

ASURE SOFTWARE INC
Form DEF 14A
April 29, 2019

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.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Asure Software, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

ASURE SOFTWARE, INC.

3700 N. Capital of Texas Hwy, Suite 350

Austin, TX 78746

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD MAY 29, 2019

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders (the “Annual Meeting”) of Asure Software, Inc., a Delaware corporation (the “Company”), to be held at 3700 N. Capital of Texas Hwy, Suite 350, Austin, Texas 78746, on Wednesday, May 29, 2019 at 9:30 a.m. Central Time for the following purposes:

- 1. To elect five directors to the board of directors, each to hold office until the next Annual Meeting of stockholders or until his respective successor is duly elected and qualified;**

- 2. To ratify the Audit Committee’s appointment of Marcum LLP as our independent registered public accounting firm for the year ending December 31, 2019;**

- 3. To approve the Asure Software, Inc. Second Amended and Restated Rights Agreement;**

- 4. To approve an amendment to the Asure Software, Inc. 2018 Incentive Award Plan to increase the number of shares of our common stock authorized for issuance by 600,000 shares;**

- 5. To approve a one-time program to exchange underwater options to purchase shares of our common stock held by eligible employees for a lesser number of restricted stock units under the Asure Software, Inc. 2018 Incentive Award Plan; and**

- 6. To transact such other business as may properly come before the Annual Meeting or any adjournment thereof.**

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All holders of record of shares of our common stock at the close of business on April 2, 2019 are entitled to vote at the Annual Meeting and at any postponements or adjournments of the Annual Meeting. Stockholders are cordially invited to attend the Annual Meeting in person; however, regardless of whether you plan to attend the Annual Meeting in person, please cast your vote as instructed in the Proxy as promptly as possible. Please complete, sign, date and promptly return the proxy card in the postage-prepaid return envelope provided, or follow the instructions set forth on the proxy card to authorize the voting of your shares over the Internet or by telephone. Your prompt response is necessary to ensure that your shares are represented at the Annual Meeting. Submitting your proxy by Internet, telephone or mail will not affect your right to vote in person if you decide to attend the Annual Meeting. Stockholders holding stock in brokerage accounts will receive instructions from the holder of record that you must follow in order for your shares to be voted. Certain of these institutions offer Internet and telephone voting.

IF YOU PLAN TO ATTEND THE ANNUAL MEETING:

Registration will begin at 9:00 a.m. Central Time and seating will begin at 9:30 a.m. Central Time. Each stockholder will need to bring a proof of ownership and valid picture identification, such as a driver's license or passport, for admission to the Annual Meeting. If you hold your shares in a brokerage account, you will need to bring a copy of a brokerage statement reflecting stock ownership as of the record date. Cameras, recording devices and other electronic devices will not be permitted at the Annual Meeting, and all cellular phones must be silenced during the Annual Meeting. We realize that many cellular phones have built-in digital cameras, and, while these phones may be brought into the Annual Meeting, the camera function may not be used at any time.

By Order of the Board of Directors,

/s/ PATRICK GOEPEL

Patrick Goepel

Chief Executive Officer

April 29, 2019

Austin, Texas

**Important Notice Regarding the Availability of Proxy Materials for the
Annual Meeting of Stockholders to be Held on May 29, 2019**

This proxy statement and our annual report to stockholders are available online

at <https://investor.asuresoftware.com/financial-information>

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APPENDIX A- ASURE SOFTWARE, INC. SECOND AMENDED AND RESTATED RIGHTS AGREEMENT

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APPENDIX B- ASURE SOFTWARE, INC. 2018 INCENTIVE AWARD PLAN (AS AMENDED)

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ASURE SOFTWARE, INC.

3700 N. Capital of Texas Hwy, Suite 350

Austin, TX 78746

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS ON MAY 29, 2019

GENERAL

This proxy statement contains information relating to our Annual Meeting to be held on Wednesday, May 29, 2019, beginning at 9:30 a.m. Central Time, at 3700 N. Capital of Texas Hwy, Suite 350, Austin, Texas 78746 and at any postponements or adjournments of the Annual Meeting. Your proxy for the Annual Meeting is being solicited by our board of directors.

The proxy materials relating to the Annual Meeting are first being mailed to stockholders entitled to vote at the meeting on or about April 29, 2019. A copy of our annual report on Form 10-K for the year ended December 31, 2018 has been mailed concurrently with this proxy statement.

All holders of record of shares of our common stock at the close of business on April 2, 2019 are entitled to vote at the Annual Meeting and at any postponements or adjournments of the Annual Meeting. Stockholders are cordially invited to attend the Annual Meeting in person; however, regardless of whether you plan to attend the Annual Meeting in person, please cast your vote as instructed in the Notice as promptly as possible. Please complete, sign, date and promptly return the proxy card in the postage-prepaid return envelope provided, or follow the instructions set forth on the proxy card to authorize the voting of your shares over the Internet or by telephone. Your prompt response is necessary to ensure that your shares are represented at the Annual Meeting. Submitting your proxy by Internet, telephone or mail will not affect your right to vote in person if you decide to attend the Annual Meeting. Stockholders holding stock in brokerage accounts will receive instructions from the holder of record that you must follow in order for your shares to be voted. Certain of these institutions offer Internet and telephone voting.

Important Notice Regarding the Availability of Proxy Materials for the

Annual Meeting of Stockholders to be Held on May 29, 2019

This proxy statement and annual report to stockholders are available online at

<https://investor.asuresoftware.com/financial-information>

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ABOUT THE ANNUAL MEETING AND VOTING

Purposes - At the Annual Meeting, you will be asked:

1. To elect five directors to the board of directors, each to hold office until the next Annual Meeting of stockholders or until his respective successor is duly elected and qualified;
2. To ratify the Audit Committee's appointment of Marcum LLP as our independent registered public accounting firm for the year ending December 31, 2019;
3. To approve the Asure Software, Inc. Second Amended and Restated Rights Agreement;
4. To approve an amendment to the Asure Software, Inc. 2018 Incentive Award Plan to increase the number of shares of our common stock authorized or issuance by 600,000 shares;
5. To approve a one-time program to exchange underwater options to purchase shares of our common stock held by eligible employees for a lesser number of restricted stock units under the Asure Software, Inc. 2018 Incentive Award Plan; and
6. To transact such other business as may properly come before the Annual Meeting or any adjournment thereof.

The board knows of no other matters to be presented for action at the Annual Meeting. If any other matters properly come before the Annual Meeting, however, the persons named in the proxy will vote on such other matters in accordance with their best judgment.

Record Date; Stockholders Entitled to Vote- Only holders of record of our shares of common stock at the close of business on April 2, 2019 will be entitled to vote at the Annual Meeting or any adjournment thereof. Each share of common stock will be entitled to one vote. As of April 2, 2019, there were 15,404,865 shares of our common stock outstanding.

Quorum - A majority of the issued and outstanding shares of our common stock entitled to vote, represented in person or by proxy, will be required to constitute a quorum for the Annual Meeting.

Vote Required - Directors are elected by a plurality of the votes cast at the Annual Meeting by the stockholders entitled to vote on the election of directors. If more than five director nominees are properly presented to the stockholders at the Annual Meeting, the five nominees receiving the highest number of affirmative votes of the shares which are present or represented by proxy at the Annual Meeting and entitled to vote for the election of directors will be elected to our board. Each of the remaining proposals must be approved by a majority of the shares of our common stock present in person or represented by proxy at the Annual Meeting and voting thereon.

Dissenters' Rights - No dissenters' rights are provided under the Delaware General Corporation Law, our Restated Certificate of Incorporation or our Third Amended and Restated Bylaws ("Bylaws") with respect to any of the proposals described in this proxy statement.

Board Recommendation - Your Board of Directors has unanimously approved and recommends that an affirmative vote be cast "FOR" the election of each of our director nominees, "FOR" the ratification of our independent registered accounting firm, "FOR" the approval of the Second Amended and Restated Rights Agreement, "FOR" approval of an amendment to the Asure Software, Inc. 2018 Incentive Award Plan to increase the number of shares of common stock authorized for issuance by 600,000 shares and "FOR" the approval of a plan to exchange outstanding stock options by eligible employees into restricted stock units under the Asure Software, Inc. 2018 Incentive Award Plan.

Voting Your Shares - If you own shares registered directly in your name (a "registered stockholder"), you may submit your proxy by US Mail, Internet or telephone and following the instructions in the Notice. The deadline for submitting your proxy by Internet or telephone is 11:59 p.m. Eastern Time on May 28, 2019. The designated proxy will vote according to your instructions. You may also attend the Annual Meeting and vote in person.

If you hold your shares in the name of a broker or other nominee, then your broker or other nominee is considered to be the registered stockholder. However, you are still considered the beneficial owner of those shares and your shares are said to be held in “street name.” If you hold shares in street name, your broker or nominee firm may provide you with a Notice. Follow the instructions on the Notice to access our proxy materials and vote by Internet or to request a paper or email copy of our proxy materials. If you receive these materials in paper form, the materials include a voting instruction card so that you can instruct your broker or nominee how to vote your shares. Please check your Notice or voting instruction card or contact your broker or other nominee to determine whether you will be able to deliver your voting instructions by Internet or telephone. If you hold your shares in street name and you want to vote at the Annual Meeting, you will need to obtain a signed proxy from the broker or nominee that holds your shares, because the broker or nominee is the legal, registered owner of the shares.

Changing Your Vote by Revoking Your Proxy - If you are a registered stockholder, you may revoke or change your vote at any time before the proxy is voted by filing with our Secretary either a written notice of revocation or a duly executed proxy bearing a later date. If you attend the Annual Meeting in person, you may ask the judge of elections to suspend your proxy holder’s power to vote, and you may submit another proxy or vote by ballot. Your attendance at the Annual Meeting will not by itself revoke a previously granted proxy.

If your shares are held in street name or you hold shares through a retirement or savings plan or other similar plan, please check your voting instruction card or contact your broker, nominee, trustee or administrator to determine whether you will be able to revoke or change your vote.

How Proxies are Counted - All shares that have been properly voted by proxy and not revoked will be voted at the Annual Meeting in accordance with the instructions contained in the proxy. If you return a signed and dated proxy card but do not indicate how your shares are to be voted, those shares will be voted “FOR” each of the director nominees, “FOR” each of the other listed proposals and in the discretion of the named proxy holders as to any other matter properly brought before the Annual Meeting. Votes cast by proxy or in person at the Annual Meeting will be tabulated by the election inspectors appointed for the Annual Meeting. Only the latest dated proxy you submit will be counted.

Shares voted as withheld from the election of directors under proposal 1 will be counted for purposes of determining the presence of a quorum at the Annual Meeting but will have no effect on the election of director nominees. Shares voted as abstentions on proposals 2, 3, 4 and 5 will similarly be counted for purposes of determining the presence of a quorum at the Annual Meeting but treated as unvoted with respect to the proposal as to which a stockholder has abstained and will have no effect on the outcome of the vote because abstentions are not treated as votes cast.

Broker Non-Votes - A broker non-vote occurs when a broker submits a proxy card with respect to shares held in a fiduciary capacity (typically referred to as being held in “street name”) but declines to vote on a particular matter because the broker has not received voting instructions from the beneficial owner. Under the rules that govern brokers

who are voting with respect to shares held in street name, brokers have the discretion to vote such shares on routine matters, but not on non-routine matters. Only the vote on ratification of our independent registered public accounting firm is considered a routine matter that brokers may cast discretionary votes upon.

Additional Information

Additional information about our Company is contained in our current and periodic reports filed with the SEC. These reports, their accompanying exhibits and other documents filed with the SEC may be inspected without charge at the Public Reference Room maintained by the SEC at 100 F. Street, N.E., Washington, D.C. 20549. You can obtain information about the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet site that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC at www.sec.gov. Copies of such materials can be obtained from the public reference section of the SEC at prescribed rates.

Your vote is important!

Please submit your proxy or voting instructions today.

ELECTION OF DIRECTORS

(ITEM 1)

The first proposal to be voted on at the Annual Meeting is the election of directors. Our board of directors currently consists of six members, each with a term expiring at the Annual Meeting. One current director, Adrian Pertierra, has previously informed our board of directors that he does not intend to stand for reelection at the Annual Meeting. The decision of Mr. Pertierra not to stand for reelection was not due to any disagreement with us on any matter. Our Nominating and Governance Committee has recommended, and our board has nominated, the other five incumbent directors for election at the Annual Meeting. The Board has also reduced the size of the board to five members as of the date of the Annual Meeting. Directors are elected annually and serve a one-year term or until their successors are duly elected and qualified. Each of our director nominees has consented to being named in this proxy statement and has consented to serve as a director of the Company if elected. There are no family relationships among our directors and executive officers.

The Board of Directors recommends voting “FOR” each of our five director nominees presented in this proposal.

The Nominating and Governance Committee recommends director nominations and reviews nominees against the skills and characteristics that are required of our board members. The Committee focuses on a candidate’s expertise in the Company’s industry and experience in technology, business, legal matters and finance. We look at a candidate’s education, skills, business experience, administration experience and other appropriate factors given the current needs of the board and the Company. Our goal is to maintain a balance among board members of industry knowledge, experience and ability to map out successful strategies for the Company’s business. Nominees for the board should have the highest personal and professional ethics, integrity and values and be committed to representing the long-term interests of stockholders. They should be forward-thinking, possess critical analysis skills and exhibit independence and practical judgment on issues. Evaluation of candidates for all nominees, whether submitted by a board member or a stockholder, generally involves reviewing background materials, internal discussions among committee members and interviewing selected candidates as appropriate. Upon selecting a qualified candidate, the Committee recommends the candidate for the board’s consideration.

Stockholders may recommend a candidate for our board by writing to attention of the Corporate Secretary, Asure Software, Inc., 3700 N. Capital of Texas Hwy, Suite 350, Austin, TX 78746, specifying the candidate’s name and qualifications for board membership. All recommendations are submitted to the Nominating Committee. For the board to consider a candidate for nomination at the 2020 Annual Meeting, stockholders must submit a written recommendation by March 3, 2020 but not earlier than February 1, 2020. Each submission must include (i) a brief description of the candidate, (ii) the candidate’s name, age, business address and residence address, (iii) the candidate’s principal occupation, (iv) the number of shares of common stock of the Company beneficially owned, and (v) any other information required by the rules of FINRA and the SEC to list the candidate as a nominee for director in a proxy statement. Recommended candidates may be required to provide additional information. While our board of directors has not adopted a formal diversity policy or specific standards with regard to the selection of director

nominees, the board of directors believes it is important to consider diversity of race, ethnicity, gender, age, education, cultural background and professional experiences in evaluating board candidates.

The full board then selects and recommends candidates for nomination as directors for stockholders to consider and vote upon at the Annual Meeting. The board reviews and considers any candidates submitted by a stockholder or stockholder group in the same manner as all other candidates. Each nominee has consented to serve until the next annual stockholder meeting, if elected, or until his or her successor is elected and qualified.

If any director is unable to stand for re-election after distribution of this proxy statement, the board may reduce its size or designate a substitute. If the board designates a substitute, proxies voting on the original director candidate will be cast for the substituted candidate. Proxies cannot be voted for a greater number of persons than the number of nominees named on the enclosed form of proxy. A plurality of the votes cast in person or by proxy by the holders of common stock represented at the Annual Meeting is required to elect a director. If more than five nominees are properly presented to the stockholders at the Annual Meeting, the five nominees receiving the highest number of affirmative votes of the shares which are present or represented by proxy at the Annual Meeting and entitled to vote for the election of director will be elected to our board.

BIOGRAPHICAL INFORMATION REGARDING NOMINEES

The following table sets forth certain information concerning the director nominees.

Nominee	Age	Present Office(s) Held In Our Company	Director Since
David Sandberg (1)(2)(3)(4)	46	Chairman of the Board	2009
Daniel Gill (1)(2)(3)(4)	55	None	2017
Patrick Goepel	57	President and Chief Executive Officer	2009
Bradford Oberwager (1)(2)(3)(4)	49	None	2018
J. Randall Waterfield(1)(2)(3)(4)	45	None	2011

(1)Independent board member as determined by the Board of Directors of the Company

(2)Audit Committee Member

(3)Compensation Committee Member

(4)Governance and Nominating Committee Member

The following information regarding the principal occupations and other employment of the nominees during the past five years and their directorships in certain companies is as reported by the respective nominees.

David Sandberg has served as a director and Chairman of the Board since August 2009. Mr. Sandberg is the managing member and founder of Red Oak Partners, LLC, an SEC registered investment firm founded in 2003 which manages funds investing in both public and private companies. Previously, Mr. Sandberg co-managed JH Whitney & Co.'s Green River Fund from 1998 to 2002. Mr. Sandberg received a B.A. in Economics and a B.S. in Industrial Management from Carnegie Mellon University. Mr. Sandberg presently serves as a director of SMTC Corporation and as Chairman of Cord Blood America, Inc., both of which are public companies. In the past five years, he has served on the Board of Directors of Planar Systems, Inc., EDCI, Inc., RF Industries, Ltd. and Issuer Direct Corporation.

Mr. Sandberg brings to our board strong leadership experience and financial expertise; experience as a Chair of Audit, Compensation and Governance committees of public company boards; and knowledge of the Company's financial position, strategy and industry through board and committee service.

Daniel Gill has served as a director since June 2017. Mr. Gill is a founding managing partner of Silver Oak Services Partners, a private equity limited partnership with over \$600M of capital under management, which focuses exclusively on business, consumer and healthcare services companies. Prior to the formation of Silver Oak Services Partners in 2005, Mr. Gill was a founding partner and managing director of Willis Stein & Partners, a private equity limited partnership with approximately \$3B of capital under management. Mr. Gill and four other partners formed the firm in 1995 after successful careers together at CIVC, a subsidiary of Bank of America (formerly Continental Bank). Prior to CIVC, Mr. Gill worked in the Corporate Finance Department of Kidder, Peabody & Co. Mr. Gill currently serves as chairman of The Josselyn Center and is past president of the Board of Trustees of the Illinois chapter of the Leukemia and Lymphoma Society. In addition, he periodically teaches a class to Physician CEO's at Northwestern University Kellogg School of Management.

Mr. Gill received an M.B.A. from the University of Chicago, Graduate School of Business and holds a B.A. degree in Economics from Bucknell University.

Mr. Gill brings to our board strong leadership experience combined with strategic and financial expertise. In addition, Mr. Gill brings extensive advisory experience as he currently sits on eight boards of directors and has previously been on the boards of an additional nineteen companies including iSystems, which was acquired by Asure in 2017.

Patrick Goepel was elected to our Board of Directors in August 2009. He was subsequently appointed as Interim Chief Executive Officer on September 15, 2009 and became Chief Executive Officer as of January 1, 2010. Prior to joining Asure, he served as Chief Operating Officer of Patersons Global Payroll. Previously, he was the President and Chief Executive Officer of Fidelity Investment's Human Resource Services Division from 2006 to 2008; President and Chief Executive Officer of Advantec from 2005 to 2006; and Executive Vice President of Business Development and US Operations at Ceridian from 1994 to 2005. A former board member of iEmployee, Mr. Goepel currently serves on the board of directors of APPD Investments and SafeGuard World International.

Mr. Goepel brings to our board extensive knowledge and experience in the Company's industry; deep knowledge of the Company's day-to-day operations, strategic priorities and markets; and extensive experience as a board member of private emerging growth companies.

Bradford Oberwager has served as a director since November 2018. Mr. Oberwager is founder and CEO of Jyve, a Silicon Valley based, technology company revolutionizing labor, staffing and merchandising functions in the consumer goods vertical. Prior to Jyve, Mr. Oberwager owned Bare Snacks, acquired in 2018 by PepsiCo. Previously, he was CEO of the SaaS company, OpenWebs. Brad received his BS in Finance from Georgetown University and his MBA in Strategic and Entrepreneurial Management from the Wharton School of Business, University of Pennsylvania.

Mr. Oberwager brings financial expertise combined with strategic experience and strong leadership skills. Mr. Oberwager is a co-founder and director of five companies and has founded and successfully sold two companies.

J. Randall Waterfield has served as a director since June 2011. Mr. Waterfield is a board member of Red Oak Partners, LLC. Since 2000, Mr. Waterfield has been the Chairman of WTI, a software development firm focused on hosted and on-premise custom applications for the financial services, telecommunications and energy sectors. Since 1999, Mr. Waterfield has also served as the Chairman of Waterfield Group, a diversified financial services holding company. Mr. Waterfield is a Chartered Financial Analyst, the 2017-2018 Chairman of YPO, a member of Mensa and a graduate of Harvard University in 1996. Mr. Waterfield currently also serves on the Board of Directors of Waterfield Enterprises, LLC, Action Labor, and SMTC Corporation. Previously, Mr. Waterfield was at Goldman Sachs & Co. LLC, where he worked as an institutional asset manager from May 1996 through March 1999, primarily responsible for the small capitalization growth portfolios. Additionally, through his efforts at the Waterfield Foundation, Mr. Waterfield supports a variety of charitable organizations with a focus on the environment and Midwestern-based causes.

Mr. Waterfield brings to our board extensive business leadership experience as chairman of a diversified financial services holding company and chairman of a software development firm; strong strategic and financial expertise; and knowledge of the Company's compensation arrangements, strategy and industry through board and committee service.

No family relationships exist between any of the Company's nominees or executive officers.

COMMITTEES AND MEETINGS OF THE BOARD OF DIRECTORS

Director Independence - Our board of directors consists of a majority of independent directors as such term is defined under the rules of the Nasdaq Stock Market. The board of directors has determined that Messrs. Sandberg, Gill, Oberwager, Pertierra and Waterfield are independent. The board of directors has also determined that all of the members of the board's committees are independent as defined under the rules of the Nasdaq Stock Market, including in the case of all members of the Audit Committee, the independence requirements contemplated by Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Board Meetings and Attendance - The board of directors met seven times during the calendar year ended December 31, 2018. No director attended fewer than 75% of the aggregate of (i) the total number of meetings of the board of directors and (ii) the total number of meetings held by all committees of the board of directors on which such director served. The Board of Directors requires that directors make a reasonable effort to attend the Company's annual stockholder meeting.

Committees - Committees of the board of directors include the Compensation Committee, the Governance and Nominating Committee and the Audit Committee. Each Committee operates under a charter that has been approved by the board of directors and current copies of these charters are posted on our website, <http://www.asuresoftware.com/about-us/corporate-governance/>.

Compensation Committee - The Compensation Committee is responsible for approving the compensation arrangements of senior management and recommending approval by the board of directors of amendments to our benefit plans. The current members of the Compensation Committee are Messrs. Sandberg, Gill, Oberwager, Waterfield and Pertierra. Mr. Waterfield currently serves as the Compensation Committee's Chairperson. Under its charter, the Compensation Committee may delegate any or all of its responsibilities to a subcommittee of the Compensation Committee. The Compensation Committee held one meeting during the calendar year ended December 31, 2018. The Compensation Committee may engage an independent consultant to assist in compensation matters, but has not done so.

Governance and Nominating Committee - - The current members of the Governance and Nominating Committee are Messrs. Sandberg, Gill, Oberwager, Pertierra and Waterfield. Mr. Pertierra currently serves as the Governance and Nominating Committee's Chairperson. The Board will appoint a new chairman for the Governance and Nominating Committee following the expiration of Mr. Pertierra's term. Under its charter, the Governance and Nominating Committee monitors significant developments in the law and practice of corporate governance and of the duties and responsibilities of directors of public companies. The Governance and Nominating Committee also is responsible for identifying and recommending the nominees for election to the board. The Governance and Nominating Committee held one meeting during the calendar year ended December 31, 2018.

Audit Committee - The current members of the Audit Committee are Messrs. Sandberg, Gill, Oberwager, Pertierra and Waterfield. The Audit Committee operates under a charter adopted by the board of directors in accordance with the rules and regulations of the SEC, Section 3(a)(58)(A) of the Exchange Act and the Nasdaq Stock Market. The Board of Directors believes that all of these directors are independent as defined under the rules of the Nasdaq Stock Market. Mr. Oberwager currently serves as the Audit Committee's Chairperson. The board of directors has determined that Mr. Oberwager has the qualifications and experience necessary to serve as an "audit committee financial expert," as defined by the SEC. The Audit Committee met four times during the calendar year ended December 31, 2018. The Audit Committee is the communication link between our board of directors and our independent registered public accounting firm. In addition to approving the appointment of the independent registered public accounting firm, the Audit Committee reviews the scope of the audit, the accounting policies and reporting practices, internal auditing and internal control, compliance with our policies regarding business conduct and other matters as deemed appropriate.

Report of the Audit Committee - The following is the "Report of the Audit Committee" with respect to our audited financial statements for calendar year 2018 which include our consolidated balance sheets as of December 31, 2018 and 2017, and the related consolidated statements of comprehensive income (loss), changes in stockholders' equity and cash flows and the notes thereto for the calendar years ended December 31, 2018 and 2017. The information contained in this report shall not be deemed to be "soliciting material" or to be "filed" with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that we specifically incorporate it by reference in such filing.

1. The Audit Committee has reviewed and discussed the above-referenced audited financial statements with management.

2. The Audit Committee has discussed with Marcum LLP, our independent registered public accounting firm for calendar year 2018, the matters required to be discussed by Public Company Accounting Oversight Board Auditing Standard No. 1301, Communications with Audit Committee that includes, among other items, matters related to the conduct of the audit of our above-referenced financial statements.

3. The Audit Committee has received the written disclosures and the letter from Marcum LLP required by applicable requirements of the Public Company Accounting Oversight Board regarding Marcum LLP's communications with the Audit Committee concerning independence, and has discussed with Marcum LLP its independence from the Company.

Based on the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that our above-referenced audited financial statements be included in our annual report on Form 10-K for calendar year 2018.

This report is submitted by the Audit Committee,

Bradford Oberwager, Chair

Daniel Gill

Adrian Pertierra

David Sandberg

J. Randall Waterfield

Board Leadership Structure and Role in Risk Oversight - Our board is led by our non-executive Chairman, Mr. Sandberg. We believe this leadership structure enhances the oversight responsibility of the board and strengthens the board's independence from management. In addition, this structure allows Mr. Goepel to focus his efforts on managing our business.

Our board of directors as a whole has responsibility for overseeing our risk management. The board of directors exercises this oversight responsibility directly and through its committees. The oversight responsibility of the board of directors and its committees is informed by reports from our management team that are designed to provide visibility to the board of directors about the identification and assessment of key risks and our risk mitigation strategies. The full board of directors has primary responsibility for evaluating strategic and operational risk management, cybersecurity risks and succession planning. Our audit committee has the responsibility for overseeing our major financial and accounting risk exposures and the steps our management has taken to monitor and control these exposures, including policies and procedures for assessing and managing risk. Our audit committee also reviews programs for promoting and monitoring compliance with legal and regulatory requirements. Our compensation committee evaluates risks arising from our compensation policies and practices. The audit committee and the compensation committee provide reports to the full board of directors regarding these and other matters.

NON-EMPLOYEE DIRECTOR COMPENSATION TABLE

The following table sets forth information concerning the compensation earned by the non-employee directors for the year ended December 31, 2018:

Name	Fees Earned or			
	Paid in Cash (a) (\$)	Stock Awards (b)(c) (\$)	Option Awards (b)(c) (\$)	Awards Total (\$)
David Sandberg (a)	35,600	28,640	54,856	119,096
Daniel Gill	24,200	28,640	54,856	107,696
Bradford Oberwager (c)	2,500	44,160	43,383	90,043
Adrian Pertierra (a)	28,100	28,640	54,856	111,596
J. Randall Waterfield	29,200	28,640	54,856	112,696

Reflects amounts paid for director fees during fiscal year 2018. Director fees payable to David Sandberg and Adrian Pertierra were, at their request, paid to The Red Oak, LP, The Red Oak Long Fund, L.P. Pinnacle (a) Opportunities L.P. and The Red Oak Institutional Founders Long Fund, L.P., all of whom are affiliates of Red Oak Partners, LLC. Mr. Sandberg serves as the managing member and Mr. Pertierra serves as a senior officer of Red Oak Partners, LLC.

(b) On August 24, 2018, each director (other than Bradford Oberwager who was appointed to our board of directors on November 8, 2018) was granted stock options to purchase 10,000 shares of our common stock at an exercise

price of \$14.32 per share and 2,000 restricted stock units. All of the options and restricted stock units vested in one installment on March 31, 2019. The amounts in this column represent the fair value of the award as of the grant date as computed in accordance with FASB ASC Topic 718 (“ASC 718”) and the SEC disclosure rules, excluding the impact of estimated forfeitures related to service-based vesting. Refer to Note 8, “Stockholders’ Equity,” in the Notes to the Consolidated Financial Statements on Form 10-K filed March 19, 2019, for the relevant assumptions used to determine the valuation of our awards. These option award amounts represent awards that are paid in options to purchase shares of our common stock and do not reflect the actual amounts that may be realized by the directors.

- Bradford Oberwager was appointed to our board of directors on November 8, 2018. He was granted stock options to purchase 10,000 shares of our common stock at an exercise price of \$11.04 per share. Such options vested in one installment on March 31, 2019. On November 8, 2018, Mr. Oberwager was
- (c) also granted 4,000 restricted stock units, 2,000 of which vested upon grant and the remaining 2,000 vest in one installment on March 31, 2019. Effective March 30, 2019, Mr. Oberwager agreed to voluntarily surrender and cancel the remaining 2,000 unvested restricted stock units without payment of any additional consideration by the Company.

The following table shows the aggregate number of stock and option awards outstanding for each of our non-employee directors as of December 31, 2018.

Name	Stock Awards	Option Awards
	(#)	(#)
David Sandberg	2,000	15,000
Daniel Gill	2,000	10,000
Bradford Oberwager	2,000	10,000
Adrian Pertierra	2,000	15,000
J. Randall Waterfield	2,000	15,000

Pursuant to our non-employee director compensation policy adopted in January 2017, the non-employee members of our board of directors are compensated using a combination of annual retainers, paid quarterly in arrears, and per meeting fees. While our non-employee director compensation policy does not provide for stock option or other equity award grants, our board of directors has retained the discretion to make such grants in the future. Under the non-employee director compensation policy, each of our non-employee directors is entitled to receive an annual retainer of \$22,500, as well as meeting fees of \$700 for each meeting attended in person and \$200 for each meeting attended via telephone. We also provide the following additional annual retainers for service as chair:

Chairman of the Board	\$10,000 per annum
Audit Committee Chair	\$7,500 per annum
Compensation Committee Chair	\$4,500 per annum
Nominating and Governance Committee Chair	\$2,500 per annum

Mr. Goepel, as a director who is also our employee, does not receive any separate cash or equity compensation for his service as a director.

STOCKHOLDER COMMUNICATIONS WITH THE BOARD OF DIRECTORS

A stockholder who wishes to communicate with the board of directors may do so by directing a written request addressed to the Chairman of the Board at the address appearing on the first page of this proxy statement.

CODE OF BUSINESS CONDUCT AND ETHICS

The Company has adopted a Code of Business Conduct and Ethics that applies to all of its directors, officers and employees, including the Chief Executive Officer, Chief Financial Officer and Principal Accounting Officer. These individuals are required to abide by the Code of Business Conduct and Ethics to insure that its business is conducted in a consistently legal and ethical manner. The Company's Code of Business Conduct and Ethics covers all areas of professional conduct, including employment policies, conflicts of interest, intellectual property and the protection of confidential information, as well as strict adherence to all laws and regulations applicable to the conduct of its business. Any waivers of the Code of Business Conduct and Ethics for directors or executive officers must be approved by the board of directors. The full text of the Company's Code of Business Conduct and Ethics is published on its website at <http://www.asuresoftware.com/about-us/corporate-governance/>. The Company intends to disclose future amendments to, or waivers from, provisions of its Code of Business Conduct and Ethics on its website within four business days following the date of such amendment or waiver.

RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

(ITEM 2)

The Audit Committee has appointed Marcum LLP, independent registered public accountants, to audit the Company's consolidated financial statements for the calendar year ending December 31, 2019. We are advised that no member of Marcum LLP has any direct financial interest or material indirect financial interest in the Company or any of its subsidiaries or, during the past three years, has had any connection with the Company or any of its subsidiaries in the capacity of promoter, underwriter, voting trustee, director, officer or employee.

Stockholder ratification is not required for the selection of Marcum LLP, because the Audit Committee has the responsibility for the selection of the Company's independent registered public accounting firm. Nonetheless, the selection is being submitted for ratification at the Annual Meeting solely with a view toward soliciting the stockholders' opinion thereon, which opinion will be taken into consideration in future deliberations. Even if the selection of Marcum LLP is ratified by the stockholders, the Audit Committee has the discretion to select a different independent registered public accounting firm at any time if it determines that a change would be in the best interests of the Company and its stockholders.

A representative of Marcum LLP will be attending the Annual Meeting and will be available for questions.

The Board of Directors unanimously recommends voting "FOR" ratification of the appointment of Marcum LLP as the Company's independent registered public accounting firm for the year ending December 31, 2019.

AUDIT COMMITTEE POLICY ON PRE-APPROVAL OF FEES

Consistent with SEC policies regarding auditor independence, the Audit Committee has responsibility for appointing, setting compensation and overseeing the work of our independent registered public accounting firm. In recognition of this responsibility, the Audit Committee has established a policy to pre-approve all audit and permissible non-audit services provided by our independent registered public accounting firm.

Prior to engagement of the independent registered public accountants for the next year's audit, management submits an aggregate of services expected to be rendered during that year for each of four categories of services to the Audit Committee for approval. The first category (Audit Fees) includes audit work performed in the preparation of financial statements, as well as work that generally only our independent registered public accounting firm can reasonably be expected to provide, including comfort letters, statutory audits and attest services and consultation regarding financial accounting and/or reporting standards. The second category (Audit-Related Fees) includes assurance and related services that are traditionally performed by our independent registered public accounting firm, including due diligence related to mergers and acquisitions, employee benefit plan audits, and special procedures required to meet certain regulatory requirements. The third category (Tax Fees) includes all services performed by our independent registered public accountants' tax personnel, except those services specifically related to the audit of the financial statements, and includes fees in the areas of tax compliance, tax planning and tax advice. The fourth category (All Other Fees) includes items associated with services not captured in the other categories. We generally do not request services other than audit, audit-related and tax services from our independent registered public accounting firm.

Prior to engagement, the Audit Committee pre-approves these services by category of service. The fees are budgeted and the Audit Committee requires our independent registered public accountants and management to report actual fees

versus the budget at least annually by category of service. During the year, circumstances may arise when it may become necessary to engage our independent registered public accountants for additional services not contemplated in the original pre-approval. In those instances, the Audit Committee requires specific pre-approval before such engagement.

The Audit Committee may delegate pre-approval authority to one or more of its members. The member to whom such authority is delegated, reports for informational purposes only, any pre-approval decisions to the Audit Committee at its next scheduled meeting.

FEES PAID TO INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

Audit Fees - The Company incurred aggregate fees in the amount of \$410,000 and \$350,300 for professional audit services rendered by Marcum LLP for the audit of the Company's annual financial statements and the reviews of the financial statements included in the Company's Quarterly Reports on Form 10-Q, for the calendar years ended December 31, 2018 and December 31, 2017, respectively

Audit-Related Fees - The Company incurred \$190,607 and \$407,960 for assurance and related services rendered by Marcum LLP that are reasonably related to the performance of the audit or review of the Company's financial statements and not reported under "Audit Services" above for the calendar years ended December 31, 2018 and December 31, 2017, respectively.

Tax Fees - The Company incurred no fees for professional services rendered by Marcum LLP for tax compliance, tax advice and tax planning for the calendar years ended December 31, 2018 and December 31, 2017, respectively.

All Other Fees – All fees paid to Marcum LLP by the Company are reported under the fee categories listed above.

The Audit Committee has determined that the provision of services covered by the four preceding paragraphs is compatible with maintaining our independent registered public accounting firm's independence from the Company.

**APPROVAL OF THE SECOND AMENDED AND RESTATED RIGHTS AGREEMENT
(ITEM 3)**

Background

The Company entered into a Rights Agreement on December 19, 2005 with American Stock Transfer & Trust Company LLC (the "Rights Agreement"). The Company amended and restated the Rights Agreement as of October 28, 2009 (the "First Amended Rights Agreement") to protect the Company's ability to carry forward its net operating losses (the "NOLs"). Stockholders approved the First Amended Rights Agreement at the 2009 annual meeting. The First Amended Rights Agreement is scheduled to expire in October 2019.

On April 17, 2019, our board of directors adopted a Second Amended and Restated Rights Agreement (the "Second Amended Rights Agreement"). The Second Amended Rights Agreement, among other things:

extends the final expiration date from October 28, 2019 to October 28, 2022; and

provides a process for stockholders to seek an exemption request.

The Second Amended Rights Agreement is designed to assist in limiting the number of 5% or more beneficial owners and thus reduce the risk of a possible "change of ownership" under Section 382 of the Internal Revenue Code of 1986, as amended (the "Code"). Any such "change of ownership" under these rules would limit or eliminate our ability to use our existing NOLs for federal income tax purposes.

As of December 31, 2018, we had federal net operating loss carryforwards of approximately \$110.0 million and research and development credit carryforwards of approximately \$6.2 million, which will expire in varying amounts in years 2019 through 2038. Federal net operating losses generated in 2018 and after are carried forward indefinitely. Because the amount and timing of our future taxable income cannot be predicted, we cannot predict the amount of these NOLs that will ultimately be used to reduce our income tax liability. In addition, as a result of various acquisitions by us in prior years, we may be subject to a substantial annual limitation in the utilization of the net operating losses and credit carryforwards due to the "change in ownership" provisions of the Code. Although we are unable to quantify an exact value, we believe that the NOLs are a very valuable asset. The Second Amended Rights

Agreement has not been adopted as an anti-takeover measure.

We are seeking stockholder approval of the Second Amended Rights Agreement. If stockholders do not approve the Second Amended Rights Agreement, the First Amended Rights Agreement will expire on October 28, 2019.

Summary of the Second Amended Rights Agreement

A summary of the principal provisions of the Second Amended Rights Agreement is set forth below. The summary is qualified in its entirety by reference to the full text of the Second Amended Rights Agreement, which is attached as *Appendix A* to this proxy statement.

General

The Second Amended Rights Agreement imposes a significant penalty upon any person or group that acquires 4.9% or more (but less than 50%) of the Company's then-outstanding common stock. Stockholders who beneficially own 4.9% or more of the Company's then-outstanding shares of common stock as of the close of business on October 28, 2009 (the "Record Date") will not trigger the Second Amended Rights Agreement so long as they do not increase their ownership of common stock after the Record Date by more than one-half of 1% of the then-outstanding shares of common stock. A person or group that acquires shares of the Company's common stock in excess of the above-mentioned applicable threshold, subject to certain limited exceptions, is called an "Acquiring Person."

However, a person will not be an “Acquiring Person” if our board of directors determines that such person who would otherwise be an “Acquiring Person,” has become such inadvertently and such person divests as promptly as practicable (as our board of directors determines) a sufficient number of shares of common stock so that such person would no longer be an Acquiring Person. Our board may, in its sole discretion, exempt any person or group from being deemed an Acquiring Person for purposes of the Second Amended Rights Agreement if it determines the acquisition by such person or group will not jeopardize our NOLs or other tax benefits or is otherwise in the Company’s best interests.

The Rights

On October 28, 2009, our board of directors declared a dividend of one right for each outstanding share of common stock that was distributed to stockholders of record on the Record Date. Each right entitles the registered holder to purchase from us one one-thousandth of a share of Series A Junior Participating Preferred Stock of the Company, \$0.01 par value (the “Preferred Stock”), at a price of \$1.7465 per one thousandth of a share of Preferred Stock, subject to adjustment. For example, the exercise price would increase tenfold if the reverse split is approved. The rights are not exercisable until the Distribution Date (defined below). Until the rights are exercised, the holders will not have rights as stockholders of the Company, including, without limitation, the right to vote or to receive dividends. Any rights held by an Acquiring Person are void and may not be exercised.

Exercisability of Rights

The rights will not be exercisable until 10 days after a public announcement by us or an Acquiring Person that a person or group has become an Acquiring Person. Until the date that the rights become exercisable (the “Distribution Date”), common stock certificates will evidence the rights and will contain a notation to that effect. Any transfer of shares of common stock prior to the Distribution Date will constitute a transfer of the associated rights. If the rights become exercisable, each right would allow its holder to purchase from us one one-thousandth of a share of Preferred Stock for a purchase price of \$1.7465. Each fractional share of Preferred Stock would give the stockholder approximately the same dividend, voting and liquidation rights as one share of common stock. After the Distribution Date, the rights will be separated from the common stock and be evidenced by a rights certificate, which the Company will mail to all holders of the rights that are not void.

In addition, if a person or group becomes an Acquiring Person after the Distribution Date or already is an Acquiring Person and acquires more shares after the Distribution Date, all holders of rights, except the Acquiring Person, may exercise their rights to purchase a number of shares of the common stock (in lieu of Preferred Stock) with a market value of twice the exercise price, upon payment of the purchase price.

Expiration of Rights

The rights will expire on the earliest of:

the close of business on October 28, 2022 (or October 28, 2019 if stockholders don't approve the Second Amended Rights before October 28, 2019);

the exchange or redemption of the Rights;

consummation of a transaction contemplated by Section 13(d);

the consummation of a reorganization transaction entered into by the Company resulting in the imposition of stock transfer restrictions that our board of directors determines will provide protection for the Company's NOLs;

the repeal of Section 382 of the Code or any successor statute if our board of directors determines the Second Amended Rights Agreement is no longer necessary for the preservation of tax benefits; or

the beginning of a taxable year to which our board determines that no tax benefits may be carried forward.

Redemption of Rights

The Company may redeem all of the then outstanding rights at a redemption price of \$0.01 per right, subject to adjustment., at any time prior to the close of business on the tenth day following the first date of public announcement that a person has become an Acquiring Person or such later date as may be determined by a majority of the members of our board of directors and publicly announced by us. We may pay the redemption price either in common stock or cash.

Exchange of Rights

After a person becomes an Acquiring Person, we may exchange the rights (other than rights owned by the Acquiring Person or its affiliates), in whole or in part, at an exchange ratio of one common share per right, subject to adjustment.

Anti-Dilution Adjustments

We may adjust the purchase price of the Preferred Stock, the number of shares of the preferred shares issuable and the number of outstanding Rights to prevent dilution that may occur as a result of certain events, including a stock dividend, a stock split or a reclassification of the Preferred Stock or common stock.

Amendments

Before the Distribution Date, we may amend or supplement the Second Amended Rights Agreement without the consent of the holders of the Rights. At any time thereafter, we may amend or supplement the Second Amended Rights Agreement only to cure an ambiguity, to alter time period provisions, to correct defective or inconsistent provisions or to make any additional changes that do not adversely affect the interests of the holders of Rights.

Certain Factors Stockholders Should Consider

Our board of directors believes that continuing to attempt to safeguard the Company's NOLs is in the Company's best interests. However, you should consider the factors below when making your decision with respect to the ratification

of the Second Amended Rights Agreement.

Continued Risk of Ownership Change. Although the Second Amended Rights Agreement is intended to diminish the likelihood of an “ownership change,” we cannot assure you that it will be effective. The amount by which an ownership interest may change in the future could be affected by many factors, including purchases and sales of shares by stockholders holding 5% or more of our outstanding common stock, decisions over which we have little or no effective control.

Anti-Takeover Effect. While the Second Amended Rights Agreement is not intended to prevent, or even discourage, a proposal to acquire our Company, it may have a potential anti-takeover effect because an Acquiring Person may have his ownership interest diluted upon the occurrence of a triggering event. Accordingly, the overall effects of the Second Amended Rights Agreement may be to render more difficult or discourage a merger, tender offer, or assumption of control by a substantial holder of our securities.

Potential Impact on Value. The Second Amended Rights Agreement could have a negative impact on the trading price and intrinsic value of our common stock by deterring persons or groups of persons from acquiring our common stock, including in acquisitions for which some stockholders might receive a premium above market value.

Potential Effects on Liquidity. The Second Amended Rights Agreement is intended to deter persons or groups of persons from acquiring beneficial ownership of our common stock in excess of the specified limitations. A stockholder’s ability to dispose of our common stock may be limited if the Second Amended Rights Agreement reduces the number of persons willing to acquire our common stock or the amount they are willing to acquire. A stockholder may become an Acquiring Person upon actions taken by persons related to, or affiliated with, them.

The Board of Directors unanimously recommends that you vote “FOR” approval of the Second Amended Rights Agreement.

APPROVAL OF AN AMENDMENT TO THE ASURE SOFTWARE, INC. 2018 INCENTIVE AWARD PLAN

(ITEM 4)

Subject to stockholder approval, our board of directors approved an amendment (the “Amendment”) to the Asure Software, Inc. 2018 Incentive Award Plan (“2018 Plan”) to increase the number of shares of our common stock authorized for issuance under the 2018 Plan by 600,000, or from 750,000 to 1,350,000 shares. The 2018 Plan was previously adopted by our board on April 6, 2018, which replaced our 2009 Equity Incentive Plan, as amended, and was approved by our stockholders at the annual meeting held on May 16, 2018. The 2018 Plan, as amended by the Amendment, is referred to as the “Amended 2018 Plan.”

As of April 17, 2019, approximately 7,000 shares of our common stock are available for future issuance under the 2018 Plan, which could increase to as high as 612,000 shares if the option exchange described in Item 5 is approved and all eligible employees elect to participate. Our board believes that increasing the number of authorized shares of our common stock under the Amended 2018 Plan is necessary to insure that a sufficient reserve of shares remains available for issuance to allow us to continue to use equity incentives at the levels we have deemed necessary to attract and retain the services of individuals we believe are essential to our long-term growth and financial success. We rely on equity incentives primarily in the form of stock options and RSUs to attract and retain employees and believe that such equity incentives are necessary for us to remain competitive in the marketplace for executive talent and other employees. In determining the appropriate number of shares to reserve under the Amended 2018 Plan, our board of directors considered the number of shares currently issued and outstanding and the future needs of our company in trying to attract and retain the services of key individuals to our strategic plan, as well as the potential impact of the option exchange for which we are seeking stockholder approval in Item 5. Pursuant to the exchange, eligible employees would be able to surrender certain underwater stock options for cancellation in exchange for a lesser number of restricted stock units. In determining the requested number of shares, our board of directors assumed plan for exchange will be adopted by our stockholders and that, based on an assumed 100% participation rate in the program, approximately 605,000 shares would be returned to our Amended 2018 Plan and made available for future grant (after taking into account the grant of restricted stock units in exchange for options under the program). However, in the event the plan for exchange is not adopted, or if the rate of participation in the program is significantly lower than we expect, it may be necessary for us to seek stockholder approval for additional shares under our Amended 2018 Plan in order to meet our compensation objectives. Our board of directors also took into account certain additional criteria relating to the potential impact of the amendments to our 2018 Plan on our stockholders. For example, our board of directors considered the amount of the share increase relative to both the total number of shares of our common stock outstanding, as well as our fully-diluted shares outstanding. Our board of directors also took into consideration that 68% of the stock options granted under our stock incentive award plans (including our 2018 Plan) are currently “out-of-the-money” and therefore do not provide any meaningful incentive or retention benefits to our current employees and non-employee directors. In light of the foregoing, our board of directors believes the additional share request to be appropriate and necessary to meet the objectives of our equity compensation program.

Assuming that this proposal is adopted, and further assuming that the plan for exchange is approved and approximately 605,000 shares would be returned to our 2018 Amended Plan and made available for future grant (after

taking into account the grant of restricted stock units in exchange for options under the program), we estimate the shares authorized for issuance under our 2018 Amended Plan would be sufficient to grant awards for approximately one year. However, our actual share usage is dependent on a number of important variables, including the future trading price of our common stock, our hiring and promotion activity, our retention needs, and market practices within our industry and geographic region. As a result, the share reserve under our 2018 Amended Plan could last for a longer or shorter period of time than we currently expect.

The 2018 Plan does not contain an annual “evergreen” provision. The 2018 Plan authorizes a fixed number of shares, so that stockholder approval is required to issue any additional shares, allowing our stockholders to have direct input on our equity compensation programs. If the Amendment is approved, an additional 600,000 shares of common stock will be available for future issuances under the Amended 2018 Plan.

DESCRIPTION OF THE PRINCIPAL FEATURES OF THE AMENDED 2018 PLAN

The following is a summary of the principal features of the Amended 2018 Plan. The summary is qualified in its entirety by reference to the Amended 2018 Plan, which is set forth in *Appendix B* to this proxy statement.

Administration

The Amended 2018 Plan may be administered by our board of directors, compensation committee or other committee designated by our board of directors. To the extent required to comply with Rule 16b-3 of the Exchange Act, it is intended that each member of the committee will be a “non-employee director” within the meaning of Rule 16b-3. The committee or our board of directors may delegate its powers under the Amended 2018 Plan to one or more members of our board of directors or one or more officers of the Company or any subsidiary. However, no officer may be delegated the authority to grant awards to or amend awards held by senior executives of the Company who are subject to Section 16 of the Exchange Act or any officer or director to whom authority to grant or amend awards has been delegated. The board, committee or delegate thereof, as applicable, are referred to herein as the “plan administrator.”

The plan administrator has the authority to administer the Amended 2018 Plan, including the power to determine eligibility, the types and sizes of awards, the price and vesting schedule of awards, the methods for settling awards, the method of payment for any exercise or purchase price, any rules and regulations the plan administrator deems necessary to administer the Amended 2018 Plan, and the acceleration, amendment or waiver of any vesting restriction.

Eligibility

As of April 17, 2019, persons eligible to participate in the 2018 Plan include all members of our board of directors, currently comprised of 5 non-employee directors and approximately 529 employees (including 1 executive employee on our board of directors and 4 executive officers who are not on our board of directors), and 12 consultants.

Limitation on Awards and Stock Available

If our stockholders approve the Amended 2018 Plan, the number of shares of our common stock authorized for issuance under the 2018 Plan is equal to the sum of (i) 1,350,000 shares, and (ii) any shares subject to issued and outstanding awards under the 2009 Plan as of the effective date of the 2018 Plan that expire, are cancelled or otherwise terminate following the effective date of the 2018 Plan; provided, that no more than 2,000,000 shares may be issued pursuant to the exercise of incentive stock options. The stock issued pursuant to an award under the 2018 Plan may be authorized but unissued stock, stock purchased by the Company on the open market or treasury stock.

If any shares subject to an award under the 2018 Plan or the 2009 Plan are forfeited, expire or are settled for cash, any shares deemed subject to such award may, to the extent of such forfeiture, expiration or cash settlement, be used again for new grants under the 2018 Plan. In addition, the following shares may be used again for grant under the 2018 Plan:

(1) shares tendered or withheld to satisfy the exercise price of an option under the 2018 Plan or 2009 Plan; (2) shares tendered or withheld to satisfy the tax withholding obligations with respect to an award under the 2018 Plan or 2009 Plan; (3) shares subject to a SAR that are not issued in connection with the stock settlement of the SAR on its exercise; and (4) shares purchased on the open market with the cash proceeds from the exercise of options. Awards granted under the 2018 Plan in connection with the assumption or substitution of outstanding equity awards previously granted by a company or other entity in the context of a corporate acquisition or merger will not reduce the stock authorized for grant under the 2018 Plan.

The maximum aggregate value of awards that may be granted to any non-employee director pursuant to the Amended 2018 Plan during any calendar year cannot exceed \$1,000,000 for such individual's first year of service as a non-employee director and \$500,000 for each year thereafter. The closing price of our common stock on April 17, 2019 was \$7.66 per share.

Awards

The Amended 2018 Plan provides for the grant of ISOs, NQSOs, SARs, restricted stock, restricted stock units, performance bonus awards, performance stock units awards, dividend equivalents and other stock or cash-based awards. All awards under the Amended 2018 Plan will be set forth in award agreements, which will detail all terms and conditions of the awards, including any applicable vesting and payment terms and post-termination exercise limitations. The plan administrator may, in its discretion, limit exercise with respect to fractional shares and require that any partial exercise of an option or SAR be with respect to a minimum number of shares.

Options. Options provide for the purchase of common stock in the future at an exercise price set on the grant date. ISOs, by contrast to NQSOs, may provide tax deferral beyond exercise and favorable capital gains tax treatment to their holders if certain holding period and other requirements of the Code are satisfied. The exercise price of an option may not be less than 100% of the fair market value of the underlying stock on the date of grant (or 110% in the case of ISOs granted to certain significant stockholders), except with respect to certain substitute options granted in connection with a corporate transaction. The term of an option may not be longer than ten years (or five years in the case of ISOs granted to certain significant stockholders). Vesting conditions determined by the plan administrator may apply to options and may include continued service, performance and/or other conditions.

Stock Appreciation Rights. SARs entitle their holder, upon exercise, to receive an amount equal to the appreciation of the stock subject to the award between the grant date and the exercise date. The exercise price of a SAR may not be less than 100% of the fair market value of the underlying stock on the date of grant (except with respect to certain substitute SARs granted in connection with a corporate transaction) and the term of a SAR may not be longer than ten years. Vesting conditions determined by the plan administrator may apply to SARs and may include continued service, performance and/or other conditions. SARs under the 2018 Plan will be settled in cash or, common stock, or via a promissory note or any other lawful consideration, or a combination of the preceding, as determined by the plan administrator.

Restricted Stock. A restricted stock award is an award of nontransferable common stock that remains forfeitable unless and until specified vesting conditions are met. Vesting conditions applicable to restricted stock may be based on continuing service, the attainment of performance goals and/or such other conditions as the plan administrator may determine. In general, restricted stock may not be sold or otherwise transferred until restrictions are removed or expire. Holders of restricted stock will have voting rights and will have the right to receive dividends; however, dividends may not be paid until the applicable restricted stock vests.

Restricted Stock Units. RSUs are contractual promises to deliver common stock (or the fair market value of such stock in cash) in the future, which may also remain forfeitable unless and until specified vesting conditions are met. RSUs generally may not be sold or transferred until vesting conditions are removed or expire. The stock underlying RSUs will not be issued until the RSUs have vested, and recipients of RSUs generally will have no voting or dividend rights prior to the time the RSUs are settled in stock, unless the RSU includes a dividend equivalent right (in which case the holder may be entitled to dividend equivalent payments under certain circumstances). Delivery of the stock underlying RSUs may be deferred under the terms of the award or at the election of the participant, if the plan administrator permits such a deferral. On the settlement date or dates, we will unrestricted, fully transferable common stock (or the fair market value of such stock in cash) for vested and nonforfeited RSUs.

Performance Stock Units and Performance Bonus Awards. Performance stock unit awards are denominated in stock or unit equivalents, and performance bonus awards are denominated in cash. Each may be linked to one or more performance or other criteria as determined by the plan administrator.

Dividend Equivalents. Dividend equivalents represent the right to receive the equivalent value of dividends paid on common stock and may be granted alone or in tandem with awards. Dividend equivalents may accrue on awards, but shall not be payable unless and until the applicable award vests. Dividend equivalents are not payable with respect to options or SARs.

Other Stock or Cash Based Awards. Other stock or cash based awards are awards of cash, fully vested common stock and other awards valued wholly or partially by referring to, or otherwise based on, our common stock. Other stock or cash based awards may be granted to participants and may also be available as a payment form in the settlement of other awards, as standalone payments and as payment in lieu of base salary, bonus, fees or other cash compensation otherwise payable to any individual who is eligible to receive awards. The plan administrator will determine the terms and conditions of other stock or cash based awards, which may include vesting conditions based on continued service, performance and/or other conditions.

Amendment and Termination

Our board may amend or terminate the Amended 2018 Plan at any time; however, except in connection with certain changes in our capital structure, stockholder approval will be required for any amendment that increases the aggregate number of shares available under the Amended 2018 Plan. However, stock options and SARs may not be repriced without stockholder approval, and stockholder approval will be needed to cancel any stock option or SAR in exchange for cash or another award when the option or SAR price per share exceeds the fair market value of the underlying shares of common stock. In addition, no amendment, suspension or termination of the Amended 2018 Plan may, without the consent of the affected participant, materially and adversely affect the participant's rights. No award may be granted pursuant to the Amended 2018 Plan after the tenth anniversary of the date the 2018 Plan was adopted by our board.

Corporate Transactions

The plan administrator has broad discretion to take action under the Amended 2018 Plan, as well as make adjustments to the terms and conditions of existing and future awards, to prevent the dilution or enlargement of intended benefits and facilitate necessary or desirable changes in the event of certain transactions and events affecting our common stock, such as stock dividends, stock splits, mergers, acquisitions, consolidations and other corporate transactions. In addition, in the event of certain non-reciprocal transactions with our stockholders known as “equity restructurings,” the plan administrator will make equitable adjustments to the Amended 2018 Plan and outstanding awards.

If a Change in Control of the Company occurs (as defined in the Amended 2018 Plan), unless the plan administrator elects to (i) terminate an award in exchange for cash, rights or property, or (ii) cause an award to become fully exercisable and no longer subject to any forfeiture restrictions prior to the consummation of a Change in Control, (A) such award (other than any portion subject to performance-based vesting) shall continue in effect or be assumed or an equivalent award substituted by the successor corporation or a parent or subsidiary of the successor corporation and (B) the portion of such award subject to performance-based vesting shall be subject to the terms and conditions of the applicable award agreement and, in the absence of applicable terms and conditions, the plan administrator’s discretion.

U.S. FEDERAL INCOME TAX CONSEQUENCES

With respect to NQSOs, the Company is generally entitled to deduct and the optionee recognizes ordinary income in an amount equal to the difference between the option exercise price and the fair market value of the shares of common stock issued at the time of exercise. The gain or loss (in an amount equal to the difference between the fair market value on the date of sale and the exercise price) upon disposition of such shares of common stock will be treated as a long-term capital gain or loss, and the Company will not be entitled to any deduction.

With respect to ISOs, if applicable holding period requirements are met (i.e., the shares acquired upon exercise of an ISO is held for a minimum of two years from the date of grant and one year from the date of exercise), the participant will not recognize taxable income at the time of exercise of the ISO. However, the excess of the fair market value of the common stock issued over the exercise price is an item of tax preference income potentially subject to the alternative minimum tax. The gain or loss (in an amount equal to the difference between the fair market value on the date of sale and the exercise price) upon disposition of such shares of common stock will be treated as a long-term capital gain or loss, and the Company will not be entitled to any deduction. If the holding period requirements described above are not met, the ISO will be treated as one which does not meet the requirements of the Code for incentive stock options and the tax consequences described for NQSOs will apply, although the amount of income recognized by the participant will be the lesser of (a) the excess of the fair market value of the stock at the time of exercise over the exercise price, or (b) the excess of the amount realized on the disposition over the exercise price.

The current federal income tax consequences of other awards authorized under the Amended 2018 Plan generally follow certain basic patterns: SARs are taxed and deductible in substantially the same manner as NQSOs; nontransferable restricted stock subject to a substantial risk of forfeiture and restricted stock units will result in income recognition equal to the excess of the fair market value over the price paid, if any, only at the time the restrictions applicable to such awards lapse (unless, with respect to an award of restricted stock, the recipient elects to accelerate recognition as of the date of grant); stock-based performance awards, dividend equivalents and other types of awards are generally subject to tax at ordinary income rates at the time of payment. In each of the foregoing cases, the Company will generally have a corresponding deduction at the time the participant recognizes income, subject to Section 162(m) of the Code with respect to covered employees.

NEW PLAN BENEFITS

No awards have been granted pursuant to the 2018 Plan that are contingent upon the approval by our stockholders of the Amendment to the 2018 Plan. Future awards under the Amended 2018 Plan will be granted at the discretion of the board. As a result, the number of future awards under the Amended 2018 Plan to be received by particular employees or consultants is presently not determinable.

AWARDS GRANTED UNDER THE 2018 PLAN

The following table shows the number of shares of our common stock underlying options and restricted stock units granted under the 2018 Plan to date by certain individuals and certain groups of individuals.

2018 NEOs	Shares underlying Stock Options	Restricted Stock Units
Pat Goepel	50,000	10,000
Kelyn Brannon	50,000	10,000
Eyal Goldstein	50,000	10,000
Joe Karbowski	50,000	10,000
All current executive officers as a group(1)	250,000	50,000
All current non-employee directors as a group (2)	50,000	12,000
All non-executive employees as a group	272,000	84,200

(1) Includes shares underlying stock options and restricted stock units granted to our chief operating officer, Rhonda Parouty, in connection with her employment with us on January 7, 2019.

(2) Includes a grant of 2,000 restricted stock units that effective March 30, 2019, Mr. Oberwager agreed to voluntarily surrender and cancel without payment of any additional consideration by the Company.

The Board of Directors unanimously recommends voting “FOR” approval of the amendment to the Asure Software, Inc. 2018 Incentive Award Plan to increase the number of shares of our common stock authorized for issuance by 600,000 shares.

APPROVAL OF A ONE-TIME PROGRAM TO exchange UNDERWATER options to purchase shares of our common stock held by eligible employees FOR A LESSER NUMBER OF restricted stock units under the Asure Software, Inc. 2018 Incentive Award Plan

(ITEM 5)

We are seeking stockholder approval of a one-time stock option exchange program for employees other than members of our board of directors and our chief executive officer (“CEO”). If implemented, this one-time stock option exchange program (the “option exchange”), would permit our employees to surrender certain outstanding stock options that are “underwater” (i.e., those options with an exercise price that is greater than our current trading price) for cancellation in exchange for a lesser number of restricted stock units (“RSUs”) to be granted under the 2018 Plan. Each RSU issued in the option exchange will represent an unfunded right to receive one share of our common stock on one or more specified future dates when the RSU vests.

We believe this option exchange program, as designed, is in the best interests of our stockholders and our employees. If approved by stockholders, we believe the option exchange would enable us to:

Motivate and engage our eligible employees to continue to build stockholder value;