriate "stop transfer" instructions to its duly authorized transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(b) The Company shall not be required (i) to transfer on its books any shares of the Company's common stock that have been sold or otherwise transferred in violation of any of the provisions of the Plan or the Agreement or (ii) to treat the owner of such shares of common stock or to accord the right to vote or pay dividends to any purchaser or other Transferee to whom such shares of common stock shall have been so transferred.

25. Exclusive Jurisdiction and Venue. Any action brought by either party against the other concerning the transactions contemplated by or arising under this Agreement shall be brought only in the state or federal courts of New York and venue shall be in New York County or appropriate federal district and division. The parties to this Agreement hereby irrevocably waive any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens.

[Signature Page to Follow]

IN WITNESS WHEREOF the parties hereto have set their hand and seals the day and year first above written.

WITNESSES:		ASPEN GROUP, INC.
______________________________________	By:	______________________________
		______________________________
		______________________________
		OPTIONEE:
______________________________________		____
		______________________________

NOTICE OF EXERCISE

To: __________________________
____
____
Attention _________, _______________
Facsimile: (____) _____-______

Please be advised that I hereby elect to exercise my option to purchase shares of ___________, pursuant to the Stock Option Agreement dated __________________.

Number of Shares to Be Purchased: _______________

Multiplied by: Purchase Price Per Share $_______________

Total Purchase Price $_______________

Please check the payment method below:

____ Enclosed is a check for the total purchase price above.

____ Wire transfer sent on _____________, 20__.

Please contact me as soon as possible to discuss the possible payment of withholding taxes and any other documents we may require.

Name of Option Holder (Please Print): ___________________________________

Address of Option Holder

____

Telephone Number of Option Holder: ________________________________

Social Security Number of Option Holder: ________________________________

If the certificate is to be issued to person other than the Option Holder, please provide the following for such person:

____
(Name)

____
(Address)

____

____

____
(Telephone Number)

____
(Social Security Number)

In connection with the issuance of the Common Stock, **if the Common Stock may not be immediately publicly sold**, I hereby represent to the Company that I am acquiring the Common Stock for my own account for investment and not with a view to, or for resale in connection with, a distribution of the shares within the meaning of the Securities Act of 1933 (the "Securities Act").

I am______ am not ______ [***please initial one***] an accredited investor for at least one of the reasons on the attached Exhibit A. If the SEC has amended the rule defining the definition of accredited investor, I acknowledge that as a condition to exercise the Options, the Company may request updated information regarding the Holder's status as an accredited investor. My exercise of the Options shall be in compliance with the applicable exemptions under the Securities Act and applicable state law.

________________________________ Dated: _________________
Signature of Option Holder

Exhibit A
To Stock Option Agreement

For Individual Investors Only:

1. A person who has an individual net worth, or a person who with his or her spouse has a combined net worth, in excess of $1,000,000. For purposes of calculating net worth under this paragraph (1), (i) the primary residence shall not be included as an asset, (ii) to the extent that the indebtedness that is secured by the primary residence is in excess of the fair market value of the primary residence, the excess amount shall be included as a liability, and (iii) if the amount of outstanding indebtedness that is secured by the primary residence exceeds the amount outstanding 60 days prior to exercising the stock options, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability.

2a. A person who had individual income (exclusive of any income attributable to the person's spouse) of more than who has $200,000 in each of the two most recently completed years and who reasonably expects to have an individual income in excess of $200,000 this year.

2b. Alternatively, a person, who with his or her spouse, has joint income in excess of $300,000 in each applicable year.

3. A director or executive officer of the Company.

Other Investors:

4. Any bank as defined in Section 3(a)(2) of the Securities Act of 1933 ("Securities Act") whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; insurance company as defined in Section 2(13) of the Securities Act; investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000; employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan has total assets in excess of $5,000,000, or if a self-directed plan, with investment decisions made solely by persons that are accredited investors.

5. A private business development company as defined in Section 202(a)(22) of the Investment Advisors Act of 1940.

6. An organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000.

7. A trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of the Securities Act.

8. An entity in which all of the equity owners are accredited investors.

Exhibit 10.15

EMPLOYEE NON-QUALIFIED STOCK OPTION AGREEMENT

THIS EMPLOYEE NON-QUALIFIED STOCK OPTION AGREEMENT (the "Agreement") entered into as of March 15, 2012 (the "Grant Date") between Aspen Group, Inc. (the "Company") and Angela Siegel (the "Optionee").

WHEREAS, by action taken by the Board of Directors (the "Board") it has adopted the 2012 Stock Incentive Plan (the "Plan"); and

WHEREAS, pursuant to the Plan, it has been determined that in order to enhance the ability of the Company to attract and retain qualified employees, consultants and directors, the Company has granted the Optionee the right to purchase the common stock of the Company pursuant to stock options.

NOW THEREFORE, in consideration of the mutual covenants and promises hereafter set forth and for other good and valuable consideration, receipt of which is acknowledged, the parties hereto agree as follows:

1. Grant of Non-Qualified Options. The Company irrevocably granted to the Optionee, as a matter of separate agreement and not in lieu of salary or other compensation for services, the right and option to purchase all or any part of 150,000 shares of authorized but unissued or treasury common stock of the Company (the "Options") on the terms and conditions herein set forth. This Agreement replaces any stock option agreement previously provided to the Optionee, if any, with respect to these Options. The Optionee acknowledges receipt of a copy of the Plan, as amended.

2. Price. The exercise price of the Options is $1.00 per share.

3. Vesting - When Exercisable.

(a) The Option shall vest in three equal annual increments, with the first vesting date being March 14, 2013, subject to the Optionee's continued employment or service with the Company for which the Option was granted on each applicable vesting date. Any fractional vesting shall be rounded up to the extent necessary. Notwithstanding any other provision in this Agreement, the Options shall vest immediately on the occurrence of a Change of Control as defined under the Plan.

(b) Subject to Section 4 of this Agreement, any of the vested Options may be exercised prior to and until 6:00 p.m. New York time five years from the Grant Date (the "Expiration Date"). None of the Options may be exercised prior to vesting.

4. Termination of Relationship.

(a) If for any reason, except death or disability as provided below, the Optionee ceases to be a member of the Board, employee, officer, executive, or consultant or advisor providing services to the Company, then all rights granted hereunder shall terminate effective three months from that date. Any part of the Options that was not vested immediately before termination of the Optionee's employment shall terminate at that time.

(b) If the Optionee shall die while an employee of the Company, the Optionee's estate or any Transferee, as defined herein, shall have the right within one year of death to exercise the Optionee's vested Options. For the purpose of this Agreement, "Transferee" shall mean a person to whom such shares are transferred by will or by the laws of descent and distribution.

(c) If the Optionee becomes disabled (within the meaning of Section 22(e)(3) of the Internal Revenue Code of 1986) while a member of the Board, employee, officer, executive, or consultant or advisor providing services to, the Company, and the Optionee's services are terminated as a consequence of such disability, then the vested Options may be exercised within one year from the date the services were terminated as a result of the disability.

(d) Notwithstanding anything contained in this Section 4, the Options may not be exercised after the Expiration Date.

5. Profits on the Sale of Certain Shares; Redemption. If any of the events specified in Section 3(c) of this Agreement occur within one year from the date the Optionee last performed the Services for the Company (the "Termination Date") (or such longer period required by any written agreement), all profits earned from the sale of the Company's securities, including the sale of shares of common stock underlying this Option, during the two-year period commencing one year prior to the Termination Date shall be forfeited and immediately paid by the Optionee to the Company. Further, in such event, the Company may at its option redeem shares of common stock acquired upon exercise of this Option by payment of the exercise price to the Optionee. To the extent that another written agreement with the Company extends the events in Section 3(c) beyond one year following the Termination Date, the two-year period shall be extended by an equal number of days. The Company's rights under this Section 5 do not lapse one year from the Termination Date but are a contract right subject to any appropriate statutory limitation period.

6. Method of Exercise. The Options shall be exercisable by a written notice in the form attached to this Agreement, which shall:

(a) be signed by the person or persons entitled to exercise the Options and, if the Options are being exercised by any person or persons other than the Optionee, be accompanied by proof, satisfactory to counsel for the Company, of the right of such person or persons to exercise the Options;

(b) be accompanied by full payment of the exercise price by tender to the Company of an amount equal to the exercise price multiplied by the number of underlying shares being purchased either in cash, by wire transfer, or by certified check or bank cashier's check, payable to the order of the Company;

(c) be accompanied by payment of any amount that the Company, in its sole discretion, deems necessary to comply with any federal, state or local withholding requirements for income and employment tax purposes. If the Optionee fails to make such payment in a timely manner, the Company may: (i) decline to permit exercise of the Options or (ii) withhold and set-off against compensation and any other amounts payable to the Optionee the amount of such required payment. Such withholding may be in the shares underlying the Options at the sole discretion of the Company.

The certificate or certificates for shares of common stock as to which the Options shall be exercised shall be registered in the name of the person or persons exercising the Options.

7. Anti-Dilution Provisions. The Options granted hereunder shall have the anti-dilution rights set forth in Section 14 of the Plan.

8. Necessity to Become Holder of Record. Neither the Optionee, the Optionee's estate, nor any Transferee shall have any rights as a shareholder with respect to any shares underlying the Options until such person shall have become the holder of record of such shares. No dividends or cash distributions, ordinary or extraordinary, shall be provided to the holder if the record date is prior to the date on which such person became the holder of record thereof.

9. Reservation of Right to Terminate Relationship. Nothing contained in this Agreement shall restrict the right of the Company to terminate the relationship of the Optionee at any time, with or without cause. The termination of the relationship of the Optionee by the Company, regardless of the reason therefor, shall have the results provided for in Sections 3 and 4 of this Agreement.

10. Conditions to Exercise of Options. If a Registration Statement on Form S-8 (or any other successor form) is not effective as to the shares of common stock issuable upon exercise of the Options, the remainder of this Section 10 is applicable as to federal law. In order to enable the Company to comply with the Securities Act of 1933 (the "Securities Act") and relevant state law, the Company may require the Optionee, the Optionee's estate, or any Transferee as a condition of the exercising of the Options granted hereunder, to give written assurance satisfactory to the Company that the shares subject to the Options are being acquired for such person's own account, for investment only, with no view to the distribution of same, and that any subsequent resale of any such shares either shall be made pursuant to a registration statement under the Securities Act and applicable state law which has become effective and is current with regard to the shares being sold, or shall be pursuant to an exemption from registration under the Securities Act and applicable state law.

The Options are further subject to the requirement that, if at any time the Board shall determine, in its discretion, that the listing, registration, or qualification of the shares of common stock underlying the Options upon any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary as a condition of, or in connection with the issue or purchase of shares underlying the Options, the Options may not be exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected.

11. Sale of Shares Acquired Upon Exercise of Options. If the Optionee is an officer (as defined by Section 16(b) of the Securities Exchange Act of 1934 ("Section 16(b)")) or a director of the Company, any shares of the Company's common stock acquired pursuant to the Options cannot be sold by the Optionee until at least six months elapse from the Grant Date except in case of death or disability or if the grant was exempt from the short-swing profit provisions of Section 16(b).

12. Transfer. No transfer of the Options by the Optionee by will or by the laws of descent and distribution shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of the letters testamentary or such other evidence as the Board may deem necessary to establish the authority of the estate and the acceptance by the Transferee or Transferees of the terms and conditions of the Options.

13. Duties of the Company. The Company will at all times during the term of the Options:

(a) Reserve and keep available for issue such number of shares of its authorized and unissued common stock as will be sufficient to satisfy the requirements of this Agreement;

(b) Pay all original issue taxes with respect to the issuance of shares pursuant hereto and all other fees and expenses necessarily incurred by the Company in connection therewith;

(c) Use its best efforts to comply with all laws and regulations which, in the opinion of counsel for the Company, shall be applicable thereto.

14. Parties Bound by Plan. The Plan and each determination, interpretation or other action made or taken pursuant to the provisions of the Plan shall be final and shall be binding and conclusive for all purposes on the Company and the Optionee and the Optionee's respective successors in interest.

15. Severability. In the event any parts of this Agreement are found to be void, the remaining provisions of this Agreement shall nevertheless be binding with the same effect as though the void parts were deleted.

16. Arbitration. Any controversy, dispute or claim arising out of or relating to this Agreement, or its interpretation, application, implementation, breach or enforcement which the parties are unable to resolve by mutual agreement, except to the extent a party is seeking equitable relief, shall be settled by submission by either party of the controversy, claim or dispute to binding arbitration in New York County, New York (unless the parties agree in writing to a different location), before a single arbitrator in accordance with the rules of the American Arbitration Association then in effect. The decision and award made by the arbitrator shall be final, binding and conclusive on all parties hereto for all purposes, and judgment may be entered thereon in any court having jurisdiction thereof.

17. Benefit. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their legal representatives, successors and assigns.

18. Notices and Addresses. All notices, offers, acceptance and any other acts under this Agreement (except payment) shall be in writing and shall be delivered to the addresses in person, by FedEx or similar receipted delivery as follows:

The Optionee:	Angela Siegel ______________ ______________
The Company:	Aspen Group, Inc. 224 West 30th Street, Suite 604 New York, New York 10001 Attention: Michael Mathews
with a copy to:	Michael D. Harris, Esq. Harris Cramer LLP 3507 Kyoto Gardens Drive, Suite 320 Palm Beach Gardens, FL 33410

or to such other address as either of them, by notice to the other may designate from time to time.

19. Attorney's Fees. In the event that there is any controversy or claim arising out of or relating to this Agreement, or to the interpretation, breach or enforcement thereof, and any action or proceeding is commenced to enforce the provisions of this Agreement, the prevailing party shall be entitled to a reasonable attorneys' fees, costs and expenses.

20. Governing Law. This Agreement and any dispute, disagreement, or issue of construction or interpretation arising hereunder whether relating to its execution, its validity, the obligations provided herein or performance shall be governed or interpreted according to the laws of Delaware without regard to choice of law considerations.

21. Oral Evidence. This Agreement constitutes the entire Agreement between the parties and supersedes all prior oral and written agreements between the parties hereto with respect to the subject matter hereof. Neither this Agreement nor any provision hereof may be changed, waived, discharged or terminated orally, except by a statement in writing signed by the party or parties against which enforcement or the change, waiver discharge or termination is sought.

22. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. The execution of this Agreement may be by actual or facsimile signature.

23. Section or Paragraph Headings. Section headings herein have been inserted for reference only and shall not be deemed to limit or otherwise affect, in any matter, or be deemed to interpret in whole or in part any of the terms or provisions of this Agreement.

24. Stop-Transfer Orders.

(a) The Optionee agrees that, in order to ensure compliance with the restrictions set forth in the Plan and this Agreement, the Company may issue appropriate "stop transfer" instructions to its duly authorized transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(b) The Company shall not be required (i) to transfer on its books any shares of the Company's common stock that have been sold or otherwise transferred in violation of any of the provisions of the Plan or the Agreement or (ii) to treat the owner of such shares of common stock or to accord the right to vote or pay dividends to any purchaser or other Transferee to whom such shares of common stock shall have been so transferred.

25. Exclusive Jurisdiction and Venue. Any action brought by either party against the other concerning the transactions contemplated by or arising under this Agreement shall be brought only in the state or federal courts of New York and venue shall be in New York County or appropriate federal district and division. The parties to this Agreement hereby irrevocably waive any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens.

[Signature Page to Follow]

IN WITNESS WHEREOF the parties hereto have set their hand and seals the day and year first above written.

WITNESSES: ASPEN GROUP, INC.

_______________________________________ By: /s/ Michael Mathews
Michael Mathews
Chief Executive Officer

OPTIONEE:

_______________________________________ /s/ Angela Siegel
Angela Siegel

NOTICE OF EXERCISE

To: ________________________
____
____
Attention ________, ______________
Facsimile: (____) _____-______

Please be advised that I hereby elect to exercise my option to purchase shares of ___________, pursuant to the Stock Option Agreement dated _________________.

Number of Shares to Be Purchased: ______________

Multiplied by: Purchase Price Per Share $______________

Total Purchase Price $______________

Please check the payment method below:

____ Enclosed is a check for the total purchase price above.

____ Wire transfer sent on _____________, 20__.

Please contact me as soon as possible to discuss the possible payment of withholding taxes and any other documents we may require.

Name of Option Holder (Please Print): ________________________________

Address of Option Holder

____

Telephone Number of Option Holder: ______________________________

Social Security Number of Option Holder: ______________________________

If the certificate is to be issued to person other than the Option Holder, please provide the following for such person:

____
(Name)

____
(Address)

____

____

____
(Telephone Number)

____
(Social Security Number)

In connection with the issuance of the Common Stock, **if the Common Stock may not be immediately publicly sold**, I hereby represent to the Company that I am acquiring the Common Stock for my own account for investment and not with a view to, or for resale in connection with, a distribution of the shares within the meaning of the Securities Act of 1933 (the "Securities Act").

I am______ am not ______ [***please initial one***] an accredited investor for at least one of the reasons on the attached Exhibit A. If the SEC has amended the rule defining the definition of accredited investor, I acknowledge that as a condition to exercise the Options, the Company may request updated information regarding the Holder's status as an accredited investor. My exercise of the Options shall be in compliance with the applicable exemptions under the Securities Act and applicable state law.

________________________________ Dated: _________________
Signature of Option Holder

Exhibit A
To Stock Option Agreement

For Individual Investors Only:

1. A person who has an individual net worth, or a person who with his or her spouse has a combined net worth, in excess of $1,000,000. For purposes of calculating net worth under this paragraph (1), (i) the primary residence shall not be included as an asset, (ii) to the extent that the indebtedness that is secured by the primary residence is in excess of the fair market value of the primary residence, the excess amount shall be included as a liability, and (iii) if the amount of outstanding indebtedness that is secured by the primary residence exceeds the amount outstanding 60 days prior to exercising the stock options, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability.

2a. A person who had individual income (exclusive of any income attributable to the person's spouse) of more than who has $200,000 in each of the two most recently completed years and who reasonably expects to have an individual income in excess of $200,000 this year.

2b. Alternatively, a person, who with his or her spouse, has joint income in excess of $300,000 in each applicable year.

3. A director or executive officer of the Company.

Other Investors:

4. Any bank as defined in Section 3(a)(2) of the Securities Act of 1933 ("Securities Act") whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; insurance company as defined in Section 2(13) of the Securities Act; investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000; employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan has total assets in excess of $5,000,000, or if a self-directed plan, with investment decisions made solely by persons that are accredited investors.

5. A private business development company as defined in Section 202(a)(22) of the Investment Advisors Act of 1940.

6. An organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000.

7. A trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of the Securities Act.

8. An entity in which all of the equity owners are accredited investors.

EXHIBIT 10.16

Aspen University Inc.
224 W. 30th Street, Suite 604
New York, NY 10001

March 16, 2012

VIA EMAIL[mike@aspen.edu]
Michael Mathews
224 West 30th Street, Suite 604
New York, NY 10001

Re: Pledge Agreement

Mr. Mathews:

This letter agreement (this "Agreement") relates to that certain pledge agreement (the "Pledge Agreement") dated March 13, 2012 by and between Aspen University Inc., a Delaware corporation (the "Company"), and Michael D. Mathews, Michael D'Anton, MD, and John Scheiblehoffer, MD (collectively, the "Pledgor"), whereby the Pledgor pledged 2,161,785 shares of common stock of the Company to the Company in order to secure repayment of those certain obligations in the aggregate amount of $2,161,785. As a result of further investigation, it was determined that the total aggregate amount of obligations is $2,209,960, a difference of $48,175 (the "Obligations").

Because the amount of the Obligations increased as a result of the audit, you agree to pledge 48,175 additional shares of common stock of Aspen Group, Inc. (the "Pledged Shares") as collateral security for the repayment of the Obligations. The terms and conditions of such pledge shall be governed by the same terms and conditions provided for in the Pledge Agreement, as it may be amended from time to time.

Nothing contained in this Agreement shall be deemed to imply that you are personally guaranteeing the Obligations or are personally liable for the Obligations, except to the extent of your Pledged Shares.

If the foregoing is acceptable to you, please sign in the place indicated below and return an executed copy to us.

Sincerely,

/s/ David Garrity
David Garrity
Chief Financial Officer

AGREED AND ACCEPTED:

/s/ Michael Mathews
Michael Mathews

Exhibit 10.17

Aspen University Inc.
224 W. 30th Street, Suite 604
New York, NY 10001

December 31, 2011

Mr. Michael Mathews
224 W. 30th Street, Suite 604
New York, NY 10001

Re: Deferred Salary Waiver

Dear Mr. Mathews:

This letter agreement is in reference to that certain employment agreement (the "Employment Agreement") dated May 19, 2011 by and between Aspen University Inc., a Delaware corporation (the "Company"), and yourself. This letter agreement documents your agreement to (i) waive $62,500 of accrued, but unpaid, base salary due from the Company to you under the Employment Agreement, and (ii) reduce your base salary under the Employment Agreement by 50% until such time as the Chief Executive Officer of the Company or the board of directors of the Company determines that the Company has sufficient cash flow to pay the amount originally agreed to in your Employment Agreement.

If the foregoing is acceptable to you, please sign in the place indicated below and return an executed copy to us.

Sincerely,

/s/ David Garrity

David Garrity
Chief Financial Officer

AGREED AND ACCEPTED:

*/s/ Michael Mathews*___________
Michael Mathews

Exhibit 10.18

Aspen University Inc.
224 W. 30th Street, Suite 604
New York, NY 10001

December 31, 2011

Mr. Brad Powers
224 W. 30th Street, Suite 604
New York, NY 10001

Re: Deferred Salary Waiver

Dear Mr. Powers:

This letter agreement is in reference to that certain employment agreement (the "Employment Agreement") dated May 19, 2011 by and between Aspen University Inc., a Delaware corporation (the "Company"), and yourself. This letter agreement documents your agreement to (i) waive $62,500 of accrued, but unpaid, base salary due from the Company to you under the Employment Agreement, and (ii) reduce your base salary under the Employment Agreement by 50% until such time as the Chief Executive Officer of the Company or the board of directors of the Company determines that the Company has sufficient cash flow to pay the amount originally agreed to in your Employment Agreement.

If the foregoing is acceptable to you, please sign in the place indicated below and return an executed copy to us.

Sincerely,

/s/ David Garrity

David Garrity
Chief Financial Officer

AGREED AND ACCEPTED:

*/s/ Brad Powers*___________________
Brad Powers

Exhibit 16.1

March 15, 2012

Office of the Chief Accountant
Securities & Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: Aspen Group, Inc. (formerly Elite Nutritional Brands, Inc.)

We have read the disclosures of Aspen Group, Inc. included under Item 4.01 of Form 8-K, with respect to our firm's dismissal as the registered independent accounting firm of Aspen Group, Inc. that occurred on March 15, 2012. We agree with the statements made in response to that Item insofar as they relate to our firm.

Very Truly Yours,

/s/ Lake Associates, CPA's LLC

Lake Associates, CPA's LLC

Aspen University Inc. and Subsidiary Index to Consolidated Financial Statements

SALBERG & COMPANY, P.A.
Certified Public Accountants and Consultants

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of:
Aspen University Inc.

We have audited the accompanying consolidated balance sheets of Aspen University Inc. and Subsidiary at December 31, 2011 and 2010, and the related consolidated statements of operations, changes in stockholders' equity and cash flows for each of the two years in the period ended December 31, 2011. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Aspen University Inc. and Subsidiary as of December 31, 2011 and 2010, and the consolidated results of its operations and its cash flows for each of the two years in the period ended December 31, 2011 in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has a net loss allocable to common stockholders and net cash used in operating activities in 2011 of $2,208,023 and $1,082,213, respectively, and has an accumulated deficit of $3,116,410 at December 31, 2011. These matters raise substantial doubt about the Company's ability to continue as a going concern. Management's plan in regards to these matters is also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Salberg & Company, P.A.

SALBERG & COMPANY, P.A.
Boca Raton, Florida
March 19, 2012

2295 NW Corporate Blvd., Suite 240 • Boca Raton, FL 33431-7328
Phone: (561) 995-8270 • Toll Free: (866) CPA-8500 • Fax: (561) 995-1920
www.salbergco.com • info@salbergco.com
Member National Association of Certified Valuation Analysts • Registered with the PCAOB
Member CPAConnect with Affiliated Offices Worldwide • Member AICPA Center for Audit Quality

ASPEN UNIVERSITY INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS

	December 31, 2011	December 31, 2010
Assets		
Current assets:		
Cash and cash equivalents	$ 766,602	$ 294,838
Accounts receivable, net of allowance of $47,595 and $47,934, respectively	847,234	1,064,663
Accounts receivable, secured - related party	772,793	780,169
Receivable from stockholder, secured - related party	2,209,960	2,195,084
Note receivable from officer, secured - related party	150,000	-
Prepaid expenses and other current assets	103,478	5,794
Total current assets	4,850,067	4,340,548
Property and equipment, net	129,944	21,884
Intangible assets, net	1,236,996	494,161
Other assets	6,559	6,559
Total assets	$ 6,223,566	$ 4,863,152
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 1,094,029	$ 313,326
Accrued expenses	167,528	266,116
Deferred revenue	835,694	890,204
Notes payable, current portion	6,383	30,871
Deferred rent, current portion	4,291	2,324
Total current liabilities	2,107,925	1,502,841
Line of credit	233,215	243,499
Loans payable	200,000	200,000
Notes payable	8,768	15,151
Deferred rent	21,274	25,565
Total liabilities	2,571,182	1,987,056
Commitments and contingencies - See Note 10		
Temporary equity:		
Series A preferred stock, $0.001 par value; 850,500 shares designated, 850,395 and 0 shares issued and outstanding, respectively	809,900	-
Series D preferred stock, $0.001 par value; 3,700,000 shares designated, 1,176,750 and 0 shares issued and outstanding, respectively (liquidation value of $1,176,750)	1,109,268	-
Series E preferred stock, $0.001 par value; 2,000,000 shares designated, 1,700,000 and 0 shares issued and outstanding, respectively (liquidation value of $1,700,000)	1,550,817	-
Total temporary equity	3,469,985	-
Stockholders' equity:		
Preferred stock, $0.001 par value; 20,000,000 shares authorized		
Series C preferred stock, $0.001 par value; 11,411,400 shares designated, 11,307,450 and 0 shares issued and outstanding, respectively (liquidation value of $11,307)	11,307	-
Series B preferred stock, $0.001 par value; 368,421 shares designated, 368,411 and 0 shares issued and outstanding, respectively	368	-
Common stock, $0.001 par value; 60,000,000 shares authorized, 11,837,930 and 21,000,000 issued and outstanding, respectively	11,838	21,000
Additional paid-in capital	3,275,296	3,850,809
Accumulated deficit	(3,116,410)	(995,713)
Total stockholders' equity	182,399	2,876,096
Total liabilities and stockholders' equity	$ 6,223,566	$ 4,863,152

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

ASPEN UNIVERSITY INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS

		For the Year Ended December 31, 2011	For the Year Ended December 31, 2010
Revenues		$ 4,477,931	$ 3,028,699
Revenues - related parties		-	125,000
Total revenues		4,477,931	3,153,699
Costs and expenses:			
Instructional costs and services		2,493,341	1,759,140
Marketing and promotional		1,181,558	242,134
General and adminstrative		2,634,453	998,777
Depreciation and amortization		264,082	338,803
Total costs and expenses		6,573,434	3,338,854
Operating loss		(2,095,503)	(185,155)
Other income (expense):			
Interest income		2,656	8
Interest expense		(27,850)	(18,399)
Total other expense		(25,194)	(18,391)
Loss before income taxes		(2,120,697)	(203,546)
Income tax expense (benefit)		-	-
Net loss		(2,120,697)	(203,546)
Cumulative preferred stock dividends		(87,326)	-
Net loss allocable to common stockholders		$ (2,208,023)	$ (203,546)
Loss per share:			
Basic and diluted		$ (0.14)	$ (0.01)
Weighted average number of common shares outstanding:			
Basic and diluted		15,377,413	21,000,000

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

ASPEN UNIVERSITY INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Preferred Stock						Additional		Total
	Series B		Series C		Common Stock		Paid-In	Accumulated	Stockholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Capital	Deficit	Equity
Balance at December 31, 2009	-	$ -	-	$ -	21,000,000	$ 21,000	$3,600,309	$ (792,167)	$ 2,829,142
Sale of common stock contributed by majority stockholder for cash	-	-	-	-	-	-	250,500	-	250,500
Net loss, 2010	-	-	-	-	-	-	-	(203,546)	(203,546)
Balance at December 31, 2010	-	-	-	-	21,000,000	21,000	3,850,809	(995,713)	2,876,096
Rescission of common shares	-	-	-	-	(170,100)	(170)	(164,830)	-	(165,000)
Common shares issued as part of merger	-	-	-	-	3,200,000	3,200	-	-	3,200
Treasury shares acquired for cash	-	-	-	-	(884,520)	(885)	(760,315)	-	(761,200)
Conversion of convertible notes into Series B preferred shares	368,411	368	-	-	-	-	349,632	-	350,000
Conversion of common shares into Series C preferred shares	-	-	11,307,450	11,307	(11,307,450)	(11,307)	-	-	-
Net loss, 2011	-	-	-	-	-	-	-	(2,120,697)	(2,120,697)
Balance at December 31, 2011	368,411	$ 368	11,307,450	$ 11,307	11,837,930	$ 11,838	$3,275,296	$(3,116,410)	$ 182,399

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

ASPEN UNIVERSITY INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010
Cash flows from operating activities:		
Net loss	$ (2,120,697)	$ (203,546)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Provision for bad debts	21,200	23,379
Depreciation and amortization	264,082	338,803
Issuance of convertible notes in exchange for services rendered	22,000	-
Changes in operating assets and liabilities, net of effects of acquisition:		
Accounts receivable	196,229	(339,313)
Accounts receivable, secured - related party	7,376	(111,353)
Prepaid expenses and other current assets	(97,684)	821
Accounts payable	780,703	105,793
Accrued expenses	(98,588)	84,802
Deferred rent	(2,324)	(358)
Deferred revenue	(54,510)	516,992
Settlement payable	-	(169,403)
Net cash provided by (used in) operating activities	(1,082,213)	246,617
Cash flows from investing activities:		
Cash acquired as part of merger	3,200	-
Purchases of property and equipment	(133,431)	-
Advances to stockholder	(14,876)	(140,939)
Purchases of intangible assets	(981,546)	(189,905)
Advances to officer in exchange for promissory note	(388,210)	-
Proceeds received from officer loan repayments	238,210	-
Net cash used in investing activities	(1,276,653)	(330,844)
Cash flows from financing activities:		
Proceeds from (repayments on) line of credit, net	(10,284)	6,753
Principal payments on notes payable	(30,871)	(25,399)
Proceeds from sale of common stock	-	250,500
Proceeds received from issuance of convertible notes	328,000	-
Proceeds from issuance of Series A, D and E preferred stock	3,469,985	-
Disbursements for stockholder rescissions	(165,000)	-
Disbursements to purchase treasury shares	(761,200)	-
Net cash provided by financing activities	2,830,630	231,854
Net increase in cash and cash equivalents	471,764	147,627
Cash and cash equivalents at beginning of year	294,838	147,211
Cash and cash equivalents at end of year	$ 766,602	$ 294,838
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 34,804	$ 15,773
Cash paid for income taxes	$ -	$ -
Supplemental disclosure of non-cash investing and financing activities:		
Conversion of convertible notes to Series B preferred shares	$ 350,000	$ -

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

ASPEN UNIVERSITY INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

Note 1.Nature of Operations and Going Concern

Overview

Aspen University Inc. (together with its subsidiary, the “Company”, “Aspen” or the “University”) was founded in Colorado in 1987 as the International School of Information Management. On September 30, 2004, the University was acquired by Higher Education Management Group, Inc. (“HEMG”) and changed its name to Aspen University Inc. On May 13, 2011, the Company formed in Colorado a subsidiary, Aspen University Marketing, LLC, which is currently inactive.

Aspen’s mission is to become an institution of choice for adult learners by offering cost-effective, comprehensive, and relevant online education. One of the key differences between Aspen and other publicly-traded, exclusively online, for-profit universities is that approximately 88% of our degree-seeking students (as of December 31, 2011) were enrolled in graduate degree programs (Master or Doctorate degree program). Since 1993, we have been nationally accredited by the Distance Education and Training Council (“DETC”), a national accrediting agency recognized by the U.S. Department of Education (the “DOE”).

Merger with Education Growth Corporation

On May 19, 2011, the Company closed an Agreement and Plan of Merger (the “Merger Agreement”) wherein the Company acquired Education Growth Corporation, Inc. (“EGC”), a privately-held corporation formed in Delaware on January 21, 2011. EGC merged with and into Aspen University Inc. and Aspen University Inc. was the surviving corporation.

The consideration with respect to the merger with EGC consisted of 3,200,000 common shares of the Company. EGC was not an operating company and it did not meet the definition of a business for business combination accounting. EGC did possess intellectual property and, accordingly, the merger was accounted for as an asset acquisition. Since the stockholders of EGC acquired more than a 10% voting interest in the Company, the asset acquisition was accounted for in accordance with Staff Accounting Bulletin, Topic 5G, “Transfers of Nonmonetary Assets by Promoters or Shareholders”. Accordingly, the assets acquired in the merger have been recorded at the transferors’ historical cost basis determined under GAAP. The net purchase price, including acquisition costs paid, was allocated to assets acquired and liabilities assumed as follows:

Current assets (including cash of $3,200)	$	3,200
Intangible assets		-
Liabilities assumed		-
Net purchase price	$	3,200

Intangible assets acquired include a proprietary database of education-specific media publishers, a database of key words and performance metrics specific to the internet search channel of the education market, and a proprietary lead database processing architecture.

Going Concern

The Company had a net loss allocable to common stockholders of $2,208,023 and negative cash flows from operations of $1,082,213 for the year ended December 31, 2011. The Company’s ability to continue as a going concern is contingent on securing additional debt or equity financing from outside investors. These matters raise substantial doubt about the Company's ability to continue as a going concern. In this regard, we note that the Company raised $2,876,750 during the second half of 2011. Management plans to continue to implement its business plan and to fund operations by raising additional capital through the issuance of debt and equity securities. Since the beginning of 2012, the Company has received an additional $450,000 in funding from the sale of convertible note instruments and warrants.

Also, the Company has presently engaged an underwriter, Laidlaw & Company (UK) Ltd., to assist in raising up to $6,000,000 in additional equity capital subsequent to the close of the merger with Aspen Group Inc. It is important to note that, based on the accompanying consolidated financial statements for the periods presented, the Company is reporting composite scores of 1.75 (2011) and 1.80 (2010) (calculated in accordance with U.S. Department of Education regulations), which is above the 1.5 minimum composite score required for an institution to be deemed financially responsible without the need for further federal oversight.

The financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern.

Note 2. Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Aspen University Inc. and its wholly-owned subsidiary. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements. Actual results could differ from those estimates. Significant estimates in the accompanying consolidated financial statements include the allowance for doubtful accounts and other receivables, the valuation of collateral on certain receivables, the valuation and amortization periods of intangible assets, and the valuation allowance on deferred tax assets.

Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents.

Fair Value Measurements

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. The Company classifies assets and liabilities recorded at fair value under the fair value hierarchy based upon the observability of inputs used in valuation techniques. Observable inputs (highest level) reflect market data obtained from independent sources, while unobservable inputs (lowest level) reflect internally developed market assumptions. The fair value measurements are classified under the following hierarchy:

Level 1—Observable inputs that reflect quoted market prices (unadjusted) for identical assets and liabilities in active markets;

Level 2—Observable inputs, other than quoted market prices, that are either directly or indirectly observable in the marketplace for identical or similar assets and liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets and liabilities; and

Level 3—Unobservable inputs that are supported by little or no market activity that are significant to the fair value of assets or liabilities.

The estimated fair value of certain financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued expenses are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments.

Accounts Receivable and Allowance for Doubtful Accounts Receivable

Accounts receivable consist primarily of student accounts receivable, which represent amounts due for tuition, technology fees and other fees from students who are in the course of completing a degree or certificate program. Students generally fund their education through personal funds, grants and/or loans under various DOE Title IV programs, or tuition assistance from military and corporate employers. Accounts receivable also includes amounts due from the sale of course curricula to other entities, which last occurred in 2010.

Accounts and student loans receivable are stated at the amount management expects to collect from outstanding balances. An allowance for doubtful accounts is estimated by management based on (i) an assessment of individual accounts receivable over a specific aging and amount (and all other balances on a pooled basis based on historical collection experience), (ii) consideration of the nature of the receivable accounts and (iii) potential changes in the economic environment. Bad debt expense is recorded in instructional costs and services expense in the consolidated statements of operations.

All students are required to select both a primary and secondary payment option with respect to amounts due to the University for tuition, fees and other expenses. The most common payment option for the University's students is personal funds or payment made on their behalf by an employer. In instances where a student selects financial aid as the primary payment option, he or she often selects personal cash as the secondary option. If a student who has selected financial aid as his or her primary payment option withdraws prior to the end of a course but after the date that the University's institutional refund period has expired, the student will have incurred the obligation to pay the full cost of the course. If the withdrawal occurs before the date at which the student has earned 100% of his or her financial aid, the University will have to return all or a portion of the Title IV funds to the DOE and the student will owe the University all amounts incurred that are in excess of the amount of financial aid that the student earned and that the University is entitled to retain. In this case, the University must collect the receivable using the student's second payment option.

For accounts receivable from students, the University records an allowance for doubtful accounts for estimated losses resulting from the inability, failure or refusal of its students to make required payments, which includes the recovery of financial aid funds advanced to a student for amounts in excess of the student's cost of tuition and related fees. The University determines the adequacy of its allowance for doubtful accounts based on an analysis of its historical bad debt experience, current economic trends, and the aging of the accounts receivable and student status. The University applies reserves to its receivables based upon an estimate of the risk presented by the age of the receivables and student status. Historically, the University has written off accounts receivable balances at the earlier of the time the balances were deemed uncollectible, or one year after the revenue is generated. The University continues to reflect accounts receivable with an offsetting allowance as long as management believes there is a reasonable possibility of collection.

For accounts receivable from companies, the Company estimates its allowance for doubtful accounts by evaluating specific accounts where information indicates the customers may have an inability to meet financial obligations, such as bankruptcy proceedings and receivable amounts outstanding for an extended period beyond contractual terms. In these cases, the Company uses assumptions and judgment, based on the best available facts and circumstances, to record a specific allowance for those customers against amounts due to reduce the receivable to the amount expected to be collected. These specific allowances are re-evaluated and adjusted as additional information is received. The amounts calculated are analyzed to determine the total amount of the allowance. The Company may also record a general allowance as necessary.

Direct write-offs are taken in the period when the Company has exhausted its efforts to collect overdue and unpaid receivables or otherwise evaluate other circumstances that indicate that the Company should abandon such efforts.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets per the following table.

Category	Depreciation Term
Call center equipment	5 years
Computer and office equipment	5 years
Library (online)	3 years
Vehicle	5 years

Leasehold improvements are amortized using the straight-line method over the shorter of the lease term or the estimated useful lives of the assets. Upon the retirement or disposition of property and equipment, the related cost and accumulated depreciation is removed and a gain or loss is recorded in the consolidated statements of operations. Repairs and maintenance costs are expensed in the period incurred.

Intangible Assets

Intangible assets with definite lives are stated at cost less accumulated amortization. Amortization is computed using the straight-line method over the estimated useful lives of the assets per the following table.

Category	Depreciation Term
Call center	5 years
Course curricula	5 years

Long-Lived Assets

The Company assesses potential impairment to its long-lived assets when there is evidence that events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss is recorded when the carrying amount of the long-lived asset is not recoverable and exceeds its fair value. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. Any required impairment loss is measured as the amount by which the carrying amount of a long-lived asset exceeds fair value and is recorded as a reduction in the carrying value of the related asset and an expense to operating results. There have been no impairment losses recognized by the Company for any periods presented.

Leases

The Company enters into various lease agreements in conducting its business. At the inception of each lease, the University evaluates the lease agreement to determine whether the lease is an operating or capital lease. Leases may contain initial periods of free rent and/or periodic escalations. When such items are included in a lease agreement, the Company records rent expense on a straight-line basis over the initial term of a lease. The difference between the rent payment and the straight-line rent expense is recorded as a deferred rent liability. The University expenses any additional payments under its operating leases for taxes, insurance or other operating expenses as incurred.

Revenue Recognition and Deferred Revenue

Revenues consist primarily of tuition and fees derived from courses taught by the University online as well as from related educational resources that the University provides to its students, such as access to our online materials and learning management system. Tuition revenue and most fees from related educational resources are recognized pro-rata over the applicable period of instruction. The University maintains an institutional tuition refund policy, which provides for all or a portion of tuition to be refunded if a student withdraws during stated refund periods. Certain States in which students reside impose separate, mandatory refund policies, which override the University’s policy to the extent in conflict. If a student withdraws at a time when a portion or none of the tuition is refundable, then in accordance with its revenue recognition policy, the University immediately recognizes as revenue the tuition that was not refunded. Since the University recognizes revenue pro-rata over the term of the course and because, under its institutional refund policy, the amount subject to refund is never greater than the amount of the revenue that has been deferred, under the University’s accounting policies revenue is not recognized with respect to amounts that could potentially be refunded. The University also charges students annual fees for library, technology and other services, which are deferred and recognized over the related service period. Deferred revenue and student deposits in any period represent the excess of tuition, fees, and other student payments received as compared to amounts recognized as revenue and are reflected as current liabilities in the accompanying consolidated balance sheets. The University’s educational programs have starting and ending dates that differ from its fiscal quarters. Therefore, at the end of each fiscal quarter, a portion of revenue from these programs is not yet earned. Other revenues may be recognized as sales occur or services are performed.

Instructional Costs and Services

Instructional costs and services consist primarily of costs related to the administration and delivery of the Company's educational programs. This expense category includes compensation for faculty and administrative personnel, costs associated with online faculty, curriculum and new program development costs, bad debt expense related to accounts receivable, financial aid processing costs, technology license costs and costs associated with other support groups that provide services directly to the students.

Marketing and Promotional Costs

Marketing and promotional costs include compensation of personnel engaged in marketing and recruitment, as well as costs associated with purchasing leads, producing marketing materials, and advertising. Such costs are generally affected by the cost of advertising media and leads, the efficiency of the Company's marketing and recruiting efforts, compensation for the Company's enrollment personnel and expenditures on advertising initiatives for new and existing academic programs. Advertising costs consists primarily of marketing leads and other branding and promotional activities. Non-direct response advertising activities are expensed as incurred, or the first time the advertising takes place, depending on the type of advertising activity.

General and Administrative

General and administrative expenses include compensation of employees engaged in corporate management, finance, human resources, information technology, compliance and other corporate functions. General and administrative expenses also include professional services fees, travel and entertainment expenses and facility costs.

Income Taxes

The Company uses the asset and liability method to compute the differences between the tax basis of assets and liabilities and the related financial amounts. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount that more likely than not will be realized. The Company has deferred tax assets and liabilities that reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred tax assets are subject to periodic recoverability assessments. Realization of the deferred tax assets, net of deferred tax liabilities, is principally dependent upon achievement of projected future taxable income.

The Company records a liability for unrecognized tax benefits resulting from uncertain tax positions taken or expected to be taken in a tax return. The Company accounts for uncertainty in income taxes using a two-step approach for evaluating tax positions. Step one, recognition, occurs when the Company concludes that a tax position, based solely on its technical merits, is more likely than not to be sustained upon examination. Step two, measurement, is only addressed if the position is more likely than not to be sustained. Under step two, the tax benefit is measured as the largest amount of benefit, determined on a cumulative probability basis, which is more likely than not to be realized upon ultimate settlement. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense.

Stock-Based Compensation

Stock-based compensation expense is measured at the grant date fair value of the award and is expensed over the requisite services period. For employee stock-based awards, the Company calculates the fair value of the award on the date of grant using the Black-Scholes option pricing model. Determining the fair value of stock-based awards at the grant date under this model requires judgment, including estimating volatility, employee stock option exercise behaviors and forfeiture rates. The assumptions used in calculating the fair value of stock-based awards represent the Company's best estimates, but these estimates involve inherent uncertainties and the application of management judgment. For non-employee stock-based awards, the Company calculates the fair value of the award on the date of grant in the same manner as employee awards, however, the awards are revalued at the end of each reporting period and the prorata compensation expense is adjusted accordingly until such time the nonemployee award is fully vested, at which time the total compensation recognized to date shall equal the fair value of the stock-based award as calculated on the measurement date, which is the date at which the award recipient’s performance is complete. The estimation of stock-based awards that will ultimately vest requires judgment, and to the extent actual results or updated estimates differ from original estimates, such amounts are recorded as a cumulative adjustment in the period estimates are revised.

Net Loss Per Share

Net loss per common share is based on the weighted average number of shares of common stock outstanding during each year. Common stock equivalents, including 456,000 and 0 stock warrants for the years ended December 31, 2011 and 2010, respectively, are not considered in diluted loss per share because the effect would be anti-dilutive.

In addition to the above common stock equivalents, the Company has outstanding preferred shares (Series A through E) that are contingently convertible into common shares upon the Company becoming an SEC reporting company. There were an aggregate of 15,403,006 and 0 preferred shares contingently convertible into 13,677,274 and 0 common shares for the years ended December 31, 2011 and 2010, respectively, that could be potentially dilutive in the future. As a result of its merger with Aspen Group, Inc., on March 13, 2012 (the SEC Reporting Date), the Company became subject to SEC reporting requirements. Accordingly, all of the preferred shares were automatically converted into common shares on that date (See Note 16).

Segment Information

The Company operates in one reportable segment as a single educational delivery operation using a core infrastructure that serves the curriculum and educational delivery needs of its online students regardless of geography. The Company's chief operating decision makers, its CEO and President, manage the Company's operations as a whole, and no revenue, expense or operating income information is evaluated by the chief operating decision makers on any component level.

Recent Accounting Pronouncements

In October 2009, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2009-13, which amends Accounting Standards Codification ("ASC") Topic 605, Revenue Recognition. This update changes the requirements for establishing separate units of accounting in a multiple element arrangement and requires the allocation of arrangement consideration to each deliverable based on the relative selling price. ASU 2009-13 is effective for revenue arrangements entered into in fiscal years beginning on or after June 15, 2010. The Company adopted ASU 2009-13 effective January 1, 2011, and such adoption did not have a material effect on the Company's financial statements.

In December 2010, the FASB issued ASU 2010-28, which amends ASC Topic 350, Intangibles-Goodwill and Other. This update amends the criteria for performing Step 2 of the goodwill impairment test for reporting units with zero or negative carrying amounts and requires performing Step 2 if qualitative factors indicate that it is more likely than not that a goodwill impairment exists. The amendments in the update are effective for fiscal years beginning on or after December 15, 2010. The Company adopted ASU 2010-28 effective January 1, 2011, and such adoption did not have a material effect on the Company's financial statements.

In December 2010, the FASB issued ASU 2010-29, which amends ASC Topic 805, Business Combinations, which clarifies that, when presenting comparative financial statements, SEC registrants should disclose revenue and earnings of the combined entity as though any current period business combinations had occurred as of the beginning of the comparable prior annual reporting period only. The update also expands the supplemental pro forma disclosures to include a description of the nature and amount of material, nonrecurring pro forma adjustments directly attributable to the business combination included in the reported pro forma revenue and earnings. ASU 2010-29 is effective prospectively for material (either on an individual or aggregate basis) business combinations entered into in fiscal years beginning on or after December 15, 2010, with early adoption permitted. The Company adopted ASU 2010-29 effective January 1, 2011, and such adoption did not have a material effect on the Company's financial statements.

In June 2011, the FASB, issued ASU 2011-05, which amends ASC Topic 220, Comprehensive Income, which requires an entity to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. It eliminates the option to present components of other comprehensive income as part of the statement of changes in stockholders' equity. The ASU does not change the items which must be reported in other comprehensive income, how such items are measured or when they must be reclassified to net income. This ASU is effective for interim and annual periods beginning after December 15, 2011. The Company will adopt ASU 2011-05 effective January 1, 2012, and such adoption is not expected to have a material effect on the Company's financial statements.

In September 2011, the FASB issued ASU 2011-08, which amends ASC Topic 350, Intangibles-Goodwill and Other, to allow entities to use a qualitative approach to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. If after performing the qualitative assessment an entity determines it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then performing the two-step impairment test is unnecessary. However, if an entity concludes otherwise, then it is required to perform the first step of the two-step goodwill impairment test. The amendments are effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. Early adoption is permitted, including for annual and interim goodwill impairment tests performed as of a date before September 15, 2011, if an entity's financial statements for the most recent annual or interim period have not yet been issued or, for nonpublic entities, have not yet been made available for issuance. The Company adopted ASU 2011-08 effective September 30, 2011, and such adoption did not have a material effect on the Company's financial statements.

In December 2011, the FASB issued ASU 2011-12, which amends ASC Topic 220, Comprehensive Income, to defer certain aspects of ASU 2011-05. The new guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2011. The Company adopted this guidance, along with ASU 2011-05, on December 31, 2011, and such adoption did not have a material impact on the Company's financial statements.

Note 3. Accounts Receivable

Accounts receivable consisted of the following at December 31, 2011 and 2010:

	December 31, 2011	December 31, 2010
Accounts receivable	$ 894,829	$ 1,112,597
Less: Allowance for doubtful accounts	(47,595)	(47,934)
Accounts receivable, net	$ 847,234	$ 1,064,663

Bad debt expense was $21,200 and $23,379 for the years ended December 31, 2011 and 2010, respectively.

See also Note 14 for concentrations of accounts receivable.

Note 4. Secured Accounts and Notes Receivable – Related Parties

On September 21, 2011, the Company loaned $238,210 to the chief executive officer of the Company (the "CEO") in exchange for a promissory note bearing 3% per annum. As collateral, the note was secured by 40,000 shares of common stock of interclick, Inc. (a publicly-traded company) that are owned personally by the CEO. The note along with accrued interest was due and payable on June 21, 2012. For the year ended December 31, 2011, interest income of $1,867 was recognized. On December 20, 2011, the note along with accrued interest of $1,867 was paid in full (See Note 15).

On December 14, 2011, the Company loaned $150,000 to an officer of the Company in exchange for a promissory note bearing 3% per annum. As collateral, the note was secured by 500,000 shares of the Company's common stock owned personally by the officer. The note along with accrued interest was due and payable on September 14, 2012. For the year ended December 31, 2011, interest income of $210 was recognized on the note receivable and is included in prepaid expenses and other current assets. As of December 31, 2011, the balance due on the note receivable was $150,000, all of which is short-term. On February 16, 2012, the note receivable from an officer was repaid along with accrued interest (See Notes 15 and 16).

On March 30, 2008 and December 1, 2008, the Company sold course curricula pursuant to marketing agreements to Higher Education Group Management, Inc. ("HEMG"), a related party and principal stockholder of the Company whose president is Mr. Patrick Spada, the former Chairman of the Company, in the amount of $455,000 and $600,000, respectively; UCC filings were filed accordingly. Under the marketing agreements, the receivables are due net 60 months. On September 16, 2011, HEMG pledged 772,793 Series C preferred shares of the Company as collateral for this account receivable. As of December 31, 2011 and 2010, the remaining balance owed was $772,793 and $780,169, respectively, and is shown as accounts receivable, secured – related party. On March 8, 2012, due to the impending reduction in the value of the collateral as the result of the Series C conversion ratio and the Company's inability to engage Mr. Spada in good faith negotiations to increase HEMG's pledge, Michael Mathews, the Company's CEO, pledged 117,943 common shares of the Company, owned personally by him, valued at $1.00 per share based on recent sales of capital stock as additional collateral to the accounts receivable, secured – related party. On March 13, 2012, the Company deemed the receivables stemming from the sale of courseware curricula to be in default (See Notes 15 and 16).

During 2005 through September 2011, the Company advanced funds without board authority to both Patrick Spada (former Chairman of the Company) and HEMG, of which Patrick Spada is President. As of December 31, 2011 and 2010, the receivable due was $2,209,960 and $2,195,084, respectively, and is shown as receivable from stockholder, secured – related party. Having been unsuccessful since December 2011 to negotiate a settlement agreement with Patrick Spada to secure the receivable, on March 13, 2012, three directors of the Company pledged an aggregate of 2,209,960 common shares of the Company, valued at $1.00 per share, based on recent sales of capital stock as collateral for the receivable from stockholder, secured – related party (See Notes 15 and 16).

Note 5. Property and Equipment

Property and equipment consisted of the following at December 31, 2011 and 2010:

	December 31, 2011	December 31, 2010
Call center	$ 121,313	$ -
Computer and office equipment	38,576	26,458
Library (online)	100,000	100,000
Vehicle	39,737	39,737
	299,626	166,195
Accumulated depreciation	(169,682)	(144,311)
Property and equipment, net	$ 129,944	$ 21,884

Depreciation expense for the years ended December 31, 2011 and 2010 was $25,371 and $43,848, respectively. Accumulated depreciation amounted to $169,682 and $144,311 as of December 31, 2011 and 2010, respectively.

Note 6. Intangible Assets

Intangible assets consisted of the following at December 31, 2011 and December 31, 2010:

	December 31, 2011	December 31, 2010
Course curricula	$ 2,072,238	$ 2,018,147
Call center	927,455	-
	2,999,693	2,018,147
Accumulated amortization	(1,762,697)	(1,523,986)
Intangible assets, net	$ 1,236,996	$ 494,161

The following is a schedule of estimated future amortization expense of intangible assets as of December 31, 2011:

Year Ending December 31,	
2012	$ 325,461
2013	300,420
2014	258,188
2015	220,047
2016	132,880
Total	$ 1,236,996

Amortization expense for the years ended December 31, 2011 and 2010 was $238,711 and $294,955, respectively.

During 2010, the Company acquired an aggregate of $52,000 of courseware curricula from an entity owned by the brother of the former Chairman of the Company (See Note 15).

Note 7. Accrued Expenses

Accrued expenses consisted of the following at December 31, 2011 and December 31, 2010:

	December 31, 2011	December 31, 2010
Accrued compensation	$ 33,930	$ 89,847
Accrued settlement payable	40,000	100,000
Other accrued expenses	93,598	76,269
Accrued expenses	$ 167,528	$ 266,116

In October 2009, the Company entered into an agreement with Glen Oaks College ("Glen Oaks") whereby Glen Oaks would provide technical training to Aspen students. Under the agreement, the Company received $100,000 from Glen Oaks in order to develop and obtain the necessary approvals to begin the program. On May 20, 2011, Glen Oaks filed suit against the Company to return the $100,000 when the agreement was not performed. On June 23, 2011, the Company agreed to settle the matter and paid Glen Oaks $5,000 on that date. On July 22, 2011, the Company and Glen Oaks entered into a settlement agreement whereby the Company agreed to pay Glen Oaks as follows: (i) $5,000 upon execution of the settlement agreement and (ii) $10,000 per month for nine consecutive months commencing August 1, 2011. As of December 31, 2011, the remaining settlement payable to Glen Oaks was $40,000.

Note 8. Loans Payable

During 2009, the Company received advances aggregating $200,000 from three individuals. Of the total funds received, $50,000 was received from a related party. During 2011 and 2010, the loans were non-interest bearing demand loans and, therefore, no interest expense was recognized or due as of each balance sheet date presented. As of December 31, 2011 and 2010, the entire balance of the loans payable is included in long-term liabilities as the Company has subsequent to December 31, 2011 converted the loans into long-term convertible notes payable (See Notes 15 and 16).

Note 9. Notes Payable

Notes Payable – Related Party

In June 2009, the Company borrowed an aggregate of $45,000 from an individual, who was an officer of the Company at that time, in exchange for notes payable bearing interest at 18% per annum. The notes were due in October 2009 and became demand notes at that time. For the years ended December 31, 2011 and 2010, interest expense of $2,393 and $7,126 was recognized on the notes. As of December 31, 2011 and 2010, the balance of accrued interest was $0 and $6,953, which is included in accrued expenses. As of December 31, 2011 and 2010, the balance due on the notes payable was $0 and $25,000, all of which is short-term (See Note 15).

Convertible Notes Payable

On March 6, 2011, the Company authorized the issuance of up to $350,000 of convertible notes that were convertible into Series B preferred shares at $0.95 per share, bearing interest of 6% per annum. The notes were convertible beginning after the closing of the EGC Merger (See Note 1). As of May 13, 2011, the Company had received an aggregate of $328,000 (of which $73,000 was received from related parties) from the sale of convertible notes. The Company evaluated the convertible notes and determined that, for the embedded conversion option, there was no beneficial conversion value to record. In addition, the Company issued an aggregate of $22,000 (of which $16,000 was to related parties) of convertible notes for services rendered. In May 2011, $350,000 of the convertible notes were converted into 368,411 Series B preferred shares (See Notes 12 and 15).

Notes payable consisted of the following at December 31, 2011 and 2010:

	December 31, 2011	December 31, 2010
Note payable - related party originating June 15, 2009, monthly payment of interest only; interest at 18%	$ -	$ 25,000
Note payable for vehicle, 72 monthly payments of $618; interest at 8.4% through March 2014	15,151	21,022
Less: Current maturities	(6,383)	(30,871)
Amount due after one year	$ 8,768	$ 15,151

Future maturities of the notes payable are as follows:

Year Ending December 31,	
2012	$ 6,383
2013	6,940
2014	1,828
	$ 15,151

Note 10. Commitments and Contingencies

Line of Credit

The Company maintains a line of credit with a bank, up to a maximum credit line of $250,000. The line of credit bears interest equal to the prime rate plus 0.50% (overall interest rate of 3.75% at December 31, 2011). The line of credit requires minimum monthly payments consisting of interest only. The line of credit is secured by all business assets, inventory, equipment, accounts, general intangibles, chattel paper, documents, instruments and letter of credit rights of the Company. The line of credit is for an unspecified time until the bank notifies the Company of the Final Availability Date, at which time payments on the line of credit become the sum of: (a) accrued interest and (b) 1/60th of the unpaid principal balance immediately following the Final Availability Date. The balance due on the line of credit as of December 31, 2011 was $233,215. Since the earliest the line of credit is due and payable is over a five year period and the Company believes that it could obtain a comparable replacement line of credit elsewhere, the entire line of credit is included in long-term liabilities. The unused amount under the line of credit available to the Company at December 31, 2011 was $16,785.

Operating Leases

The Company leases office space for its Denver, Colorado location under a seven-year lease agreement commencing September 15, 2008. The operating lease granted four initial months of free rent and had a base monthly rent of $6,526 commencing January 15, 2009. Thereafter, the monthly rent escalates 2.5% annually over the base year.

The following is a schedule by years of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of December 31, 2011:

Year ending December 31,		
2012	$	84,206
2013		86,172
2014		88,139
2015		60,070
Total minimum payments required	$	318,587

Rent expense was $114,511 and $81,532 for the years ended December 31, 2011 and 2010, respectively.

Employment Agreements

From time to time, the Company enters into employment agreements with certain of its employees. These agreements typically include bonuses, some of which are performance-based in nature. As of December 31, 2011, the Company had entered into five employment agreements whereby the Company is obligated to pay an annual performance bonus ranging from 50% to 100% of the employee's base salary based upon the achievement of pre-established milestones. Such annual bonuses are to be paid one-half in cash and the remainder in common shares of the Company. As of December 31, 2011, no performance bonuses have been earned.

Consulting Agreement

On September 16, 2011, the Company entered into a two-year consulting agreement with the former Chairman of the Company in which the Company was obligated to pay $11,667 per month. On September 28, 2011, the Company prepaid 13 months of the consulting agreement, or $151,667, which was then amortized until December 31, 2011, at which time the consulting agreement was terminated and the remaining unamortized prepaid expense was recognized immediately as consulting expense. No additional amounts are due under the consulting agreement (See Note 15).

Legal Matters

From time to time, we may be involved in litigation relating to claims arising out of our operations in the normal course of business. As of December 31, 2011, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of our operations.

There are no proceedings in which any of our directors, officers or affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

Regulatory Matters

The University is subject to extensive regulation by Federal and State governmental agencies and accrediting bodies. In particular, the Higher Education Act ("HEA") and the regulations promulgated thereunder by the U.S. Department of Education ("DOE") subject the University to significant regulatory scrutiny on the basis of numerous standards that schools must satisfy to participate in the various types of federal learner financial assistance under Title IV programs. The Company has had provisional certification to participate in the Title IV programs. Aspen's provisional certification imposes certain regulatory restrictions including, but not limited to, a limit of 500 student recipients for Title IV funding for the duration of the provisional certification. During 2011, the Company's provisional certification expired and the Company has filed its application for recertification with the DOE. Due to the expiration and pending recertification, these restrictions continue with regard to the Company's participation in DOE Title IV programs.

To participate in the Title IV programs, an institution must be authorized to offer its programs of instruction by the relevant agencies of the State in which it is located, and since July 2011, potentially in the States where an institution offers postsecondary education through distance education, accredited by an accrediting agency recognized by the DOE and certified as eligible by the DOE. The DOE will certify an institution to participate in the Title IV programs only after the institution has demonstrated compliance with the HEA and the DOE's extensive academic, administrative, and financial regulations regarding institutional eligibility. An institution must also demonstrate its compliance with these requirements to the DOE on an ongoing basis. The University performs periodic reviews of its compliance with the various applicable regulatory requirements. If we were ineligible to receive Title IV funding, given Title IV cash receipts represented approximately 7% of total revenues in 2011, our operations and liquidity would be minimally impacted.

As a result of certain subsequent events, the Company has been requested by DOE to provide a letter of credit in the amount of $105,865 by March 28, 2012, which is 10% of Aspen's Title IV receipts in 2011. Aspen has timely informed the DOE that it will provide the requested letter of credit by the deadline. The DOE may impose additional terms and conditions in any temporary provisional program participation agreement that it may issue pending review of Aspen's application for approval of the change in ownership and control. Furthermore, DOE may impose additional or different terms and conditions in any final provisional program participation agreement that it may issue after it reviews Aspen's application for approval of the change in ownership and control. (See Note 16).

Because the Company operates in a highly regulated industry, it may be subject from time to time to audits, investigations, claims of noncompliance or lawsuits by governmental agencies or third parties, which allege statutory violations, regulatory infractions or common law causes of action.

Return of Title IV Funds

An institution participating in Title IV programs must correctly calculate the amount of unearned Title IV program funds that have been disbursed to students who withdraw from their educational programs before completion and must return those unearned funds in a timely manner, generally within 45 days of the date the school determines that the student has withdrawn. Under Department regulations, failure to make timely returns of Title IV program funds for 5% or more of students sampled on the institution's annual compliance audit in either of its two most recently completed fiscal years can result in the institution having to post a letter of credit in an amount equal to 25% of its required Title IV returns during its most recently completed fiscal year. If unearned funds are not properly calculated and returned in a timely manner, an institution is also subject to monetary liabilities or an action to impose a fine or to limit, suspend or terminate its participation in Title IV programs.

Delaware Approval to Confer Degrees

Aspen is a Delaware corporation. Delaware law requires an institution to obtain approval from the Delaware Department of Education ("Delaware DOE") before it may incorporate with the power to confer degrees. Aspen did not obtain such approval. It has begun communications with the Delaware DOE and is taking steps to obtain Delaware DOE approval. An application to the State of Delaware has been made and we are awaiting a decision or additional guidance.

Note 11. Temporary Equity

During 2011, the Company sold an aggregate of 850,395 Series A preferred shares in exchange for cash proceeds of $809,900 (of which $230,000 was received from then related parties). The Series A shares have the following features: (i) equal voting rights as the common shares; (ii) automatically convert to common shares at the time the Company is required to file Forms 10-Q and 10-K with the SEC (the "SEC Reporting Date"); (iii) a conversion ratio of 1 share of common for each share of Series A; (iv) until the SEC Reporting Date, transfer restricted to permitted transfers; (v) until the SEC Reporting Date, price protection should any common stock or equivalents be issued with a lower conversion ratio; (vi) 5% cumulative accruing dividends whether or not declared (payable only upon redemption per vii); and (vii) shall be redeemed by the Company if: (a) Michael Mathews is no longer the CEO, or (b) the SEC Reporting Date does not occur on or before January 31, 2012 (on February 29, 2012, this was extended to March 15, 2012), but (c) only to the extent the Company has EBITDA. During the year ended December 31, 2011, cumulative dividend on the Series A preferred shares amounted to $34,500 (See Notes 15 and 16).

During 2011, the Company sold an aggregate of 1,176,750 Series D preferred shares and a warrant to purchase 400,000 Series D shares in exchange for cash proceeds of $1,109,268, net of offering costs of $67,482. The warrants are exercisable at $1.00 per share for five years beginning June 28, 2011 and, after the SEC Reporting Date, are exercisable into common shares of the Company. The Series D shares have the same features as the Series A shares (see above) except for 550,000 of the Series D shares for which the price protection is for a period of 36 months following the SEC Reporting Date. During the year ended December 31, 2011, cumulative dividend on the Series D preferred shares amounted to $30,632 (See Note 16).

During 2011, the Company sold an aggregate of 1,700,000 Series E preferred shares in exchange for cash proceeds of $1,550,817, net of offering costs of $149,183 and a warrant to purchase 56,000 Series E shares. The warrants are exercisable at $1.00 per share for five years beginning September 28, 2011 and, after the SEC Reporting Date, are exercisable into common shares of the Company. The Series E shares have the same features as the Series A shares (see above) except item (v) the price protection is for a period of 36 months following the SEC Reporting Date. During the year ended December 31, 2011, cumulative dividend on the Series E preferred shares amounted to $22,194 (See Note 16).

On October 28, 2011, the Company filed a First Amendment to the second amended and restated certificate of incorporation whereby a liquidation preference equal to the original issue price ($1.00) was added to both the Series D and Series E shares. In addition, the liquidation preferences of the Series D shares became pari passu with the liquidation preferences of the Series E shares and the liquidation preferences of both the Series D and Series E shares became senior to the liquidation preferences of the Series C shares (See Note 16).

Note 12. Stockholders' Equity

Stock Dividends and Reverse Split

On May 17, 2011, the Company declared a stock dividend of 1.1 new shares of common stock of the Company for each share presently held as of the close of business on May 20, 2011. All references to the Company's outstanding shares, warrants and per share information have been retroactively adjusted to give effect to the stock dividend.

On February 23, 2012, the Company approved a stock dividend of one new share of the Company for each share presently held. Following the stock dividend, the Company approved a one-for-two reverse stock split as of the close of business on February 24, 2012 in which each two shares of common stock shall be combined into one share of common stock. This was done in order to reduce the conversion ratio of the convertible preferred stock for all Series to 1 for 1 except for Series C, which now has a conversion ratio of 0.8473809 (See Note 16).

Authorized Shares

On May 17, 2011, the Company amended its certificate of incorporation whereby the total number of authorized shares was increased from 10,000,000 shares to: (i) 60,000,000 shares of common stock having a par value of $0.001 per share, and (ii) 20,000,000 shares of preferred stock having a par value of $0.001 per share.

On May 17, 2011, the Company designated 850,500 Series A preferred shares, 368,421 Series B preferred shares, 11,411,400 Series C preferred shares, and 3,700,000 Series D preferred shares.

On September 9, 2011, the Company filed its second amended certificate of incorporation whereby the Company designated 2,000,000 Series E preferred shares.

Preferred Shares

In May 2011, $350,000 of convertible notes were converted into 368,411 Series B preferred shares (See Notes 9 and 15). The Series B shares have the following features: (i) equal voting rights as the common shares; (ii) automatically convert to common shares at the time the Company is required to file Forms 10-Q and 10-K with the SEC (the "SEC Reporting Date"); (iii) a conversion ratio of 1 share of common for each share of Series B; (iv) until the SEC Reporting Date, transfer restricted to permitted transfers; and (v) until the SEC Reporting Date, price protection should any common stock or equivalents be issued with a lower conversion ratio (See Note 16).

On May 20, 2011, as part of a post-closing transaction of the merger with EGC, the Company's largest stockholder exchanged all 11,307,450 common shares owned into 11,307,450 Series C shares. The Series C shares have the following features: (i) equal voting rights as the common shares; (ii) automatically convert to common shares at the time the Company is required to file Forms 10-Q and 10-K with the SEC (the "SEC Reporting Date"); (iii) a conversion ratio of 0.8473809 shares of common for each share of Series C; (iv) until the SEC Reporting Date, transfer restricted to permitted transfers; (v) exclusion from the two-for-one stock split effectuated immediately prior to the SEC Reporting Date (See Note 16); and (vi) a liquidation preference of $0.001 per share (See Note 16).

Common Shares

On May 11, 2011, pursuant to a rescission offer, the Company rescinded an aggregate of 170,100 common shares and returned to investors an aggregate of $165,000 as a result of Blue Sky violations. The treasury shares were subsequently retired.

On May 19, 2011, the Company issued 3,200,000 common shares of the Company in order to acquire all of the outstanding shares of EGC as part of a merger (See Note 1).

On May 20, 2011, as part of a post-closing transaction of the merger with EGC and a settlement with a certain group of investors, the Company repurchased an aggregate of 850,500 common shares and returned to investors an aggregate of $740,000. The treasury shares were subsequently retired.

On December 28, 2011, the Company repurchased an aggregate of 34,020 common shares and returned to investors an aggregate of $21,200. The treasury shares were subsequently retired.

During 2010, the Company's largest stockholder contributed some of its common shares, which the Company sold for net proceeds of $250,500 to the Company. Since there was no increase in the overall number of shares outstanding, the entire amount was recognized as additional paid-in capital.

Stock Warrants

All outstanding warrants issued by the Company to date have been related to capital raises. Accordingly, the Company has not recognized any stock-based compensation for warrants issued during the years presented.

A summary of the Company's warrant activity during the year ended December 31, 2011 is presented below:

Warrants	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Balance Outstanding, December 31, 2010	-	-		
Granted	456,000	$ 1.00		
Exercised	-	-		
Forfeited	-	-		
Expired	-	-		
Balance Outstanding, December 31, 2011	456,000	$ 1.00	4.5	$ -
Exercisable, December 31, 2011	456,000	$ 1.00	4.5	$ -

All of the Company's warrants contain price protection. The Company evaluated whether the price protection provision of the warrant would cause derivative treatment. In its assessment, the Company determined that since its shares are not readily convertible to cash due to no public market existing, the warrants are excluded from derivative treatment.

Note 13. Income Taxes

The components of income tax expense (benefit) are as follows:

	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010
Current:		
Federal	$ -	$ -
State	-	-
	-	-
Deferred:		
Federal	-	-
State	-	-
	-	-
Total Income tax expense (benefit)	$ -	$ -

Significant components of the Company's deferred income tax assets and liabilities are as follows:

	December 31, 2011	December 31, 2010
Deferred tax assets:		
Net operating loss	$ 1,245,807	$ 123,586
Allowance for doubtful accounts	17,637	17,763
Intangible assets	(148,345)	187,111
Property and equipment	(805)	776
Deferred rent	9,473	10,335
Total deferred tax assets	1,123,767	339,571
Valuation allowance:		
Beginning of year	(339,571)	(264,144)
(Increase) decrease during year	(784,196)	(75,427)
Ending balance	(1,123,767)	(339,571)
Net deferred tax asset	$ -	$ -

A valuation allowance is established if it is more likely than not that all or a portion of the deferred tax asset will not be realized. The Company recorded a valuation allowance in 2010 and 2011 due to the uncertainty of realization. Management believes that based upon its projection of future taxable operating income for the foreseeable future, it is more likely than not that the Company will not be able to realize the tax benefit associated with deferred tax assets. The net change in the valuation allowance during the years ended December 31, 2011 and 2010 was an increase of $748,196 and $75,427, respectively.

At December 31, 2011, the Company had $3,361,975 of net operating loss carryforwards which will expire from 2029 to 2031. The Company believes its tax positions are all highly certain of being upheld upon examination. As such, the Company has not recorded a liability for unrecognized tax benefits. As of December 31, 2011, tax years 2004 and 2007 through 2010 remain open for IRS audit. The Company has received no notice of audit from the Internal Revenue Service for any of the open tax years.

A reconciliation of income tax computed at the U.S. statutory rate to the effective income tax rate is as follows:

	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010
Statutory U.S. federal income tax rate	34.0%	34.0%
State income taxes, net of federal tax benefit	3.1	3.1
Other	(0.1)	-
Change in valuation allowance	(37.0)	(37.1)
Effective income tax rate	0.0%	0.0%

Note 14. Concentrations

Concentration of Credit Risk

On November 9, 2010, the FDIC issued a Final Rule implementing section 343 of the Dodd-Frank Wall Street Reform and Consumer Protection Act that provides for unlimited insurance coverage of noninterest-bearing transaction accounts. Beginning December 31, 2010, through December 31, 2012, all noninterest-bearing transaction accounts are fully insured, regardless of the balance of the account, at all FDIC-insured institutions. The unlimited insurance coverage is available to all depositors, including consumers, businesses, and governmental entities. This unlimited insurance coverage is separate from, and in addition to, the insurance coverage provided to a depositor’s other deposit accounts held at an FDIC-insured institution. A noninterest-bearing transaction account is a deposit account where interest is neither accrued nor paid; depositors are permitted to make an unlimited number of transfers and withdrawals; and the bank does not reserve the right to require advance notice of an intended withdrawal.

The Company maintains its cash in bank and financial institution deposits that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts through December 31, 2011. As of December 31, 2011, the Company's bank balances exceeded FDIC insured amounts by approximately $50,000. There were no balances in excess of FDIC insured levels as of December 31, 2010.

Concentration of Revenues, Accounts Receivable and Publisher Expense

For the years ended December 31, 2011 and 2010, the Company had significant customers with individual percentage of total revenues equaling 10% or greater as follows:

	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010
Customer 1	44.6%	50.1%
Totals	44.6%	50.1%

At December 31, 2011 and 2010, concentration of accounts receivable with significant customers representing 10% or greater of accounts receivable was as follows:

	December 31, 2011	December 31, 2010
Customer 1	53.4%	29.1%
Customer 2	17.3%	-%
Customer 3	-	30.3%
Customer 4	-	20.2%
Totals	70.7%	79.6%

For the years ended December 31, 2011 and 2010, the Company had significant vendors representing 10% or greater of cost and expense as follows:

	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010
Vendor 1	24.4%	38.8%
Totals	24.4%	38.8%

Note 15. Related Party Transactions

On September 21, 2011, the Company loaned $238,210 to the chief executive officer of the Company (the "CEO") in exchange for a promissory note bearing 3% per annum. As collateral, the note was secured by 40,000 shares of common stock of interclick, Inc. (a publicly-traded company) that are owned personally by the CEO. The note along with accrued interest was due and payable on June 21, 2012. For the year ended December 31, 2011, interest income of $1,867 was recognized. On December 20, 2011, the note along with accrued interest of $1,867 was paid in full (See Note 4).

On December 14, 2011, the Company loaned $150,000 to an officer of the Company in exchange for a promissory note bearing 3% per annum. As collateral, the note was secured by 500,000 shares of the Company's common stock owned personally by the officer. The note along with accrued interest was due and payable on September 14, 2012. For the year ended December 31, 2011, interest income of $210 was recognized on the note receivable and is included in prepaid expenses and other current assets. As of December 31, 2011, the balance due on the note receivable was $150,000, all of which is short-term. On February 16, 2012, the note receivable from an officer was repaid along with accrued interest (See Notes 4 and 16).

On March 30, 2008 and December 1, 2008, the Company sold course curricula pursuant to marketing agreements to Higher Education Group Management, Inc. ("HEMG"), a related party and principal stockholder of the Company whose president is Mr. Patrick Spada, the former Chairman of the Company, in the amount of $455,000 and $600,000, respectively; UCC filings were filed accordingly. Under the marketing agreements, the receivables are due net 60 months. On September 16, 2011, HEMG pledged 772,793 Series C preferred shares of the Company as collateral for this account receivable. As of December 31, 2011 and 2010, the remaining balance owed was $772,793 and $780,169, respectively, and is shown as accounts receivable, secured – related party. On March 8, 2012, due to the impending reduction in the value of the collateral as the result of the Series C conversion ratio and the inability to engage Mr. Spada in good faith negotiations to increase HEMG's pledge, Michael Mathews, the Company's CEO, pledged 117,943 common shares of the Company, owned personally by him, valued at $1.00 per share based on recent sales of capital stock as additional collateral to the accounts receivable, secured – related party. On March 13, 2012, the Company deemed the receivables stemming from the sale of courseware curricula to be in default (See Notes 4 and 16).

During 2005 through September 2011, the Company advanced funds without board authority to both Patrick Spada (former Chairman of the Company) and HEMG, of which Patrick Spada is President. As of December 31, 2011 and 2010, the receivable due was $2,209,960 and $2,195,084, respectively, and is shown as receivable from stockholder, secured – related party. Having been unsuccessful since December 2011 to negotiate a settlement agreement with Patrick Spada to secure the receivable, on March 13, 2012, three directors of the Company pledged an aggregate of 2,209,960 common shares of the Company, valued at $1.00 per share, based on recent sales of capital stock as collateral for the receivable from stockholder, secured – related party (See Notes 4 and 16).

During 2009, the Company received advances aggregating $200,000 from three individuals. Of the total funds received, $50,000 was received from a related party. During 2011 and 2010, the loans were non-interest bearing demand loans and, therefore, no interest expense was recognized or due as of each balance sheet presented. As of December 31, 2011 and 2010, the entire balance of the loans payable is included in long-term liabilities as the Company has subsequent to December 31, 2011 converted the loans into long-term convertible notes payable (See Notes 8 and 16).

In June 2009, the Company borrowed an aggregate of $45,000 from an individual, who was an officer of the Company at that time, in exchange for notes payable bearing interest at 18% per annum. The notes were due in October 2009 and became demand notes at that time. For the years ended December 31, 2011 and 2010, interest expense of $2,393 and $7,126 was recognized on the notes. As of December 31, 2011 and 2010, the balance of accrued interest was $0 and $6,953, which is included in accrued expenses. As of December 31, 2011 and 2010, the balance due on the notes payable was $0 and $25,000, all of which is short-term (See Note 9).

On March 6, 2011, the Company authorized the issuance of up to $350,000 of convertible notes that were convertible into Series B preferred shares at $0.95 per share, bearing interest of 6% per annum. The notes were convertible beginning after the closing of the EGC Merger (See Note 1). As of May 13, 2011, the Company had received an aggregate of $328,000 (of which $73,000 was received from related parties) from the sale of convertible notes. In addition, the Company issued an aggregate of $22,000 (of which $16,000 was to related parties) of convertible notes for services rendered. In May 2011, $350,000 of the convertible notes were converted into 368,411 Series B preferred shares (See Notes 9 and 12).

On September 16, 2011, the Company entered into a two-year consulting agreement with the former Chairman of the Company in which the Company was obligated to pay $11,667 per month. On September 28, 2011, the Company prepaid 13 months of the consulting agreement, or $151,667, which was then amortized until December 31, 2011, at which time the consulting agreement was terminated and the remaining unamortized prepaid expense was recognized immediately as consulting expense. No additional amounts are due under the consulting agreement (See Note 10).

During 2011, the Company sold an aggregate of 850,395 Series A preferred shares in exchange for cash proceeds of $809,900 (of which $230,000 was received from then related parties). The Series A shares have the following features: (i) equal voting rights as the common shares; (ii) automatically convert to common shares at the time the Company is required to file Forms 10-Q and 10-K with the SEC (the "SEC Reporting Date"); (iii) a conversion ratio of 1 share of common for each share of Series A; (iv) until the SEC Reporting Date, transfer restricted to permitted transfers; (v) until the SEC Reporting Date, price protection should any common stock or equivalents be issued with a lower conversion ratio; (vi) 5% cumulative accruing dividends whether or not declared (payable only upon redemption per vii); and (vii) shall be redeemed by the Company if: (a) Michael Mathews is no longer the CEO, or (b) the SEC Reporting Date does not occur on or before January 31, 2012 (on February 29, 2012, this was extended to March 15, 2012), but (c) only to the extent the Company has EBITDA. During the year ended December 31, 2011, cumulative dividend on the Series A preferred shares amounted to $34,500 (See Notes 11 and 16).

On March 13, 2012, the Company's CEO made an investment of $300,000 in a convertible promissory note due March 31, 2013, bearing interest at 0.19% per annum. The note is convertible into common shares of the Company at the rate of $1.00 per share upon five days written notice to the Company. The Company evaluated the convertible notes and determined that, for the embedded conversion option, there was no beneficial conversion value to record (See Note 16).

Included in revenues for the year ended December 31, 2010 is $125,000 of revenue from the sale of course curricula to a related party, which was controlled by our former Chairman.

During 2010, the Company acquired an aggregate of $52,000 of courseware curricula, which was capitalized and included in intangible assets, from an entity owned by the brother of Patrick Spada, the former Chairman of the Company.

Note 16. Subsequent Events

On January 23, 2012, the Company filed a Second Amendment to the second amended and restated certificate of incorporation whereby the Series A, Series D and Series E preferred shares shall be redeemed if the SEC Reporting Date does not occur on or before February 29, 2012 (See Notes 11 and 15).

On February 16, 2012, the note receivable from an officer was repaid along with accrued interest (See Notes 4 and 15).

On February 23, 2012, the Company approved a stock dividend of one new share of the Company for each share presently held. Following the stock dividend, the Company approved a one-for-two reverse stock split as of the close of business on February 24, 2012 in which each two shares of common stock shall be combined into one share of common stock (See Note 12).

On February 25, 2012, February 27, 2012 and February 29, 2012, loans payable to an individual, another individual and a related party (the brother of Patrick Spada, the former Chairman of the Company), of $100,000, $50,000 and $50,000, respectively, were converted into two-year convertible promissory notes, bearing interest of 0.19% per annum. Beginning March 31, 2012, the notes are convertible into common shares of the Company at the rate of $1.00 per share. As these loans (now convertible promissory notes) are not due for at least 12 months after the balance sheet, they have been included in long-term liabilities as of December 31, 2011 (See Notes 8 and 15).

On February 29, 2012, the Company filed a Third Amendment to the second amended and restated certificate of incorporation whereby the Series A, Series D and Series E preferred shares shall be redeemed if the SEC Reporting Date does not occur on or before March 15, 2012 (See Note 11).

On February 29, 2012, (the "Effective Date") the Company retained the investment bank of Laidlaw & Company (UK) Ltd. ("Laidlaw") on an exclusive basis with certain "carve-out" provisions for the purpose of raising up to $6,000,000 (plus up to an additional $1,200,000 million to cover over-allotments at the option of Laidlaw) through two successive best-efforts private placements of the Company's securities. The agreement has been modified by substituting Aspen Group, Inc. The Phase One financing is an offering of up to 40 units of $50,000 each and is to be completed by March 31, 2012 with an extension possible to April 30, 2012. Each unit consists of: (i) senior secured convertible notes (the "Convertible Notes"), bearing 10% interest, convertible into the Company's common shares at the lower of (a) $1.00 or (b) 95% of the per share purchase price of any shares of common stock (or common stock equivalents) issued on or after the original issue date of the note and (ii) five-year warrant to purchase that number of the Company's common shares equal to 25% of the number of shares issuable upon conversion of the Convertible Notes. Mandatory conversion will occur on the initial closing of the Phase Two financing. The Convertible Notes mature on June 30, 2012, carry provisions for price protection and require the Company to file a registration statement for the resale of the underlying common stock nine months after closing of the Phase Two offering. For the Phase One financing, Laidlaw will receive a cash fee of 10% of aggregate funds raised along with a five-year warrant (the "Laidlaw Warrant") equal to 10% of the common stock reserved for issuance in connection with the units. For funds raised by other parties, Laidlaw's compensation shall be 5% cash and 5% Laidlaw Warrant. Separately, Laidlaw requires an activation fee of $25,000, of which $15,000 was paid upon execution of the agreement. Subsequent to the closing of the Reverse Merger, Aspen Group, Inc., without the assistance of any broker dealer, raised $150,000 from the Phase One financing. Laidlaw will commence its offering after Aspen Group, Inc. files its report on Form 8-K with the Securities and Exchange Commission disclosing the Reverse Merger.

On March 8, 2012, due to the impending reduction in the value of the collateral as the result of the Series C conversion ratio and the inability to engage Mr. Spada in good faith negotiations to increase HEMG's pledge, Michael Mathews, the Company's CEO, pledged 117,943 common shares of the Company, owned personally by him, valued at $1.00 per share based on recent sales of capital stock as additional collateral to the accounts receivable, secured – related party. On March 13, 2012, the Company deemed the receivables stemming from the sale of courseware curricula to be in default (See Notes 4 and 15).

On March 13, 2012, three directors of the Company pledged an aggregate of 2,209,960 common shares of the Company as collateral for the receivable from stockholder, secured – related party (See Notes 4 and 15).

On March 13, 2012, the Company's CEO made an investment of $300,000 in a convertible promissory note due March 31, 2013, bearing interest at 0.19% per annum. The note is convertible into common shares of the Company at the rate of $1.00 per share upon five days written notice to the Company. The Company evaluated the convertible notes and determined that, for the embedded conversion option, there was no beneficial conversion value to record (See Note 15).

On March 13, 2012 (the “recapitalization date”), the Company was acquired by Aspen Group, Inc., an inactive publicly-held company, in a reverse merger transaction accounted for as a recapitalization of the Company (the “Recapitalization” or the “Reverse Merger”). The common and preferred stockholders of the Company received 25,515,204 common shares of Aspen Group, Inc. in exchange for 100% of the capital stock of Aspen University Inc. For accounting purposes, Aspen is the acquirer and Aspen Group, Inc. is the acquired company. Accordingly, after completion of the recapitalization, the historical operations of the Company are those of Aspen and the operations since the recapitalization date are those of Aspen and Aspen Group, Inc. The assets and liabilities of both companies are combined at historical cost on the recapitalization date. As a result of the recapitalization and conversion of all Company preferred shares into common shares of the public entity, all redemption and dividend rights of preferred shares were terminated. As a result of the recapitalization, the Company now has 120,000,000 shares of common stock, par value $0.001 per share, and 10,000,000 shares of preferred stock, par value $0.001 per share authorized.

Immediately following the closing of the Reverse Merger, the Company adopted the 2012 Equity Incentive Plan (the “Plan”) which provides for 2,500,000 shares to be granted under the Plan. On March 14, 2012, the Company granted an aggregate of 1,500,000 stock options, all of which were under the Plan, having an exercise price of $1.00 per share. The options vest one-third on each anniversary date commencing March 14, 2013 and expire five years from the grant date. The total fair value of stock options granted was $495,000, which is being recognized over the respective vesting period.

Consistent with the Higher Education Act, Aspen’s certification to participate in Title IV programs terminated after closing of the Reverse Merger, and Aspen must apply to DOE to reestablish its eligibility and certification to participate in the Title IV programs. However, in order to avoid significant disruption in disbursements of Title IV funds, the DOE may temporarily and provisionally certify an institution that is seeking approval of a change in ownership, like Aspen, under certain circumstances while the DOE reviews the institution’s application. On March 15, 2012 the DOE asked Aspen to notify it in writing whether Aspen would be able to provide to the DOE by March 28, 2012 a letter of credit in the amount of $105,865, which is 10% of Aspen’s Title IV receipts in 2011. Aspen has timely informed the DOE that it will provide the requested letter of credit by March 28, 2012. The DOE may impose additional terms and conditions in any temporary provisional program participation agreement that it may issue pending review of Aspen’s application for approval of the change in ownership and control. Furthermore, DOE may impose additional or different terms and conditions in any final provisional program participation agreement that it may issue after it reviews Aspen’s application for approval of the change in ownership and control.

UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS

The following unaudited pro forma combined financial statements give effect to the reverse merger transaction (the"Recapitalization" or the "Reverse Merger") between Aspen University Inc. ("AUI"), Aspen Group, Inc. ("AGI") and Aspen Acquisition Sub., Inc. ("AcquisitionCo"). In the Reverse Merger, AcquisitionCo was merged with and into AUI, and AUI, as the surviving corporation, became a wholly-owned subsidiary of AGI. As of the closing of the transaction, all series of AUI's preferred shares were automatically converted into common shares (per the preferred stock designations, and at the ratio specified for each respective series). Subsequently, AUI shareholders exchanged their common shares for 25,515,204 newly issued shares of common stock of AGI, or approximately 72% of the common shares of AGI. As the owners and management of AUI have voting and operating control of AGI after the Reverse Merger and AGI is non-operating and in the development stage, the transaction is accounted for as a recapitalization of AGI.

The unaudited pro forma combined financial statements presented below are prepared using recapitalization accounting for the Reverse Merger. Pro forma adjustments which give effect to certain transactions occurring as a direct result of the Reverse Merger are described in the accompanying unaudited notes presented on the following pages. The consolidated financial statements of AUI included in the following unaudited pro forma combined financial statements are derived from the audited consolidated financial statements of AUI for the year ended December 31, 2011. The unaudited pro forma combined balance sheet is prepared as though the Reverse Merger occurred at the close of business on December 31, 2011. The unaudited pro forma combined statements of operations give effect to the Reverse Merger as though it occurred on January 1, 2011.

The unaudited pro forma combined financial statements have been prepared for illustrative purposes only and are not necessarily indicative of the consolidated financial position or results of operations in future periods or the results that actually would have been realized had AGI and AUI been a combined company during the specified periods. The unaudited pro forma combined financial statements, including the notes thereto, are qualified in their entirety by reference to, and should be read in conjunction with, the historical consolidated financial statements of AUI included herein and the historical unaudited financial statements of AGI included in its Quarterly Report on Form 10-Q for the nine months ended November 30, 2011.

ASPEN GROUP, INC.
PRO FORMA COMBINED BALANCE SHEET
DECEMBER 31, 2011
(unaudited)

	Aspen University Inc. (Historical)	Aspen Group, Inc. F/K/A Elite Nutritional Brands, Inc. (Historical)	Adj #	Pro Forma Adjustments	Pro Forma Combined
Assets					
Current assets:					
Cash and cash equivalents	$ 766,602	$ 1,489	A	$ 10,000	$ 778,091
Accounts receivable	847,234	-			847,234
Accounts receivable, secured - related party	772,793	-			772,793
Receivable from stockholder, secured - related party	2,209,960	-			2,209,960
Note receivable from officer, secured - related party	150,000	-			150,000
Prepaid expenses and other current assets	103,478	-			103,478
Total current assets	4,850,067	1,489		10,000	4,861,556
Property and equipment, net	129,944	-			129,944
Intangible assets, net	1,236,996	-			1,236,996
Other assets	6,559	-			6,559
Total assets	$ 6,223,566	$ 1,489		$ 10,000	$ 6,235,055
Liabilities and Stockholders' Equity (Deficiency)					
Current liabilities:					
Accounts payable	$ 1,094,029	$ 3,703		$ -	$ 1,097,732
Accrued expenses	167,528	178			167,706
Deferred revenue	835,694	-			835,694
Notes payable, current portion	6,383	10,000	A	10,000	26,383
Deferred rent, current portion	4,291	-			4,291
Total current liabilities	2,107,925	13,881		10,000	2,131,806
Line of credit	233,215	-			233,215
Loans payable	200,000	491			200,491
Notes payable	8,768	-			8,768
Deferred rent	21,274	-			21,274
Total liabilities	2,571,182	14,372		10,000	2,595,554
Temporary equity:					
Series A preferred stock	809,900	-	C	(809,900)	-
Series D preferred stock	1,109,268	-	C	(1,109,268)	-
Series E preferred stock	1,550,817	-	C	(1,550,817)	-
Total temporary equity	3,469,985	-		(3,469,985)	-
Stockholders' equity (deficiency):					
Series C preferred stock	11,307	-	C	(11,307)	-
Series B preferred stock	368	-	C	(368)	-
Common stock	11,838	12,240	B	(7,344)	35,275
			D	18,541	
Additional paid-in capital	3,275,296	8,760	B	7,344	6,754,519
			C	3,481,660	
			D	(18,541)	
Accumulated deficit	(3,116,410)	(33,883)			(3,150,293)
Total stockholders' equity (deficiency)	182,399	(12,883)		3,469,985	3,639,501
Total liabilities and stockholders' equity (deficiency)	$ 6,223,566	$ 1,489		$ 10,000	$ 6,235,055

See Notes and Assumptions to Pro Forma Combined Financial Statements.

ASPEN GROUP, INC.
PRO FORMA COMBINED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011
(unaudited)

	Aspen University Inc. (Historical)	Aspen Group, Inc. F/K/A Elite Nutritional Brands, Inc. (Historical)	Adj #	Pro Forma Adjustments	Pro Forma Combined
Revenues	$ 4,477,931	$ -		-	$ 4,477,931
Costs and expenses:					
Instructional costs and services	2,493,341	-			2,493,341
Marketing and promotional	1,181,558	-			1,181,558
General and adminstrative	2,634,453	20,159			2,654,612
Depreciation and amortization	264,082	-			264,082
Total costs and expenses	6,573,434	20,159			6,593,593
Operating loss	(2,095,503)	(20,159)			(2,115,662)
Other income (expense):					
Interest income	2,656	-			2,656
Interest expense	(27,850)	(178)			(28,028)
Total other expense	(25,194)	(178)			(25,372)
Loss before income taxes	(2,120,697)	(20,337)			(2,141,034)
Income tax expense (benefit)	-	-			-
Net loss	(2,120,697)	(20,337)			(2,141,034)
Cumulative preferred stock dividends	(87,326)	-			(87,326)
Net loss allocable to common stockholders	$ (2,208,023)	$ (20,337)			$ (2,228,360)
Loss per share:					
Basic and diluted (E)(F)					$ (0.07)
Weighted average number of common shares outstanding:					
Basic and diluted (E)(F)					32,667,421

See Notes and Assumptions to Pro Forma Combined Financial Statements.

ASPEN GROUP, INC.
NOTES AND ASSUMPTIONS TO PRO FORMA COMBINED FINANCIAL STATEMENTS
(unaudited)

(A) On December 12, 2011, subsequent to the historical balance sheet date presented and prior to the reverse merger, AGI received $10,000 of proceeds in exchange for a convertible promissory note payable.

(B) On February 14, 2012, AGI completed a 1-for-2.5 reverse split whereby each 2.5 issued and outstanding shares of AGI common stock, par value of $0.0001 per share were converted into 1 share of AGI (leaving 48,960,000 common shares).

(C) Upon closing of reverse merger, all series of AUI preferred shares were automatically converted to 13,677,274 common shares.

(D) To adjust AGI stockholders' equity (deficiency) accounts to reflect the effects of the recapitalization, including 9,760,000 common shares of existing AGI stock (net of 39,200,000 common shares retired at date of reverse merger) and the conversion of all outstanding common shares of AUI into 25,515,204 common shares (includes 13,677,274 common shares from (C) above) of AGI at par value of $0.001.

(E) Pro forma basic and diluted loss per common share is based on the weighted average number of common shares which would have been outstanding during the period if the recapitalization had occurred at January 1, 2011, and reflects the exchange of the Series A through Series E preferred stock as well as the common stock of AUI for common stock of AGI. The shares of preferred stock have been included in the calculation of basic and diluted loss per common share as if they had been converted to common shares on the date issued.

(F) Pro forma weighted average shares include the retention of 9,760,000 shares of common stock by prior shareholders of AGI as if such shares were issued on January 1, 2011. In computing pro forma diluted net loss per share, no effect has been given to common shares issuable upon conversion of the $20,000 of convertible notes as the effect would be anti-dilutive. Such convertible notes are convertible at a conversion price equal to the next equity offering of the Company.

The unaudited pro forma combined financial statements do not include any adjustment for non-recurring costs incurred or to be incurred after December 31, 2011 by both AUI and AGI to consummate the Reverse Merger, except as noted above. Merger costs include fees payable for investment banking services, legal fees and accounting fees. Such costs will be expensed as incurred.