

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No. 1)





Aspen Group, Inc.
224 West 30th Street, Suite 604
New York, New York 10001
(914) 906-9159

2014 ANNUAL MEETING OF SHAREHOLDERS
PROXY STATEMENT

Why am



What Constitutes a Quorum?

To



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

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

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

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

What is "householding" and how does it affect me?

Record holders who have the same address and last name will receive only one copy of their proxy materials, unless we are notified that one or more of these record holders wishes to continue receiving individual copies. This procedure will reduce our printing costs and postage fees. Shareholders who participate in householding will continue to receive separate proxy cards.

If you are eligible for householding, but you and other record holders with whom you share an address, receive multiple copies of these proxy materials, or if you hold Aspen stock in more than one account, and in either case you wish to receive only a single copy of each of these documents for your household, please contact our Corporate Secretary at Aspen Group, Inc., 224 West 30th Street, Suite 604, New York, New York 10001, (914) 906-9159.

If you participate in householding and wish to receive a separate copy of these proxy materials, or if you do not wish to continue to participate in householding and prefer to receive separate copies of these documents in the future, please contact our Corporate Secretary as indicated above. Beneficial owners can request information about householding from their brokers, banks or other holders of record.

Do I Have Dissenters' (Appraisal) Rights?

Appraisal rights are not available to Aspen shareholders with any of the proposals brought before the Annual Meeting.

Can a Shareholder Present a Proposal To Be Considered At the 2015 Annual Meeting?

If you wish to submit a proposal to be considered at the 2015 Annual Meeting, the following is required:

- For a shareholder proposal to be considered for inclusion in Aspen's Proxy Statement and proxy card for the 2015 Annual Meeting pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, which we refer to as the "Exchange Act," our Corporate Secretary must receive the written proposal no later than May 2, 2015, which is 120 calendar days prior to the anniversary date Aspen's Proxy Statement was mailed to shareholders in connection with this Annual Meeting. Such proposals also must comply with SEC regulations under Rule 14a-8 regarding the inclusion of shareholder proposals in company sponsored materials.

PROPOSAL 1. ELECTION OF DIRECTORS

We currently have nine members of our Board, all of whose terms will expire at this Annual Meeting. The Board proposes the election of the following nominees as directors:

Michael Mathews	Sanford Rich
Michael D'Anton	John Scheibelhoffer
David Pasi	Paul Schneier
C. James Jensen	Rick Solomon
Andrew Kaplan	

All of the nominees listed above is currently a director of Aspen, have been nominated for election this year and have agreed to serve if elected. The nine persons who receive the most votes cast will be elected and will serve as directors until the next Annual Meeting. If a nominee becomes unavailable for election before this Annual Meeting, the Board can name a substitute nominee and proxies will be voted for such substitute nominee unless an instruction to the contrary is written on the proxy card. Furthermore, we may appoint an additional person to our Board before the Annual Meeting.

DIRECTORS AND EXECUTIVE OFFICERS

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

Name	Age	Position
Michael Mathews	52	Chairman of the Board



Sanford Rich has served as a director since March 13, 2012. Since November 2012, Mr. Rich has served as the Chief of Negotiations and Restructuring for the Pension Benefit Guaranty Corporation. From October 2011 to September 2012, Mr. Rich served as Chief Executive Officer of In The Car LLC. Mr. Rich served as a director of Interlock from August 28, 2007 until June 5, 2009 and on its Audit Committee from August 2007 to June 2009. Since January 2008, Mr. Rich has served as Managing Director of Whitmarsh Capital Advisors, a broker-dealer. From May 2008 to February 2009, Mr. Rich was a Managing Director with Matrix USA LLC, a broker-dealer. Since April 2006, Mr. Rich has served as a director and Audit Committee Chairman for InsPro Technologies (OTC BB: ITCC). Mr. Rich was selected as a director for his 32 years of experience in the financial sector and his experience serving on the audit committees of public companies.

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

Paul Schneier has served as a director of Aspen since the Reverse Merger and of Aspen University for approximately five 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. Schneier was selected to serve as a director because of his management and legal background.

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

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

Executive Officers

Name	Age	Position
Michael Mathews	52	Chief Executive Officer
Janet Gill	58	Chief Financial Officer
Dr. Jeffrey D'Antonio	57	Chief Academic Officer
2 Robert Pasi	29	Chief Operating Officer

Committees of the Board of Directors

Audit Committee

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

Audit Committee Financial Expert

Our Board has determined that Mr. Sanford Rich is qualified as an Audit Committee Financial Expert, as that term is defined by the rules of the SEC and in compliance with the Sarbanes-Oxley Act of 2002.

Compensation Committee

The function of the Committee is to determine the compensation of our executive officers. The Committee has the power to set performance targets for determining periodic bonuses payable to executive officers and may review and make recommendations with respect to shareholder proposals related to compensation matters. Additionally, the Committee is responsible for administering the 2012 Equity Incentive Plan, which we refer to as the "Plan."

Compensation Committee Interlocks and Insider Participation

During fiscal 2014, Messrs. Jensen, Scheibelhoffer and Schneier served as the members of our Compensation Committee. None of our executive officers serve, or in the past has served, as a member of the Board of Directors.



On April 10, 2012, Higher Education Management Group, Inc., or HEMG, and its president, Patrick Spada, or Spada, Aspen Group and one other person entered into an agreement, which we refer to as the "April Agreement" under which HEMG sold 400,000 shares of common stock of Aspen Group for \$200,000 to individuals who were not executive officers or directors of Aspen Group. In connection with the April Agreement, Aspen Group guaranteed that it would purchase 600,000 shares at \$0.50 per share within 90 days of the April Agreement and agreed to use its best efforts to purchase an additional 1,400,000 shares of common stock at \$0.50 per share within 180 days from the date of the April Agreement. A group of predominately existing shareholders purchased 336,000 shares of common stock at \$0.50 per share and Aspen Group purchased 264,000 shares at \$0.50 per share. Aspen Group purchased the shares after the 90 day period had expired; Spada cashed the check without reserving his rights or protesting the illegality of the transaction.



(6) Jenson. Mr. Jenson is a director. Includes 263,158 shares underlying warrants and 100,000 vested stockte

Director Compensation

We do not pay cash compensation to our directors for service on our Board and our employees do not receive compensation for serving as members of our Board. Directors are reimbursed for reasonable expenses incurred in attending meetings and carrying out duties as board and committee members. Under the Plan, our non-employee directors receive grants of stock options as compensation for their services on our Board, as described above. Because we do not pay compensation to employee directors, Mr. Michael Mathews was not compensated for his service as a director and is omitted from the following table.

Fiscal 2014 Director Compensation

Name (a)	Option Awards \$(d)(1)(2)	Total \$(j)
Michael D'Anton	5,0 P	



As of August 31, 2012, Mr. Mathews agreed to reduce his base salary to \$100,000 per year for the remainder of 2012. In consideration for reducing his salary, Mr. Mathews was granted 166,666 five-year stock options. These stock options were exercisable at \$0.35 per share and have vested.

On September 4, 2012, our Board granted Mr. Mathews up to 2,900,000 five-year options exercisable at \$0.35 per share (vesting annually over a four-year period with the first vesting date being one-year from the grant date).

Effective May 16, 2013, Aspen Group and Mr. Mathews entered into a three-year Employment Agreement. In accordance with the Employment Agreement, Mr. Mathews will receive a base salary of \$250,000 per year; however, his base salary will be \$100,000 per year until the Compensation Committee determines that Aspen Group's cash position permits an increase to \$250,000 a year. In contrast to his old Employment Agreement described above, the amended Employment Agreement does not include any guaranteed annual bonuses. As of the record date, Mr. Mathews' base salary continues to be \$100,000 per year.

All of the stock options described under the Summary Compensation Table have been re-priced to \$0.19 per share.

In addition to his base salary, Mr. Mathews is eligible to earn an annual performance bonus equal to 25%, 50% or 100% of his then base salary which we refer to as the "Target Bonus," based upon the achievement of performance milestones established by the Compensation Committee at the beginning of each fiscal year. The earning of the Target Bonus is subject to Aspen Group having at least \$2,000,000 in available cash after deducting both target bonuses for that fiscal year which we refer to as the "Cash Threshold." If Aspen Group is unable to pay the target bonuses as a result of not meeting the Cash Threshold, Mr. Mathews shall be entitled to receive the Target Bonus in Aspen Group's common stock if Aspen Group had positive Adjusted Earnings Before Interest Taxes Depreciation and Amortization, which we refer to as "Adjusted EBITDA Threshold," during the applicable fiscal year. If Aspen Group is unable to pay the Target Bonus as a result of not meeting the Cash Threshold or the Adjusted EBITDA Threshold, no Target Bonus will be earned for that fiscal year. Further, if no target performance goals are established within three months of the beginning of a fiscal year, no Target Bonus can be earned for that fiscal year. There were no target performance goals established for fiscal 2015.

Gerard Wendolowski. Mr. Wendolowski receives \$175,000 under an oral employment arrangement

Janet Gill. Ms. Gill receives \$150,000 under an oral employment arrangement

Termination Provisions

Under his Employment Agreement, Mr. Mathews is entitled to severance payments. All of the termination provisions are intended to comply with Section 409A of the Internal Revenue Code of 1986, or the Code, and the Regulations thereunder. In the event of death, total disability, dismissal without cause or resignation for Good Reason, he will receive six months base salary and immediate vesting of unvested equity. Immediately upon a change of control event, he will receive 18 months base salary and immediate vesting of unvested equity. Change of control is defined in their Employment Agreements as Change of Control is defined under 409A of the Code. Generally, Good Reason is defined as a material diminution in the executives' authority, duties or responsibilities due to no fault of his own (unless he has agreed to such diminution); or (ii) any other action or inaction that constitutes a material breach by Aspen Group under the Employment Agreement or (iii) a relocation of his principal place of employment to a location which is not pre-approved by him.

PROPOSAL 3. APPROVAL AND RATIFICATION OF THE 2012 EQUITY INCENTIVE PLAN

Our Board has adopted a resolution declaring it advisable and in the best interests of A spen and its shareholders that the Plan and awards granted under the Plan be ratified and approved by shareholders. The resolution also recommends that the Plan and the awards granted under the Plan be ratified and approved by A spen's shareholders and directs that such proposal be submitted to A spen's shareholders at the ~~Annual~~ Meeting.

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

In the following paragraphs we provide a summary of the terms of the Plan. The following summary is qualified in its entirety by the provisions of the Plan which is attached at Annex B to this Proxy Statement. ~~§~~ ~~achededede~~ ~~is~~ ~~qualent~~ ~~§~~ ~~hnxu~~ ~~áplan~~ ~~rovvr~~ ~~bwe~~ ~~ulact~~ ~~s~~ ~~c~~



Stock Appreciation Rights

A SA R entitles the holder to receive, as designated by the Administrator, cash or shares of common stock, value equal to the excess of the fair market value of a specified number of shares of common stock at the time of exercise over the exercise price established by the Administrator.

The exercise price of each SA R granted under the Plan shall be established by the Administrator or shall be determined by method established by the Administrator at the time the SA R 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 SA R, or such higher price as is established by the Administrator. Shares of common stock delivered pursuant to the exercise of a SA R shall be subject to such conditions, restrictions and contingencies as the Administrator may establish in the applicable SA R agreement or document, if any.

Restricted Stock Awards

A restricted stock award gives the recipient a stock award subject to restriction on sale. The Administrator determines the terms and conditions of restricted stock awards, including the number of shares of restricted stock granted, and conditions for vesting that must be satisfied, which may be based principally or solely on continued provision of services, and also may include a performance-based component. Unless otherwise provided in the award agreement, the holder of a restricted stock award generally will have the rights of a shareholder from the date of grant of the award, including the right to vote the shares of common stock and the right to receive cash dividends and share and property distributions on the shares.

Restricted Stock Unit

A restricted stock unit gives the recipient the right to receive a number of shares of our common stock on the applicable vesting or other dates. Delivery of the restricted stock unit may be deferred beyond vesting as determined by the Administrator. The Administrator determines the terms and conditions of restricted stock units, including the number of units granted, and conditions for vesting that must be satisfied, which may be based principally or solely on continued provision of services, and also may include a performance-based component. The holder of a restricted stock unit award will not have voting rights with respect to the award and possess no incidents of ownership with respect to the underlying common stock.

Term, Termination and Amendment

The Board may terminate the Plan at any time. Unless sooner terminated, the Plan shall terminate in March 2022. No award may be granted under the Plan once it is terminated. Termination of the Plan shall not impair rights or obligations under any award granted while the Plan is in effect, except with the written consent of the grantee. The Board at any time, and from time to time, may amend the Plan. Provided, however, no amendment shall be affected unless approved by our shareholders to the extent that shareholder approval is necessary to satisfy the requirements of Section 422 of the Code or required by the rules of the principal national securities exchange or trading market upon which our common stock trades.

The Board at any time, and from time to time, may amend the terms of any one or more awards; provided, however, that the rights under the award shall not be impaired by any such amendment, except with the written consent of the grantee.

The number of shares with respect to which options or stock awards may be granted under the Plan, the number of shares covered by each outstanding option or SA R, and the purchase price per share 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.

Forfeiture

All vested or unvested stock rights are immediately forfeited at the option of the Board in the event that the recipient performs certain acts against the interests of Aspen including termination as a result of fraud, dishonesty or violation of Aspen policy.

Adjustments upon Changes in Capitalization

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 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, or any other increase or decrease in the number of issued shares of common stock effected without receipt of consideration by the Company. Such adjustment shall be made by the Administrator.

Federal Income Tax Consequences

The following is a brief summary of the principal U.S. federal income tax consequences with respect to awards granted under the Plan.

Restricted Stock Awards

The recipient of a restricted stock award does not have taxable income upon receipt of the award. When the restricted stock award is vested, the recipient will recognize ordinary income in an amount equal to the difference of the fair market value of the shares on the date of vesting and the amount paid for such restricted stock, if any.

Upon the vesting of a restricted stock award, A spen will be entitled to a corresponding income tax deduction in the tax year in which the restricted stock award vested.

The recipient may, however, elect under Section 83(b) of the Code to include as ordinary income in the year the shares are granted an amount equal to the excess of (i) the fair market value of the shares on the date of issuance, over (ii) the purchase price, if any, paid for the shares. If the Section 83(b) election is made, the recipient will not realize any additional taxable income when the shares become vested.

Incentive Stock Options

The recipient does not recognize any taxable income as a result of the grant or exercise of an ISO qualifying under Section 422 of the Code. However, the exercise of an ISO may increase the recipient's alternative minimum tax liability.

If a recipient holds stock acquired through the exercise of an ISO for more than two years from the date on which the stock option was granted and more than one year after the date the stock option was exercised, any gain or loss on a disposition of those shares, or a qualifying disposition, will be a long-term capital gain or loss. Upon such a qualifying disposition, A spen will not be entitled to any income tax deduction.

Generally, if the recipient disposes of the stock before the expiration of either of those holding periods, or a disqualifying disposition, then at the time of such disqualifying disposition the recipient will recognize ordinary income equal to the lesser of (i) the excess of the stock's fair market value on the date of exercise over the exercise price, or (ii) the recipient's actual gain, if any, on the purchase and sale. Any additional gain recognized by the recipient upon the disposition will be long-term or short-term capital gain or loss, depending on whether the stock was held for more than one year.

To the extent the recipient recognizes ordinary income by reason of a disqualifying disposition, generally we will be entitled to a corresponding income tax deduction in the tax year in which the disqualifying disposition occurs. those f any, on th

Non-Qualified Stock Options

The recipient does not recognize any taxable income as a result of a grant of a non-qualified stock option. Upon exercise of a non-qualified stock option, the recipient will recognize ordinary income equal to the excess of the fair market value of the shares over the exercise price. If the recipient exercises a non-qualified stock option, the recipient will recognize ordinary income equal to the excess of the fair market value of the shares over the exercise price.

PROPOSAL 4. SHAREHOLDER ADVISORY VOTE TO APPROVE NAMED EXECUTIVE OFFICER COMPENSATION

Overview

Pursuant to Section 14A of the Exchange Act and recent legislation, we are asking our shareholders to vote to approve, on a non-binding, advisory basis, the compensation of our Named Executive Officers, commonly referred to as the "say-on-pay" vote. In accordance with the Exchange Act requirements, we are



PROPOSAL 5. SHAREHOLDER VOTE ON FREQUENCY OF ADVISORY VOTE ON EXECUTIVE COMPENSATION

In addition to the advisory vote on executive compensation described in Proposal 4, pursuant to Section 14A of the Exchange Act (as required by Dodd-Frank), we are asking our shareholders to vote, on a non-binding, advisory basis, on the frequency of future votes to approve the compensation of our Named Executive Officers. This non-binding "frequency" vote is required to be submitted to our shareholders at least once every six years. Shareholders may indicate whether they prefer that in



It is not the duty of the Audit Committee to determine that Aspen's financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles or to plan or conduct audits. Those are the responsibilities of management and Aspen's independent registered public accounting firm. In giving its recommendation to the Board, the Audit Committee has relied on: (1) management's representations that such financial statements have been prepared with integrity and objectivity and in conformity with GAAP; and (2) the report of Aspen independent registered public accounting firm with respect to such financial statements.

Audit Committee's Pre-Approval Policy

The Audit Committee pre-approves all audit and permissible non-audit services on a case-by-case basis. In its review of non-audit services, the Audit Committee considers whether the engagement could compromise the independence of our independent registered public accounting firm, and whether the reasons of efficiency or convenience is in our best interest to engage our independent registered public accounting firm to perform the services.

Principal Accountant Fees and Services

All of the services provided and fees charged by Salberg, were approved by our Audit Committee. The following table shows the fees paid to Salberg, our principal accountant for the fiscal year ended April 30, 2014 and for the four months ended April 30, 2013.

	Year Ended April 30, 2014 (\$)	Four Months Ended April 30, 2013 (\$)
Audit Fees (1)	82,500	



PROPOSED AMENDMENT TO ARTICLE FOURTH OF
CERTIFICATE OF INCORPORATION

The text of the proposed amendment to Article Fourth of the Certificate of Incorporation, marked to show changes to the current Article Fourth, is set forth as follows:

The total number of shares of stock of all classes and series the Company shall have authority to issue is 260,000,000 ~~130,000,000~~ shares consisting of (i) 250,000,000 ~~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.

ASPEN GROUP, INC.
2012 EQUITY INCENTIVE PLAN, As Amended

“P 1. Scope of Plan: Definitions.

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(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 shares 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 see (a) 1); u

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"Exchange Act" shall have the meaning given to it in Section 1(

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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 shall be final, authoritative, binding and conclusive unless otherwise provided in the Plan or in any applicable law.

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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 all in all if he had not died.

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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 (x 9 in (

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- then in effect
- (3) Breaching any duty of confidentiality including that required by the Company's insider trading guidelines
 - (4) Competing with the Company;
 - (5) Being unavailable for consultation after leaving the Company's employment if such availability is a condition of any agreement between the Company and the grantee;
 - (6) Recruitment of Company personnel after termination of employment, whether such termination is voluntary or for cause;
 - (7) Failure to assign any invention or technology to the Company if such assignment is a condition of employment or any other agreements between the Company and the grantee; or
 - (8) A finding by the Board that the grantee has acted disloyally and/or against the interests of the Company.

(b) Forfeiture of Stock Rights Granted to Directors. Notwithstanding any other provision of this Plan, and unless otherwise provided for in a Stock Rights Agreement, all vested or unvested Stock Rights granted to directors shall be immediately forfeited at the discretion of the Board if any of the following events occur:

- then in effect
- (1) Purchasing or selling securities of the Company in violation of the Company's insider trading guidelines
 - (2) Breaching any duty of confidentiality including that required by the Company's insider trading guidelines
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 - (5)

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