

ASPEN GROUP, INC.

Form S-1

October 01, 2012

As filed with the Securities and Exchange Commission on October 1, 2012

Registration No. 333-

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-1

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

ASPEN GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

8200
(Primary Standard Industrial
Classification Code Number)

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

720 South Colorado Boulevard, Suite 1150N

Denver, CO 80246

(303) 333-4224

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Michael Mathews

720 South Colorado Boulevard, Suite 1150N

Denver, CO 80246

(303) 333-4224

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Michael D. Harris, Esq.

Brian S. Bernstein, Esq.

Nason, Yeager, Gerson, White & Lioce, P.A.

1645 Palm Beach Lakes Boulevard, Suite 1200

West Palm Beach, Florida 33401

(561) 686-3307

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

- | | | | |
|-------------------------|-----------------------|---------------------------|-----------------------|
| Large accelerated filer | <input type="radio"/> | Accelerated filer | <input type="radio"/> |
| Non-accelerated filer | <input type="radio"/> | Smaller reporting company | <input type="radio"/> |

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Share(2)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee
Common stock, \$0.001 par value per share	20,229,183	\$ 2.60	\$ 52,595,876	\$ 7,174.08

(1) Under Rule 416 of the Securities Act of 1933, the shares being registered include such indeterminate number of shares of common stock as may be issuable with respect to the shares being registered in this registration statement as a result of any stock splits, stock dividends.

(2) The proposed maximum offering price per share and the proposed maximum aggregate offering price have been estimated solely for the purpose of calculating the amount of the registration fee in accordance with Rules 457(c) under the Securities Act of 1933 on the basis of the average of the bid and asked price of our common stock on the Over-the-Counter Bulletin Board on October 1, 2012, a date within five trading days prior to the date of the filing of this registration statement.

The registrant hereby amends this registration statement on such date or date(s) as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until the registration statement shall become effective on such date as the Commission acting pursuant to said Section 8(a) may determine.

The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission of which this prospectus is a part becomes effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, Dated October 1, 2012

ASPEN GROUP, INC.

PROSPECTUS

20,229,183 Shares of Common Stock

This prospectus relates to the sale of up to 20,229,183 shares of Aspen Group, Inc. common stock which may be offered by the selling shareholders identified in this prospectus.

We will not receive any proceeds from the sales of shares of our common stock by the selling shareholders named on page 62.

Our common stock trades on the Over-the-Counter Bulletin Board under the symbol "ASPU". As of the last trading day before the date of this prospectus, the closing price of our common stock was \$2.91 per share.

The common stock offered in this prospectus involves a high degree of risk. See "Risk Factors" beginning on page 9 of this prospectus to read about factors you should consider before buying shares of our common stock.

The selling shareholders are offering these shares of common stock. The selling shareholders may sell all or a portion of these shares from time to time in market transactions through any market on which our common stock is then traded, in negotiated transactions or otherwise, and at prices and on terms that will be determined by the then prevailing market price or at negotiated prices directly or through a broker or brokers, who may act as agent or as principal or by a combination of such methods of sale. The selling shareholders will receive all proceeds from the sale of the common stock. For additional information on the methods of sale, you should refer to the section entitled "Plan of Distribution."

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined whether this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2012

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You should rely only on information contained in this prospectus. We have not authorized anyone to provide you with information that is different from that contained in this prospectus. The selling shareholders are not offering to sell or seeking offers to buy shares of common stock in jurisdictions where offers and sales are not permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of our common stock.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. You should read the entire prospectus carefully including the section entitled “Risk Factors” before making an investment decision. In March 2012, Aspen Group, Inc., or the Public Company, and Aspen University Inc., a privately held Delaware corporation, or Aspen, entered into a merger agreement whereby Aspen became a wholly-owned subsidiary of the Public Company. We refer to the merger as the “Reverse Merger.” All references to “we,” “our” and “us” 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.

Our Company

Aspen is an online postsecondary education company. 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.

Corporate Information

Our corporate headquarters are located at 720 South Colorado Boulevard, Suite 1150N, Denver, Colorado 80246 and our phone number is (303) 333-4224. Our corporate website can be found at www.aspen.edu/Investor-Relations. The information on our website is not incorporated in this prospectus.

Risks Affecting Us

Our business is subject to numerous risks as discussed more fully in the section entitled “Risk Factors” immediately following this Prospectus Summary. In particular, our business would be adversely affected if:

we are unable to comply with the extensive regulatory requirements to which our business is subject, including Title IV of the Higher Education Act, or Title IV, and the regulations under that act, state laws and regulations, accrediting agency requirements, and our inability to comply with these regulations could result in our ceasing operations altogether;

we are unable to raise enough money or generate sufficient revenue to meet our future working capital needs;

our marketing and advertising efforts are not effective;

we are unable to develop new programs and expand our existing programs in a timely and cost-effective manner;

we are unable to retain students as a result of our increased tuition plan;

we are unable to attract and retain key personnel needed to sustain and grow our business; or

our reputation is damaged by regulatory actions or negative publicity affecting us or other companies in the for-profit higher education sector.

For a discussion of these and other risks you should consider before making an investment in our common stock, see the section entitled “Risk Factors” beginning on page 9 of this prospectus.

THE OFFERING

Common stock outstanding prior to the offering:	48,408,127 shares
Common stock offered by the selling shareholders:	15,007,939 shares, all of which are outstanding as of the date this prospectus
Common stock offered by the selling shareholders upon exercise of warrants:	5,221,244 shares
Common stock outstanding immediately following the offering:	53,629,371 shares
Use of proceeds:	Except for the proceeds we receive upon the exercise of warrants, we will not receive any proceeds from the sale of shares by the selling shareholders. See "Use of Proceeds" on page 24.
Stock symbol:	OTCBB: ASPU

The number of shares of common stock to be outstanding prior to and after this offering excludes:

- a total of 1,710,000 shares of common stock issuable upon the exercise of outstanding stock options;
- a total of 790,000 shares of common stock reserved for future issuance under our 2012 Equity Incentive Plan;
- a total of 456,000 shares of common stock issuable upon the exercise of warrants; and
- a total of 500,000 shares of common stock issuable upon the conversion of notes.

SUMMARY FINANCIAL DATA

The following summary of our financial data should be read in conjunction with, and is qualified in its entirety by reference to “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our financial statements appearing elsewhere in this prospectus. The data for the years ended December 31, 2011 and December 31, 2010 has been taken from our audited financial statements.

Statements of Operations Data

	Three Months Ended June 30, 2012 (Unaudited)	Three Months Ended June 30, 2011 (Unaudited)	Six Months Ended June 30, 2012 (Unaudited)	Six Months Ended June 30, 2011 (Unaudited)	Year Ended December 31, 2011 (As Restated)	Year Ended December 31, 2010 (As Restated)
Revenue	\$ 1,407,282	\$ 950,592	\$ 2,765,101	\$ 1,958,464	\$ 4,477,931	\$ 3,153,699
Operating Loss	\$(1,537,032)	\$(305,204)	\$(3,330,290)	\$(329,127)	\$(2,095,503)	\$(185,155)
Net loss	\$(1,664,634)	\$(308,679)	\$(3,454,400)	\$(350,821)	\$(2,135,573)	\$(465,014)
Net loss per common share – basic and diluted	\$(0.05)	\$(0.02)	\$(0.13)	\$(0.02)	\$(0.14)	\$(0.02)