
**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): **July 21, 2014**

ASPEN GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware
*(State or Other Jurisdiction
of Incorporation)*

000-55107
*(Commission
File Number)*

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

720 South Colorado Boulevard, Suite 1150N, Denver, CO 80246

(Address of Principal Executive Office) (Zip Code)

(303) 333-4224

(Registrant's telephone number, including area code)

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

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 3.02 Unregistered Sales of Equity Securities.

On July 21, 2014, Mr. Michael Mathews, the Chairman of the Board and Chief Executive Officer of Aspen Group, Inc., extended the due dates of his three outstanding notes to January 1, 2016. Prior to the amendments, the outstanding notes had expirations dates of April 2, 2015. The securities were issued and sold in reliance upon the exemption from registration contained in Section 4(a)(2) of the Securities Act of 1933 and Rule 506(b) promulgated thereunder.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Exhibit</u>
<u>10.1</u>	Mathews' Convertible Note (\$0.35)
<u>10.2</u>	Mathews' Convertible Note (\$1.00)
<u>10.3</u>	Mathews' Promissory Note



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: July 22, 2014

By: /s/ Michael Mathews

Name: Michael Mathews

Title: Chief Executive Officer

THE SHARES REPRESENTED BY THIS CONVERTIBLE NOTE AND THE CONVERTIBLE NOTE HAVE NOT BEEN REGISTERED UNDER THE FEDERAL OR ANY STATE SECURITIES LAWS AND MAY NOT BE SOLD, TRANSFERRED OR HYPOTHECATED IN ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH LAWS AS MAY BE APPLICABLE OR, AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY, THAT AN EXEMPTION FROM SUCH APPLICABLE LAWS EXIST.

CONVERTIBLE NOTE

\$300,000.00

July 21, 2014

FOR VALUE RECEIVED, Aspen Group, Inc., a Delaware, a Delaware corporation (the "Company"), hereby promises to pay to the order of Michael Mathews (the "Holder") at 224 West 30th Street, Suite 604, New York, NY 10001, or at such other office as the Holder designates in writing to the Company, the principal sum of Three Hundred Thousand Dollars and 00/100 (\$300,000.00) together with interest thereon computed at the annual rate of five percent (5%). Principal and interest shall be due and payable on January 1, 2016. While in default, this Note shall bear interest at the rate of 18% per annual or such maximum rate of interest allowable under the laws of the State of New York.

Payments shall be made in lawful money of the United States. **This Convertible Note replaces one issued to the Holder on September 25, 2013, which replaced and issued to the Holder on December 18, 2012, which replaced one issued to the Holder on September 4, 2012, which replaced one issued to the Holder on August 14, 2012.**

1. Conversion to Common Stock. The Holder shall have the right at any time to convert this Note into shares of common stock of the Company at \$0.35 per share (the "Conversion Price"), as adjusted.

2. Anti-Dilution Protection.

(a) In the event, prior to the payment of this Note, the Company shall issue any of its shares of common stock as a stock dividend or shall subdivide the number of outstanding shares of common stock into a greater number of shares, then, in either of such events, the shares obtainable pursuant to conversion of this Note shall be increased proportionately; and, conversely, in the event that the Company shall reduce the number of outstanding shares of common stock by combining such shares into a smaller number of shares, then, in such event, the number of shares of common stock obtainable pursuant to the conversion of this Note shall be decreased proportionately. Any dividend paid or distributed upon the common stock in shares of any other class of capital stock of the Company or securities convertible into shares of common stock shall be treated as a dividend paid in common stock to the extent that the shares of common stock are issuable upon the conversion of the Note. In the event that the Company shall pay a dividend consisting of the securities of any other entity or in cash or other property, upon conversion of this

Note, the Holder shall receive the securities, cash, or property which the Holder would have been entitled to if the Holder had converted this Note immediately prior to the record date of such dividend.

(b) In the event, prior to the payment of this Note, the Company shall be recapitalized by reclassifying its outstanding common stock (other than into shares of common stock with a different par value, or by changing its outstanding shares of common stock to shares without par value), or in the event the Company or a successor corporation, partnership, limited liability company or other entity (any of which is defined as a "Corporation") shall consolidate or merge with or convey all or substantially all of its, or of any successor Corporation's property and assets to any other Corporation or Corporations (any such other Corporation being included within the meaning of the term "successor Corporation" used in the context of any consolidation or merger of any other Corporation with, or the sale of all or substantially all of the property of any such other Corporation to, another Corporation or Corporations), or in the event of any other material change in the capital structure of the Company or of any successor Corporation by reason of any reclassification, reorganization, recapitalization, consolidation, merger, conveyance or otherwise, then, as a condition of any such reclassification, reorganization, recapitalization, consolidation, merger or conveyance, a prompt, proportionate, equitable, lawful and adequate provision shall be made whereby the Holder of this Note shall thereafter have the right to purchase, upon the basis and the terms and conditions specified in this Note, in lieu of the securities of the Company theretofore purchasable upon the conversion of this Note, such shares, securities or assets as may be issued or payable with respect to or in exchange for the number of securities of the Company theretofore obtainable upon conversion of this Note as provided above had such reclassification, reorganization, recapitalization, consolidation, merger or conveyance not taken place; and in any such event, the rights of the Holder of this Note to any adjustment in the number of shares of common stock obtainable upon conversion of this Note, as provided, shall continue and be preserved in respect of any shares, securities or assets which the Holder becomes entitled to obtain. Notwithstanding anything herein to the contrary, this Section 2(b) shall not apply to a merger with a subsidiary provided the Company is the continuing Corporation and provided further such merger does not result in any reclassification, capital reorganization or other change of the securities issuable under this Note. The foregoing provisions of this Section 2(b) shall apply to successive reclassification, capital reorganizations and changes of securities and to successive consolidation, mergers, sales or conveyances.

(c) In the event the Company, at any time while this Note shall remain outstanding, shall sell all or substantially all of its assets, or dissolves, liquidates, or winds up its affairs, prompt, proportionate, equitable, lawful and adequate provision shall be made as part of the terms of any such sale, dissolution, liquidation, or winding up such that the Holder of this Note may thereafter receive, upon exercise hereof, in lieu of the securities of the Company which it would have been entitled to receive, the same kind and amount of any shares, securities or assets as may be issuable, distributable or payable upon any such sale, dissolution, liquidation or winding up with respect to each common share of the Company; provided, however, that in the event of any such sale, dissolution, liquidation or winding up, the right to convert this Note shall terminate on a date fixed by the Company, such date so fixed to be not earlier than 6:00 p.m., New York time, on the 30th day after the date on which notice of such termination of the right to convert this Note has been

given by mail to the Holder of this Note at such Holder's address as it appears on the books of the Company.

3. Event of Default. In the event the Company shall commence any case, proceeding or other action under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization, or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to its debts, or seeking appointment of a receiver, custodian, trustee or other similar official for it or for all or any substantial part of its assets; or there shall be commenced against the Company, any case, proceeding or other action which results in the entry of an order for relief or any such adjudication or appointment remains undismissed, undischarged or unbonded for a period of 30 days; or there shall be commenced against the Company, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, restraint or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within 10 days from the entry thereof; or the Company shall make an assignment for the benefit of creditors; or the Company shall be unable to, or shall admit in writing the inability to, pay its debts as they become due; or the Company shall take any action indicating its consent to, approval of, or acquiescence in, or in furtherance of, any of the foregoing; then, or any time thereafter during the continuance of any of such events, the entire unpaid balance of this Note then outstanding, together with accrued interest thereon, if any, shall be and become immediately due and payable without notice of conversion by Holder.

4. Miscellaneous.

(a) All makers and endorsers now or hereafter becoming parties hereto jointly and severally waive demand, presentment, notice of non-payment and protest.

(b) This Note may not be changed or terminated orally, but only with an agreement in writing, signed by the parties against whom enforcement of any waiver, change, modification, or discharge is sought with such agreement being effective and binding only upon attachment hereto.

(c) This Note and the rights and obligations of the Holder and of the undersigned shall be governed and construed in accordance with the laws of the State of Delaware.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Company has caused this Note to be executed as of the date aforesaid.

ASPEN GROUP, INC.

By: _____
Janet Gill, Chief Financial Officer

THE SHARES UNDERLYING THIS CONVERTIBLE NOTE AND THE CONVERTIBLE NOTE HAVE NOT BEEN REGISTERED UNDER THE FEDERAL OR ANY STATE SECURITIES LAWS AND MAY NOT BE SOLD, TRANSFERRED OR HYPOTHECATED IN ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH LAWS AS MAY BE APPLICABLE OR, AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY, THAT AN EXEMPTION FROM SUCH APPLICABLE LAWS EXIST.

CONVERTIBLE NOTE

\$300,000

July 21, 2014

FOR VALUE RECEIVED, Aspen Group, Inc., a Delaware corporation (the “Company”), hereby promises to pay to the order of Michael Mathews (together with his permitted successors and assigns, the “Holder”) at 224 W. 30th Street Suite 604, New York, NY 10001, or at such other office as the Holder designates in writing to the Company, the principal sum of Three Hundred Thousand and No/100 Dollars (\$300,000.00), with unpaid interest thereon, on or before January 1, 2016 (the “Maturity Date”), if not paid or converted sooner. **This Convertible Note replaces one issued to the Holder on September 25, 2013, which replaced one issued to the Holder on December 18, 2012, which replaced one issued to the holder on September 4, 2012, which replaced one issued to the Holder on March 13, 2012.**

1. General Provisions

(a) Interest Rate. Interest payable on this Note shall accrue at the rate of Nineteen/One Hundred Percent (0.19%) per annum. Accrued interest will be payable on the Maturity Date, accelerated or otherwise, when the principal and remaining accrued but unpaid interest shall be due and payable.

(b) Prepayment. This Note may be paid prior to the Maturity Date, without penalty. Such determination by the Company to prepay shall be made by the vote of a majority of the disinterested directors of the Company. Interest shall accrue through the actual payment date.

2. Conversion to Common Stock.

(a) Conversion Upon Election of Holder. The Holder shall be entitled upon (i) five days prior written notice to the Company (the “Conversion Notice”) and (ii) the satisfaction of the requirements set forth in Section 2(d), to convert any part of the outstanding balance of this Note into a number of fully paid and nonassessable shares of the Company’s common stock (the “Common Stock”). Notwithstanding the preceding, following the Conversion Notice, the Company shall have the option to prepay that portion of the Note being converted by providing written notice to Holder within three business days following the Conversion Notice. Such

determination by the Company to prepay shall be made by the vote of a majority of the disinterested directors of the Company.

(b) Conversion Price. The outstanding balance to be converted pursuant to Section 2(a) shall be convertible into the number of shares of Common Stock, which results from dividing such outstanding balance to be converted by the Conversion Price. The "Conversion Price" shall initially be \$1.00 per share of Common Stock. The Conversion Price shall be subject to adjustment pursuant to Section 3 from time to time. Following each adjustment, such adjusted Conversion Price shall remain in effect until a further adjustment hereunder.

(c) Fractional Shares. No fractional share of Common Stock shall be issued upon conversion of this Note. In lieu of a fractional share, the Holder shall be paid the value based upon Fair Market Value. Fair Market Value shall mean:

(i) if the Company's Common Stock is traded on a national securities exchange, then the closing price of the Common Stock on the date notice of conversion is given; or

(ii) if the Company's Common Stock is not traded on a national securities exchange, then the last reported sales price of the Common Stock on the principal trading market on the date notice of conversion is given.

Notwithstanding the foregoing, if there is no last reported sales price or, for the day in question, then Fair Market Value shall be determined as of the latest day prior to such day for which such last reported sales prices are available, unless such securities have not been traded any market in any of (i) through (ii) above for 30 or more days immediately prior to the day in question, in which case the Fair Market Value shall be determined in good faith by, and reflected in a formal resolution of, the board of directors of the Company.

(d) Mechanics of Conversion. Before the Holder shall be entitled to convert this Note into shares of Common Stock in connection with a conversion pursuant to Section 2(a), the Holder shall surrender this Note (or, if the Holder alleges that this Note has been lost, stolen or destroyed, an affidavit of loss and agreement reasonably acceptable to the Company to indemnify the Company against any claim that may be made against the Company on account of the alleged loss, theft or destruction of such original promissory note), at the office of the Company together with written notice that the Holder elects to convert all or any portion of this Note and, if applicable, any event on which such conversion is contingent. The notice shall state the Holder's name or the names of the nominees in which such Holder wishes the certificate or certificates for shares of Common Stock to be issued. If required by the Company, this Note shall be endorsed or accompanied by an investment letter in customary form and a written instrument or instruments of transfer, in form reasonably satisfactory to the Company, duly executed by the Holder or his, her or its attorney duly authorized in writing.

(e) New Promissory Note. In the event less than all of the remaining balance of this Note is converted, the Company shall promptly issue to the Holder a similar promissory note representing the outstanding balance of this Note.

3. Adjustments.

(a) Adjustment Upon Common Stock Event. At any time or from time to time after the date hereof (the “Original Issue Date”), upon the happening of a Common Stock Event (as hereinafter defined), the Conversion Price shall, simultaneously with the happening of such Common Stock Event, be adjusted by multiplying the Conversion Price in effect immediately prior to such Common Stock Event by a fraction, (i) the numerator of which shall be the number of shares of Common Stock issued and outstanding immediately prior to such Common Stock Event, and (ii) the denominator of which shall be the number of shares of Common Stock issued and outstanding immediately after such Common Stock Event, and the product so obtained shall thereafter be the Conversion Price. The Conversion Price shall be readjusted in the same manner upon the happening of each subsequent Common Stock Event. As used herein, the term “Common Stock Event” shall mean (i) the issue by the Company of additional shares of Common Stock as a dividend or other distribution on outstanding Common Stock, (ii) a subdivision of the outstanding shares of Common Stock into a greater number of shares of Common Stock, or (iii) a combination of the outstanding shares of Common Stock into a smaller number of shares of Common Stock.

(b) Adjustments for Other Dividends and Distributions. If at any time or from time to time after the Original Issue Date the Company pays a dividend or makes another distribution to the holders of the Common Stock payable in securities of the Company, other than an event constituting a Common Stock Event, then in each such event provision shall be made so that the Holder shall receive upon conversion thereof, in addition to the number of shares of Common Stock receivable upon conversion thereof, the amount of securities of the Company which the Holder would have received had this Note been converted into Common Stock on the date of such event (or such record date, as applicable) and had they thereafter, during the period from the date of such event (or such record date, as applicable) to and including the conversion date, retained such securities receivable by them as aforesaid during such period, subject to all other adjustments called for during such period under this Section 3 with respect to the rights of the Holder or with respect to such other securities by their terms.

(c) Adjustment for Reclassification, Exchange and Substitution. If at any time or from time to time after the Original Issue Date the Common Stock issuable upon the conversion of this Note is changed into the same or a different number of shares of any class or classes of stock, whether by recapitalization, reclassification or otherwise (other than by a Common Stock Event or a stock dividend, reorganization, merger, or consolidation provided for elsewhere in this Section 3), then in any such event, but subject to Section 2, the Holder and the Company shall have the right thereafter to convert this Note into the kind and amount of stock and other securities and property receivable upon such recapitalization, reclassification or other change by holders of the number of shares of Common Stock into which this Note could have been converted immediately prior to such recapitalization, reclassification or change, all subject to further adjustment as provided herein or with respect to such other securities or property by the terms thereof.

(d) Reorganizations, Mergers and Consolidations. If at any time or from time to time after the Original Issue Date there is a reorganization of the Company (other than a recapitalization, subdivision, combination, reclassification or exchange of shares provided for elsewhere in this Section 3) or a merger or consolidation of the Company with or into another corporation (except a Liquidation Event), then, as a part of such reorganization, merger or consolidation, provision shall be made so that the Holder thereafter shall be entitled to receive, upon conversion of this Note, the number of shares of stock or other securities or property of the Company, or of such successor corporation resulting from such reorganization, merger or consolidation, to which a holder of Common Stock deliverable upon conversion would have been entitled on such reorganization, merger or consolidation. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 3 with respect to the rights of the Holder after the reorganization, merger or consolidation to the end that the provisions of this Section 3 (including adjustment of the Conversion Price then in effect and number of shares issuable upon conversion of this Note) shall be applicable after that event and be as nearly equivalent to the provisions hereof as may be practicable. This Section 3 shall similarly apply to successive reorganizations, mergers and consolidations.

4. Event of Default.

(a) For purposes of this Note, an “Event of Default” means:

(i) the Company shall default in the payment of interest and/or principal on this Note within five business days after the Company’s receipt of notice of default from the Holder;

(ii) the Company shall fail to materially perform any covenant, term, provision, condition, agreement or obligation of the Company under this Note (other than for non-payment) and such failure shall continue uncured for a period of 20 business days after notice from the Holder of such failure (or if such breach is not capable of being cured with such 20 business day period but the Company commences to cure and diligently and continuously acts to cure such breach, such longer period as may be necessary to cure such breach);

(iii) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (A) liquidation, reorganization or other relief in respect of the Company or any of their debts, or of a substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (B) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Company or for a substantial part of any of its assets, and, in any such case, such proceeding or petition shall continue undismissed 30 days or an order or decree approving or ordering any of the foregoing shall be entered; or

(iv) the Company shall (A) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (B) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in Section 4(a)(iii), (C) apply for or consent to the appointment

of a receiver, trustee, custodian, conservator or similar official for the Company or for a substantial part of its assets, (D) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (E) make a general assignment for the benefit of creditors or (F) take any action for the purpose of effecting any of the foregoing.

(b) Upon the occurrence of an Event of Default, the Holder shall have the right (but not the obligation) to declare the unpaid principal balance of this Note, and all interest and fees accrued thereon, immediately due and payable in full. Failure to exercise such option shall not constitute a waiver of the right to exercise the same in the event of any subsequent Event of Default.

5. Miscellaneous.

(a) Loss, Theft, Destruction or Mutilation of Note. Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Note and, in the case of loss, theft or destruction, delivery of an indemnity agreement reasonably satisfactory in form and substance to the Company or, in the case of mutilation, on surrender and cancellation of this Note, the Company shall execute and deliver, in lieu of this Note, a new note executed in the same manner as this Note, in the same principal amount as the unpaid principal amount of this Note and dated the date to which interest shall have been paid on this Note or, if no interest shall have yet been so paid, dated the date of this Note.

(b) Waivers. The Company hereby waives notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor and all other notices or demands relative to this instrument.

(c) Usury. In the event that any interest paid on this Note is deemed to be in excess of the then legal maximum rate, then that portion of the interest payment representing an amount in excess of the then legal maximum rate shall be deemed a payment of principal and applied against the principal of this Note, and any surplus thereafter shall immediately be refunded to the Company.

(d) Waiver and Amendment. Any provision of this Note may be amended, waived or modified only by an instrument in writing signed by the party against which enforcement of the same is sought.

(e) Notices. All notices, offers, acceptance and any other acts under this Note (except payment) shall be in writing, and shall be sufficiently given if delivered to the addressees in person, by FedEx or similar receipted next business day delivery, or by email delivery followed by overnight next business day delivery as follows:

- | | |
|---------------------------|---|
| (i) If to the Holder, to: | Michael Mathews
224 W. 30 th Street Suite 604
New York, NY 10001
Email: michael.mathews@aspen.edu |
|---------------------------|---|

(ii) If to the Company, to: Aspen Group, Inc.
224 W. 30th Street Suite 604
New York, NY 10001
Janet.Gill@aspen.edu
Chief Financial Officer

or to such other address as any of them, by notice to the other may designate from time to time. Time shall be counted to, or from, as the case may be, the date of delivery.

(f) Attorneys' 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 reasonable attorneys' fees, costs and expenses (including such fees and costs on appeal).

(g) Successors and Assigns. Upon any endorsement, assignment, or other transfer of this Note by the Holder or by operation of law, the term "Holder," as used herein, shall mean such endorsee, assignee, or other transferee or successor to the Holder, then becoming the holder of this Note. This Note shall inure to the benefit of the Holder and its successors and assigns and shall be binding upon the undersigned and their successors and assigns. The term "Company" as used herein, shall include the respective successors and assigns of the Company and any other obligor.

(h) Governing Law. This Note 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. Any action, proceeding or claim against it arising out of, or relating in any way to, this Note must only be brought and enforced in the courts of the State of New York or of the United States of America located in the County of New York, State of New York, and Company and Holder irrevocably submit to such jurisdiction for such purpose. Company and Holder hereby irrevocably waive any objection to such exclusive jurisdiction or inconvenient forum.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Company has caused this Note to be executed as of the date aforesaid.

Aspen Group, Inc.

By:

Janet Gill
Chief Financial Officer

PROMISSORY NOTE

\$1,000,000.00

July 21, 2014

FOR VALUE RECEIVED, the undersigned (the "Maker") promises to pay to the order of Michael Mathews (the "Holder") the sum of one million and No/100 Dollars (\$1,000,000.00), or such lesser sum as shall have been advanced, together with interest thereon computed at the per annum rate of ten percent (10%) on January 1, 2016. Prior to maturity, the Maker shall pay the Holder interest on the last day of each month. **This Note replaces that certain promissory note dated September 25, 2013, which replaced a promissory note dated July 1, 2013.**

While in default this Note shall bear interest at the rate of 18% per annum or such maximum rate of interest allowable under the laws of the State of New York.

Payments shall be made in lawful money of the United States at 224 West 30th Street, Suite 604 New York, N.Y. 10001, or at such other place as may be designated in writing by the Holder.

This Note shall be considered in default at the option of the Holder when (i) any past due installment of interest has not been made within five days after notice of non payment has been provided to the Maker (ii) payment of principal and accrued interest required to be made hereunder shall not have been made on the due date or as provided in the next paragraph. This Note shall remain in default until said payment shall have been made. Failure at any time of the Holder to exercise said option shall not constitute a waiver of the right to exercise the same at any time.

In the event the Maker shall commence any case, proceeding or other action under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization, or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to its debts, or seeking appointment of a receiver, custodian, trustee or other similar official for it or for all or any substantial part of its assets; or there shall be commenced against the Maker, any case, proceeding or other action which results in the entry of an order for relief or any such adjudication or appointment remains undismissed, undischarged or unbonded for a period of 30 days; or there shall be commenced against the Maker, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, restraint or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within 10 days from the entry thereof; or the Maker shall make an assignment for the benefit of creditors; or the Maker shall be unable to, or shall admit in writing the inability to, pay its debts as they become due; or the Maker shall take any action indicating its consent to, approval of, or acquiescence in, or in furtherance of, any of the foregoing; then, or any time thereafter during the continuance of any of such events, any of these events shall

cause this Note to be in default and the entire unpaid balance of this Note then outstanding, together with accrued interest thereon, if any, shall be and become immediately due and payable without notice of demand by the Holder.


All makers and endorsers now or hereafter becoming parties hereto jointly and severally waive demand, presentment, notice of non-payment and protest and, if this Note becomes in default and is placed into the hands of an attorney for collection, to pay attorney's fees and all other costs incurred in connection with such collection provided the Holder is the prevailing party. "Attorney's fees" are defined to include, but are not limited to, all fees incurred in all matters of collection and enforcement, construction and interpretation, before, during and after suit, proceedings and appeals, as well as appearances in and connected with any bankruptcy proceedings or creditors, reorganization, or similar proceedings. "Attorney's fees" shall also include paralegal and law clerk fees.

The Maker knowingly, voluntarily and intentionally waives for itself and its heirs, successors and assigns, any rights which any one of them might have to a trial by jury with respect to any litigation, action, suit, or proceeding (whether at law or in equity) based on or arising out of this Note or any course of conduct, course of dealing (oral or written) or actions of any party or their respective officers, principals, partners, employees, agents or representatives in connection with the loan contemplated by this Note whether arising in contract, tort or otherwise and whether asserted by way of complaint, answer, cross claim, counter claim, affirmative defense or otherwise. No party shall seek to consolidate any such litigation, action, suit, or proceeding in which a jury trial cannot be or has not been waived with any other action in which a jury trial has been waived.

This Note may not be changed or terminated orally, but only with an agreement in writing, signed by the parties against whom enforcement of any waiver, change, modification, or discharge is sought with such agreement being effective and binding only upon attachment hereto.

This Note and the rights and obligations of the Holder and of the undersigned shall be governed and construed in accordance with the laws of the State of New York.

[Signature Page to Follow]



IN WITNESS WHEREOF, the Company has caused this Note to be executed as of the date aforesaid.

ASPEN GROUP, INC., a Delaware corporation

By:

Janet Gill, Chief Financial Officer