LSB FINANCIAL CORP
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Subject Company: LSB Financial Corp.

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Set forth below is a press release issued by Old National Bancorp (Old National) in connection with Old National s announcement of its financial results for the quarter ended June 30, 2014.

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July 28, 2014

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Old National s 2nd quarter highlighted by 11.4% annualized organic loan growth (excluding covered loans) and a continued strong loan pipeline

2nd Quarter Highlights:

- Earnings of $18.8 million include $6.3 million of pre-tax merger and integration expenses and a $10.5 million pre-tax unfavorable change in indemnification asset
- Credit quality and capital levels remained strong
- Tower Bank & Trust Company acquisition and conversion completed

Evansville, Ind. (July 28, 2014) Today Old National Bancorp (NASDAQ: ONB) reported 2nd quarter 2014 net income of $18.8 million, or $.18 per share. Impacting current quarter results is $6.3 million of pre-tax merger and integration expenses and a $10.5 million unfavorable pre-tax change in the indemnification asset. These results compare to earnings per share of $.26 reported in the 1st quarter of 2014 and earnings per share of $.28 in the 2nd quarter of 2013. Included in 1st quarter 2014 results were $2.5 million of merger and integration expenses and a $7.3 million change in the indemnification asset. Included in 2nd quarter 2013 results were $.9 million of merger and integration expenses and a $1.5 million change in the indemnification asset.

Old National Bancorp s Board of Directors declared a quarterly cash dividend of $.11 per share on the Company s outstanding shares. This dividend is payable September 16, 2014, to shareholders of record on September 2, 2014. For purposes of broker trading, the ex-date of the cash dividend is August 28, 2014.

With nearly $140 million in new loan volume along with a continued strong loan pipeline, and the culmination of our Tower Bank & Trust partnership, this was a quarter defined by growth, said Old National President & CEO Bob Jones. It s worth noting that our current quarter earnings reflect more than $6 million in pre-tax merger and integration expenses. Despite these anticipated costs, this was a quarter that saw Old National continue our growth strategy and build upon the positive momentum of previous quarters.

Committed to our Strategic Imperatives and 2014 Initiatives

Old National s continued steady performance and strong credit and capital positions can be attributed to the Company s unwavering commitment to the following three strategic imperatives: 1. Strengthen the risk profile; 2. Enhance management discipline; and 3. Achieve consistent quality earnings.

Guided by these three strategic imperatives, Old National s primary initiatives for 2014 are: 1. Continue to grow core revenue; 2. Reduce operating expense; and 3. Transform the franchise into higher-growth markets, all while maintaining a strong credit culture and capital position.

Grow Core Revenue

Balance Sheet and Net Interest Margin

At June 30, 2014, total period-end loans increased $471.8 million to $5.550 billion from $5.079 billion at March 31, 2014. The acquisition of Tower added $355.2 million to June 30 balances while $139.6 million of the increase (excluding covered loans) resulted from organic loan growth occurring across all of Old National s major loan segments.

On average, total loans increased $310.1 million to $5.380 billion in the 2nd quarter of 2014 compared to $5.070 billion in the 1st quarter of 2014. The acquisition of Tower added $254.2 million to quarterly average balances in the 2nd quarter while organic loan growth contributed $74.8 million. Partially offsetting these increases was an $18.9 million decrease in covered loans during the 2nd quarter of 2014.

Excluding covered loans acquired in the 2011 FDIC-assisted acquisition of Integra Bank, total loans increased $494.9 million to $5.379 billion at June 30, 2014, from $4.884 billion at March 31, 2014. The acquisition of Tower added $355.2 million to June 30, 2014, balances. Importantly, loans in the recently acquired Michigan and Northern Indiana branches grew $23.6 million to $70.0 million at June 30, 2014, from $46.4 million at March 31, 2014.

Total core deposits at June 30, 2014, including demand and interest-bearing deposits, increased $259.2 million to $7.517 billion, compared to the $7.258 billion at March 31, 2014. The acquisition of Tower added $440.4 million to June 30, 2014, period end core deposit balances. On average, total core deposits increased $298.6 million to $7.473 billion during the 2nd quarter of 2014 compared to $7.175 billion during the 1st quarter of 2014. The acquisition of Tower added $285.6 million in average core deposits to 2nd quarter 2014 balances.

Total investments, including money market accounts, increased $246.7 million to $3.456 billion from $3.210 billion at March 31, 2014. The primary driver of this increase can be attributable to the acquisition of Tower. On average, total investments, including money market accounts, increased $143.7 million, to $3.350 billion at June 30, 2014, from $3.207 billion at March 31, 2014.

Old National reported net interest income of $84.5 million in the 2nd quarter of 2014 compared to $83.5 million in the 1st quarter of 2014, and $79.2 million in the 2nd quarter of 2013. Net interest income on a fully taxable equivalent basis was $88.7 million for the 2nd quarter of 2014 and represented a net interest margin on total average earning assets of 4.07%. These results compare to net interest income on a fully taxable equivalent basis of $87.4 million and a margin of 4.22% in the 1st quarter of 2014 and net interest income on a fully taxable equivalent basis of $83.4 million and a margin of 3.97% for the 2nd quarter of 2013. Refer to Tables A and B for Non-GAAP taxable equivalent reconciliations.

The following table presents amounts and basis points related to the accretion of purchase accounting discounts recorded in net interest income during the periods presented from various Old National acquisitions:

($ in millions)	**2Q13**	**2Q13***	**1Q14**	**1Q14***	**2Q14**	**2Q14***
Monroe Bancorp	$ 1.4	7 bps	$ 1.2	5 bps	$ 0.9	4 bps
Integra Bank	6.8	32 bps	9.9	48 bps	12.2	56 bps
Indiana Community Bancorp	6.1	29 bps	6.9	33 bps	3.2	15 bps
Tower Financial					1.3	6 bps
Total	**$ 14.3**	**68 bps**	**$ 18.0**	**86 bps**	**$ 17.6**	**81 bps**

* Represents basis points.

Fees, Service Charges and Other Revenue

Total fees, service charges and other revenue represent an important component of Old National s revenue stream and amounted to $37.9 million, or 30.5% of the company s total revenues, for the 2nd quarter of 2014. This compares to $39.9 million in the 1st quarter of 2014 and $44.3 million in the 2nd quarter of 2013. The declines are attributable to a $10.5 million unfavorable change in the indemnification asset relating to the 2011 FDIC-assisted acquisition of Integra Bank reported in the 2nd quarter of 2014, compared to unfavorable changes of $7.3 million and $1.5 million reported in the 1st quarter of 2014 and the 2nd quarter of 2013, respectively. The 1st quarter of 2014 also included $2.4 million of insurance contingency income. The Tower Financial acquisition contributed an additional $1.3 million in fees, service charges and other revenue during the current quarter. Old National s fee-based businesses of insurance and wealth management saw year-over-year increases from the 2nd quarter of 2013 (exclusive of the contributions from the Tower acquisition) of $.5 million and $.5 million, respectively, while the investments business revenue remained stable.

Reduce Operating Expense

Old National reported total noninterest expenses of $98.1 million in the 2nd quarter of 2014 compared to $88.3 million in the 1st quarter of 2014 and $86.9 million reported in the 2nd quarter of 2013. The Tower Financial acquisition added $2.2 million in operational costs during the current quarter. Included in Old National s 2nd quarter 2014 noninterest expenses were $6.3 million of merger and integrations charges. This compares to merger and integration charges of $2.5 million and $.9 million incurred by Old National in the 1st quarter of 2014 and the 2nd quarter of 2013, respectively.

Transform the Franchise into Higher-Growth Markets

On April 25, 2014, Old National Bancorp completed its acquisition of Tower Financial Corporation of Fort Wayne, Indiana. The acquisition added $355.2 million of loans (net of a $28.2 million loan mark) and $440.4 million of core deposits to the Old National franchise at June 30, 2014.

On June 4, 2014, Old National announced its intent to acquire Lafayette, Indiana-based LSB Financial Corp in a stock and cash merger. This acquisition will more than double Old National s presence in an important Indiana community with five banking centers and $368.7 million in total assets as of June 30, 2014.

On July 14, 2014, Old National reported the company had received regulatory approval from the Board of Governors of the Federal Reserve System on the pending acquisition of United. This transaction is expected to close on July 31, 2014, subject to customary closing conditions.

Today, Old National announced its intent to acquire Founders Financial Corporation of Grand Rapids, Michigan in a stock and cash merger. This acquisition will provide an entry point for Old National into the vibrant Grand Rapids market with 4 banking center locations and nearly $466.2 million in total assets as of June 30, 2014.

Maintain a Strong Credit Culture

Old National s credit quality remained strong, as the Company recorded a provision recapture (negative provision expense) of $.4 million and net charge-offs of $1.0 million in the 2nd quarter of 2014. These results compare to virtually no provision expense and net recoveries of $.4 million, and a provision recapture of $3.7 million and net charge-offs of $.5 million, in the 1st quarter of 2014 and the 2nd quarter of 2013, respectively. Net charge-offs for the 2nd quarter of 2014 were .07% of average total loans on an annualized basis, compared to net recoveries of .03% of average total loans in the 1st quarter of 2014 and net charge-offs of .04% of average total loans in the 2nd quarter of 2013.

Excluding covered loans, Old National s net charge-offs for the 2nd quarter of 2014 were $.1 million, compared to net recoveries of $.2 million reported in the 1st quarter of 2014 and net charge-offs of $.1 million reported in the 2nd quarter of 2013. Old National recorded provision expense, excluding covered loans, of $1.1 million in the 2nd quarter of 2014, compared to a provision recapture of $.4 million and provision recapture of $3.3 million in the 1st quarter of 2014 and the 2nd quarter of 2013, respectively.

Excluding covered loans, Old National s allowance for loan losses at June 30, 2014, was $42.5 million, or .79% of total loans, compared to an allowance of $41.5 million, or .85% of total loans at March 31, 2014, and $43.9 million, or .90% of total loans, at June 30, 2013. The coverage of allowance to non-performing loans, excluding covered loans, stood at 36% at June 30, 2014, compared to 40% at March 31, 2014, and 32% at June 30, 2013.

The second quarter was again a good quarter in terms of credit quality, said Daryl Moore, Chief Credit Officer. Net charge-offs continue to be well contained and, although non covered Special Mention and Problem loan totals were higher at quarter s end, the increase came as a result of the addition of loans from the Tower acquisition.

Page 3 of 9

The following table presents certain credit quality metrics related to Old National s loan portfolio:

($ in millions)	2Q13	2Q13*	1Q14	1Q14*	2Q14	2Q14*
Non-Performing Loans (NPLs)	$ 198.8	$ 138.5	$ 132.5	$ 105.0	$ 139.5	$ 118.0
Problem Loans (Including NPLs)	265.9	198.4	200.9	170.5	228.7	203.9
Special Mention Loans	166.8	152.8	119.8	112.3	119.4	112.9
Net Charge-Off Ratio	.04	.01%	(.03)%	(.02)%	.07%	.01%
Provision for Loan Losses	$ (3.7)	$ (3.3)	$ 0.0	$ (0.4)	$ (0.4)	$ 1.1
Allowance for Loan Losses	49.3	43.9	47.6	41.5	46.2	42.5

* Excludes covered loans.

Maintain a Strong Capital Position

Maintaining a strong capital position continues to be a top priority as Old National strategically pursues growth opportunities. Old National s capital position remained above industry requirements at June 30, 2014, with regulatory tier 1 and total risk-based capital ratios of 14.0% and 14.7%, respectively, compared to 14.8% and 15.7% at March 31, 2014, and 14.4% and 15.4% at June 30, 2013. Old National did not repurchase any shares of stock in the open market during the 2nd quarter of 2014.

The following table presents Old National s risk-based and leverage ratios compared to industry requirements:

	Well Capitalized	ONB at June 30, 2014
Tier 1 Risk-Based Capital Ratio	³6%	14.0%
Total Risk-Based Capital Ratio	³10%	14.7%
Tier 1 Leverage Capital Ratio	³5%	9.3%

At June 30, 2014, Old National s ratio of tangible common equity to tangible assets was 8.42%, compared to 8.82% at March 31, 2014, and 8.65% at June 30, 2013. *Refer to Table 1 for Non-GAAP reconciliations.*

About Old National

Old National Bancorp (NASDAQ: ONB) is the largest financial services holding company headquartered in Indiana and, with $10.4 billion in assets, ranks among the top 100 banking companies in the U.S. Since its founding in Evansville in 1834, Old National Bank has focused on community banking by building long-term, highly valued partnerships with clients in its primary footprint of Indiana, Illinois, Kentucky and Michigan. In addition to providing extensive services in retail and commercial banking, wealth management, investments and brokerage, Old National also owns Old National Insurance, one of the 100 largest brokers in the U.S. For more information and financial data, please visit Investor Relations at oldnational.com.

Conference Call

Old National will hold a conference call at 10:00 a.m. Central Time on Monday, July 28, 2014, to discuss 2nd quarter 2014 financial results, strategic developments, and the Company s financial outlook. The live audio web cast of the call, along with the corresponding presentation slides, will be available on the Company s Investor Relations web page at oldnational.com and will be archived there for 12 months. A replay of the call will also be available from 8:00 a.m. Central Time on July 29 through August 12. To access the replay, dial 1-855-859-2056, Conference ID Code 73472033.

Use of Non-GAAP Financial Measures

This earnings release contains GAAP financial measures and non-GAAP financial measures where management believes it to be helpful in understanding Old National s results of operations or financial position. Where non-GAAP financial measures are used, the comparable GAAP financial measure, as well as the reconciliation to the comparable GAAP financial measure, can be found in this release or the Quarterly Financial Trends supplement to this earnings release, which can be found on Investor Relations at oldnational.com.

Table 1: Non-GAAP Reconciliation-Tangible Equity to Tangible Assets

(end of period balances $ in millions)	June 30, 2013		March 31, 2014		June 30, 2014	
Total Shareholders Equity	$	1,167.0	$	1,185.2	$	1,277.3
Deduct: Goodwill and Intangible Assets		(364.4)		(376.8)		(439.3)
Tangible Shareholders Equity	$	802.6	$	808.4		838.1
Total Assets	$	9,641.1	$	9,544.8	$	10,387.9
Add: Trust Overdrafts		.1				
Deduct: Goodwill and Intangible Assets		(364.4)		(376.8)		(439.3)
Tangible Assets	$	9,276.7	$	9,168.0	$	9,948.7
Tangible Equity to Tangible Assets		8.65%		8.82%		8.42%

Additional Information for Shareholders of Founders Financial Corporation

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. In connection with the proposed merger, Old National Bancorp (Old National) will file with the Securities and Exchange Commission (SEC) a Registration Statement on Form S-4 that will include a Proxy Statement of Founders Financial Corporation (Founders) and a Prospectus of Old National, as well as other relevant documents concerning the proposed transaction. Shareholders are urged to read the Registration Statement and the Proxy Statement/Prospectus regarding the merger when it becomes available and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information. A free copy of the Proxy Statement/Prospectus, as well as other filings containing information about Old National, may be obtained at the SEC s Internet site (http://www.sec.gov). You will also be able to obtain these documents, free of charge, from Old National at www.oldnational.com under the tab Investor Relations and then under the heading Financial Information.

Old National and Founders and certain of their directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of Founders in connection with the proposed merger. Information about the directors and executive officers of Old National is set forth in the proxy statement for Old National s 2014 annual meeting of shareholders, as filed with the SEC on a Schedule 14A on March 14, 2014. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the Proxy Statement/Prospectus regarding the proposed merger when it becomes available. Free copies of this document may be obtained as described in the preceding paragraph.

Additional Information for Shareholders of LSB Financial Corp.

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. In connection with the proposed merger, Old National Bancorp (Old National) has filed with the Securities and Exchange Commission (SEC) a Registration Statement on Form S-4 (Registration Statement No. 333-197258) that includes a preliminary Proxy Statement of LSB Financial Corp. (LSB) and a preliminary Prospectus of Old National, as well as other relevant documents concerning the proposed transaction. The SEC declared the Form S-4 Registration Statement effective on July 23, 2014. A definitive Proxy Statement/Prospectus was mailed to shareholders of LSB on or about July 28, 2014. Shareholders are urged to read the Registration Statement and the definitive Proxy Statement/Prospectus regarding the merger and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information. A free copy of the definitive Proxy Statement/Prospectus (when available), as well as other filings containing information about Old National and LSB, may be obtained at the SEC s Internet site (http://www.sec.gov). You will also be able to obtain these documents (when available), free of charge, from Old National at www.oldnational.com under the tab Investor Relations and then under the heading Financial Information or from LSB by accessing LSB s website at www.lsbank.com under the tab About and then under the heading Investor Relations.

Old National and LSB and certain of their directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of LSB in connection with the proposed merger. Information about the directors and executive officers of Old National is set forth in the proxy statement for Old National s 2014 annual meeting of shareholders, as filed with the SEC on a Schedule 14A on March 14, 2014. Information about the directors and executive officers of LSB is set forth in the proxy statement for LSB s 2014 annual meeting of shareholders, as filed with the SEC on a Schedule 14A on March 14, 2014. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the definitive Proxy Statement/Prospectus regarding the proposed merger when it becomes available. Free copies of this document may be obtained as described in the preceding paragraph.

Forward-Looking Statement

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, statements about the expected timing, completion, financial benefits and other effects of the proposed merger between Old National and Founders. Forward-looking statements can be identified by the use of the words anticipate, believe, expect, intend, could a should, and other words of similar meaning. These forward-looking statements express management s current expectations or forecasts of future events and, by their nature, are subject to risks and uncertainties and there are a number of factors that could cause actual results to differ materially from those in such statements. Factors that might cause such a difference include, but are not limited to: expected cost savings, synergies and other financial benefits from the proposed merger might not be realized within the expected timeframes and costs or difficulties relating to integration matters might be greater than expected; the requisite shareholder and regulatory approvals for the proposed merger might not be obtained; market, economic, operational, liquidity, credit and interest rate risks associated with Old National s and Founders businesses; competition; government legislation and policies (including the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act and its related regulations); ability of Old National and Founders to execute their respective business plans (including Old National s pending acquisitions of Founders, United Bancorp, Inc. and LSB Financial Corp.); changes in the economy which could materially impact credit quality trends and the ability to generate loans and gather deposits; failure or circumvention of our internal controls; failure or disruption of our information systems; significant changes in accounting, tax or regulatory practices or requirements; new legal obligations or liabilities or unfavorable resolutions of litigations; other matters discussed in this press release and other factors identified in Old National s Annual Report on Form 10-K and its other periodic filings with the SEC. These forward-looking statements are made only as of the date of this press release, and neither Old National nor Founders undertakes an obligation to release revisions to these forward-looking statements to reflect events or conditions after the date of this press release.

OLD NATIONAL BANCORP

Financial Highlights (Table A) ($ in thousands except per-share data)	**Three-Months Ended June 30, 2014**	**Three-Months Ended March 31, 2014**	**$ Change**	**% Change**
(FTE) Fully taxable equivalent basis.				
Income Data:				
Net Interest Income	$ 84,482	$ 83,478	$ 1,004	1.2
Taxable Equivalent Adjustment	4,256	3,931	325	8.3
Net Interest Income (FTE)	88,738	87,409	1,329	1.5
Fees, Service Charges and Other Revenues	37,893	39,925	(2,032)	(5.1)
Securities Gains (Losses) (a)	1,689	459	1,230	N/M
Derivative Gains (Losses)	71	179	(108)	(60.3)
Total Revenue (FTE)	128,391	127,972	419	0.3
Provision for Loan Losses	(400)	37	(437)	N/M
Noninterest Expense	98,104	88,252	9,852	11.2
Income before Taxes	30,687	39,683	(8,996)	(22.7)
Provision for Taxes (FTE)	11,914	13,173	(1,259)	(9.6)
Net Income	18,773	26,510	(7,737)	(29.2)
Per Common Share Data: (Diluted) (b)				
Net Income	0.18	0.26	(0.08)	(30.8)
Average Diluted Shares Outstanding	104,361	100,325	4,036	4.0
Book Value	12.07	11.84	0.23	1.9
Stock Price	14.28	14.91	(0.63)	(4.2)
Performance Ratios:				
Return on Average Assets	0.75%	1.12%	(0.37)%	(33.0)
Return on Average Common Equity (c)	6.00	9.03	(3.03)	(33.6)
Net Interest Margin (FTE)	4.07	4.22	(0.15)	(3.6)
Other Expense to Revenue (Efficiency Ratio) (d)	75.85	67.77	8.08	11.9
Net Charge-offs to Average Loans (e)	0.01	(.02)	0.03	N/M
Reserve for Loan Losses to Ending Loans (e)	0.79	.85	(0.06)	(7.1)
Non-Performing Loans to Ending Loans (e)	2.20	2.15	0.05	2.3
Balance Sheet:				
Average Assets	$ 10,012,474	$ 9,492,161	$ 520,313	5.5
End of Period Balances:				
Assets	10,387,933	9,544,780	843,153	8.8
Investments	3,435,463	3,192,623	242,840	7.6
Money Market Investments (f)	20,887	17,078	3,809	22.3
Commercial Loans and Leases	1,520,477	1,390,121	130,356	9.4
Commercial Real Estate Loans	1,405,714	1,225,393	180,321	14.7
Consumer Loans	1,162,506	1,074,137	88,369	8.2
Residential Real Estate Loans	1,450,171	1,382,630	67,541	4.9
Residential Real Estate Loans Held for Sale	11,398	6,169	5,229	84.8
Earning Assets	9,006,616	8,288,151	718,465	8.7
Core Deposits (Excluding Brokered CDs)	7,517,440	7,258,162	259,278	3.6
Borrowed Funds (Including Brokered CDs)	1,407,156	916,910	490,246	53.5
Common Shareholders Equity	1,277,331	1,185,237	92,094	7.8

(a) Includes $0 and $100, respectively, for other-than-temporary impairment in 2^{nd} quarter 2014 and 1^{st} quarter 2014.
(b) Assumes conversion of stock options, restricted stock, and warrants.
(c) Based on average common shareholders equity of $1,250,792 and $1,174,808, respectively, for June 30, 2014, and March 31, 2014.
(d) Noninterest expense before amortization of intangibles as a percent of FTE net interest income and noninterest revenues, excluding net gains from securities transactions.
(e) Excludes residential loans and leases held for sale and covered loans.
(f) Includes money market investments and Federal Reserve interest earning accounts.

N/M = Not meaningful.

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	Three-Months Ended June 30			
	2014	**2013**	**$ Change**	**% Change**
ta:				
t	$ 84,482	79,191	$ 5,291	
t	4,256	4,243	13	
t TE)	88,738	83,434	5,304	
ce d nues	37,893	44,311	(6,418)	
Gains)	1,689	1,789	(100)	
ses)	71	144	(73)	
nue	128,391	129,678	(1,287)	
or s	(400)	(3,693)	3,293	
t	98,104	86,916	11,188	
ore	30,687	46,455	(15,768)	
or E)	11,914	17,977	(6,063)	
e	18,773	28,478	(9,705)	
on a:)				
e	0.18	0.28	(0.10)	
ares g	104,361	101,352	3,009	
e	12.07	11.57	0.50	

	14.28	13.83	0.45
ce			
ssets	0.75%	1.18%	(0.43)%
	6.00	9.51	(3.51)
t E)	4.07	3.97	0.10
nse	75.85	66.52	9.33
-offs	0.01	0.01	
s to ans	0.79	0.90	(0.11)
ming ans	2.20	2.83	(.63)
heet:			
ssets	$ 10,012,474	$ 9,661,408	$ 351,066
od	10,387,933	9,641,071	746,862
s	3,435,463	3,104,065	331,398
rket s (f)	20,887	61,690	(40,803)

Director Nominees

The Board has nominated David F. Bainbridge, Walter G. Bumphus, John Campbell, Clifford K. Chiu, Carolyn Getridge, Thomas Kalinske, Harold O. Levy, Jeffrey T. Stevenson, and Joe Walsh for election as directors. If elected to the Board, the nomin would each hold office as a director until our Annual Meeting of Stockholders to be held in 2018 and until his or her respective successor has been duly elected and qualified, or until his or her earlier death, resignation disqualification or removal fror office. The nominees have consented to be named as a nominee and, if elected, to ser as a director for a one-year term and until his or her successor has been elected and qualified.

If any of the nominees named above is unable or unwilling to serve as a director, the shares represented by your proxy will be voted for such other person or persons as th Board may recommend. We do not anticipate that such an event will occur. We are n aware of any family relationship among any of the nominees to become members of Board or executive officers of the Company. Each of the nominees for election has stated that there is no arrangement or understanding of any kind between him or her a any other person relating to his or her election as a member to the Board except that each nominee has agreed to serve as a member to the Board if elected.

Information about the Nominees

David F. Bainbridge. David F. Bainbridge has served as a director of the Company since April 2012. Mr. Bainbridge is a Managing Director of VSS and serves on the firm's investment committee. He is responsible for sourcing, developing and monitor structured capital and private equity investments, particularly in the healthcare, education and business information industries. Mr. Bainbridge is currently a member the boards of VKidz, Connexion Point, LLC, Cambium Learning, Infobase Learning and MetSchools, which are portfolio companies of VSS and therefore affiliates of the Company. He previously served on the board of Navtech, Strata Decision Technolog Remedy Health Media, and Avatar International, which are also portfolio companies addition, he is a board observer of SourceMedical, a VSS portfolio company. Since joining VSS in 2003, he has also been active in VSS's investments in Trover Solutio Solucient, Executive Health Resources, and Gallo Holdings. Before joining VSS, Mr Bainbridge spent 10 years as an investment banking professional, most recently with Berkery Noyes & Co., specializing in various information segments.

Mr. Bainbridge's service in an array of positions within VSS, and his associated serv on the boards of directors of multiple VSS portfolio companies, provides the Board v access to information regarding business practices and strategies across several industries. Mr. Bainbridge's vast expertise regarding mergers and acquisitions and financing allows him to provide invaluable guidance to the Board and executive management regarding these matters. This continues to be very important to the Company, because we have implemented a growth strategy that involves the acquisit of complementary businesses. Mr. Bainbridge is a graduate of Cornell University and an honors graduate of the Stern School of Business at New York University.

Walter G. Bumphus. Dr. Walter G. Bumphus has served as a director of the Compa since May 2011. Dr. Bumphus has been the President and Chief Executive Officer of the American Association of Community Colleges ("AACC") since January 2011. A is headquartered in the National Center for Higher Education in Washington, D.C. ar is the primary advocacy organization for community colleges at the national level and works closely with the directors of state offices to inform and affect state policy. Pric to assuming the presidency of AACC, from 2007 to January 2011, Dr. Bumphus serv as a professor in the Community College Leadership Program and as chair of the Department of Educational Administration at the University of Texas at Austin. In ar educational career that spans over 30 years, Dr. Bumphus has worked as an administrator at a regional university, at a state system of community and technical colleges, and at four different community colleges.

Dr. Bumphus' professional career has been focused on the education community for 30 years. His experience in community and technical colleges provides the Company with a better understanding of the needs of students focused on post-secondary educational opportunities. Dr. Bumphus also assists us in better understanding understand certain legislative and regulatory challenges in providing products and services to schools.

John Campbell. John Campbell has served as a director of the Company since Marc 2013. Mr. Campbell has served as a Senior Vice President of the Company and the President of the Cambium Learning Technologies business unit since December 2009 Mr. Campbell served as Chief Operating Officer of Voyager Learning Company, a predecessor of the company, from January 2004 to December 2009. Before joining Voyager Learning Company, Mr. Campbell served as Chief Operating Officer and business unit head of a research-based reading company (Breakthrough to Literacy) within McGraw-Hill. Prior to joining Breakthrough/McGraw-Hill, he served as Direc of Technology for a division of Tribune Education. Additionally, Mr. Campbell has experience as General Manager of a software start-up (Insight) and as Director of Applications and Technical Support for a hardware manufacturer (Commodore International).

Table of Contents

Mr. Campbell brings over 20 years of experience managing businesses in the educational K-12 market. He possesses substantial executive, business and operation experience relating to the Company and its affiliates and predecessor companies, hav served in various senior management positions with Voyager and its affiliates since 2004. As the Company's CEO and a member of the Board, Mr. Campbell has demonstrated leadership skills, business expertise and a commitment to the Company mission. Mr. Campbell brings to the Board a critical link between management and t Board, assisting the Board to perform its oversight function with the benefit of senior management's perspective on our business.

Clifford K. Chiu. Clifford K. Chiu has served as a director of the Company since M 2014. A retired partner in 2014 at Kohlberg Kravis Roberts & Co. (KKR) who found and led capital raising and investor relations for the Asia Pacific region, Mr. Chiu is currently a director of Misys plc and Tibco Software, Inc. He serves as a senior advis to Vista Equity Partners and Neuberger Berman Group in the United States and Hon Kong, and is a government appointee to the Market Development Committee of Financial Services Development Council, Hong Kong. Mr. Chiu previously served as managing director of JP Morgan Asset Management and of Salomon Smith Barney/Citigroup and its predecessors in New York, Hong Kong and Tokyo.

He is a former director of Hsin Chong Construction Group (Hang Seng: 0404.HK) an the Hong Kong Hospital Authority's United Christian Hospital and Tseung Kwan O Hospital for over a decade. Mr. Chiu is a director of the St. James Settlement, a mem of the finance or investment committees of Seton Health Family and the West Kowlo Cultural District Authority and a partner/mentor of technology incubator, The Capita Factory, as well as the global advisory boards of the Weingarten Learning Resources Center of the University of Pennsylvania and University of Chicago Booth School of Business where in 2015 he was appointed the first "distinguished executive-in-reside at its new Hong Kong campus. Through the Clinton Global Initiative, Mr. Chiu launched a 2015 commitment to action, "K-12 Learning Through Global Connectivit language arts and STEM skills.

Carolyn Getridge. Carolyn Getridge has served as a director of the Company since 2015 when she joined while Senior Vice President, Strategic Partnerships, a position from which she retired in January 2016. After a distinguished career as a public scho teacher and administrator, she joined Voyager Learning Company as a member of th team that launched the Company. Prior to joining Voyager, Ms. Getridge served as Superintendent of the Oakland (CA) Unified School District. Ms. Getridge was also Associate Superintendent of Curriculum and Instruction in Oakland and Director of Educational Programs for the Alameda (CA) County Office of Education.

Ms. Getridge holds membership in Phi Delta Kappa – UC Berkeley; American Association of School Administrators; Association for Supervision and Curriculum Development; National Alliance of Black School Educators; National Association fo Female Executives; and American Association of University Women; Delta Sigma Theta Sorority, Inc. and The Links, Incorporated. Ms. Getridge's contributions to education have been recognized by the National Council of Negro Women, the YMC and the Far Western Region of Phi Delta Kappa. She was inducted into the Alameda County Women's Hall of Fame and has been honored by the National Association fo Equal Opportunity in Higher Education as the recipient of the Distinguished Alumni Award from Grambling State University.

Ms. Getridge's experience as a superintendent in an urban school district provides th Company with a deeper understanding of the needs of students and teachers.

Ms. Getridge also assists the Board in better understanding certain legislative, regulatory, and funding challenges in providing products and services to schools.

Thomas Kalinske. Thomas Kalinske has served as a director of the Company since February 2010. He is a member of the Audit Committee of the Board. Mr. Kalinske h been the Executive Chairman of Global Education Learning, a company focused on acquiring education companies in China that teach English creativity, critical thinkin and math to children ages 2-7, since 2009. Mr. Kalinske also served as Vice Chairma of the board of LeapFrog Enterprises, Inc. until March 2016. Mr. Kalinske's history w LeapFrog dates back to September 1997, where he served as their CEO until June 20 and was the Chairman of the board of directors until February 2004. Prior to that, he served as the CEO of educational services provider Knowledge Universe, a video ga developer Sega of America, and toy companies Matchbox, Inc. and Mattel, Inc.

Mr. Kalinske served on the board of directors of Blackboard, Inc. until December 20 a University and K-12 enterprise software applications company; the board of directo of Kidzui, a safe children's Internet search and education site; the board of directors Genyous Omnitura, a cancer drug development company; is a member of the Nationa Board of Advisors of the University Of Arizona School Of Business; and is an Emeri member of the University Of Wisconsin School Of Business Advisors.

Mr. Kalinske has been a leader in a number of technology, toy and education venture and brings extensive experience in these areas to the Board. As noted, he has served a CEO of Mattel, a leading toy manufacturer and prominent public company, and has h both the CEO and Chairman roles at Leapfrog, a publicly traded company focused on designing, developing and marketing an array of technology-based learning platform for infants and children. Among other things, Mr. Kalinske brings to the Board his extensive experience in the areas of technology, gaming and educational ventures; ar that align closely with the Company's continuing focus on technology-based learnin His background in relevant industries

Table of Contents

and his long career of leadership as a director and as an officer of various companies, including a current directorship with a public company other than the Company, allow Mr. Kalinske to provide the Board with pertinent strategic and business insight.

Harold O. Levy. Harold O. Levy has served as a director of the Company since January 2010. He is a member of the Audit Committee and the chairman of the Compensation Committee. Mr. Levy is the Executive Director of The Jack Kent Coo Foundation where he manages one of the largest private scholarship foundations in th country. Prior to that, he was a Managing Director at Palm Ventures, LLC. Mr. Levy was the Managing Director and Special Counsel at Plainfield Asset Management fro 2007 to 2009. He previously served as Executive Vice President and General Counse educational program provider Kaplan, Inc., where he was a member of the Executive Team of Kaplan University and founded Kaplan University's online School of Education. Mr. Levy was the New York City Schools Chancellor from 2000 to 2002; created accountability metrics, started the Teaching Fellows Program for career changers and significantly improved reading and math scores

From 1986 to 2000, Mr., Levy served in numerous legal, regulatory and managemen positions in the financial services industry. He was Director of Global Compliance o Citigroup, Inc., Associate General Counsel of Travelers Group, Inc., Litigation Coun and Counsel to the Investment Bank of Salomon Brothers Inc., and Assistant Genera Counsel of Philipp Brothers, Inc. (Phibro) He has also served on the board of the Coffee, Sugar & Cocoa Exchange, Inc. and on the National Adjudicatory Council of Financial Industry Regulatory Authority.

Mr. Levy sits on the on the board of directors of numerous organizations in the education market: Access Group, American College of Greece, Breakthrough Collaborative, College Promise, Gateway to College National Network, MetSchools, National Education Researcher Database (NERD) Project National Advisory Board, ROBOTERRA, ScootPad, Technology for Education Consortium (TEC), and PowerSchools.

Mr. Levy's extensive experience in both the K-12 and online education marketplace provides us with guidance on addressing the needs of large schools districts and the conversion of print based materials to an online delivery platform. His work in the equity space provides us with guidance on merger and acquisition opportunities in th education market segments. His background in legal and compliance regulatory matt contributes to the Board's expertise in these areas.

Jeffrey T. Stevenson. Jeffrey T. Stevenson has served as a director of the Company since December 2009 and is a member of the Compensation Committee. Mr. Stevens is the Managing Partner of VSS and has overall responsibility for the management o the firm and each of its funds. Mr. Stevenson joined VSS in 1982, shortly after its formation, and founded its private equity business in 1987. VSS has managed 7 fund with $3 billion of committed capital under management, including 4 equity funds an structured capital funds. To date, VSS funds have invested in 78 platform companies which have together completed 350 acquisitions, representing over $13 billion in aggregate enterprise value. VSS funds focus is on the information, business services, healthcare, and education industries. VSS makes control and non-control investments $10 to $50 million in companies with EBITDA of $3 - $25 million, and provides flexible debt and equity solutions.

Mr. Stevenson is the Chairman of the VSS investment committee, and has served on boards of over 31 VSS portfolio companies. He is a board member of several current portfolio companies, including Brandshop, Cambium Learning, Coretelligent, Infoba

Publishing, ITN Networks, Market Strategies, MetSchools, Southern Theatres, Tax Credit Co, and TMP Worldwide. He previously served as a director of Advanstar, Canon Communications, Cast & Crew, De Telefoongids, Mediatel, Ebiquity, Hanley Wood, ITE Group, Pepcom and Yellow Book USA, among others.

Mr. Stevenson is the Chairman of the Board of Directors of the not-for profit organization, Vencerx. Mr. Stevenson also serves as a member of the finance commi for the not-for profit organization, Fraxa Research Foundation. He is also involved w the following organizations: YPO/WPO, SBIA Board of Governors and Lincoln Cen Leadership Committee. He also serves on the board of Dojan TV Holdings, the leadi media company in Turkey.

As Managing Partner of a private equity fund with over $2.5 billion of capital under management, Mr. Stevenson has acquired extensive business, operating and investing expertise and has a diversified background of managing several companies, primarily the media, communications and information industries. Mr. Stevenson has many yea of experience as a private equity investor and serves on the boards of directors of substantially all of VSS' portfolio companies. Mr. Stevenson has extensive experienc private investments and finance, and possesses considerable knowledge with respect strategic business matters across several industries. As a result of these experiences a the insights he has gained in investments, financial management and other areas, Mr. Stevenson makes a significant contribution to the Board's consideration of issues including those relating to financial matters, operations and oversight of managemen
Joe Walsh. Joe Walsh has served as a director of the Company since March 2013. Mr. Walsh is the President and Chief Executive Officer of Dex Media, Inc. where he leads one of the nation's largest providers of print and online marketing and advertisi solutions. Additionally, he has been the Chairman and CEO of Walsh Partners, a priv company founded in

16

Table of Contents

2012, focused on investments and advisory services, since its inception. He was previously employed by Yellowbook Inc. from 1987 to 2011 and served as President and CEO, and as a member of the board of directors, from 1993 to 2011. At Yellowbook, Mr. Walsh led the company through a series of acquisitions, partnershi and new market launches. Mr. Walsh possesses substantial executive, business and operational experience relating to private equity ventures and complex mergers and acquisitions situations. In 1982, Mr. Walsh co-founded IYP Publishing, a company h sold to DataNational in 1985. He served as Vice President of Sales at DataNational u joining Yellowbook in 1987.

Mr. Walsh brings to the Board, among other things, significant insight into the development and implementation of a disciplined and effective growth strategy, evidenced by the consistent improvement of financial returns for the companies he h served. His long career of leadership in significantly growing and expanding compan and his involvement in reshaping the directory industry allow him to provide invalua guidance that aligns closely with the Company's continuing focus on growth and expansion of the Company's products and platforms.

Board of Directors' Recommendation

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR EACH THE NOMINEES FOR DIRECTOR LISTED ABOVE.

Table of Contents

Information about the Directors of the Company

The table below sets forth the names and ages of the current directors, including the nominees of the Company, as well as the position(s) and office(s) with the Company held by those individuals. A summary of the background and experience of each of those individuals is set forth after the table. No family relationship exists between an of the nominated directors or the named executive officers of the Company.

Name	Age	Position(s)
DIRECTOR NOMINEES — DIRECTORS (WHOSE TERMS EXPIRE IN 2017):		
David F. Bainbridge	45	Director
Walter G. Bumphus	69	Director, Member of the Audit Committee
John Campbell	56	Director and Chief Executive Officer
Clifford K. Chiu	58	Director and Chief Executive Officer
Carolyn Getridge	72	Director
Thomas Kalinske	72	Director and Chair of the Audit Committee
Harold O. Levy	64	Director and Chair of the Compensation Committ Member of the Audit Committee
Jeffrey T. Stevenson	56	Director, Member of the Compensation Committe
Joe Walsh	53	Chairman of the Board

PROPOSAL TWO

ADVISORY RESOLUTION ON THE COMPANY’S EXECUTIVE COMPENSAT

In accordance with Section 14A of the Exchange Act, we are asking stockholders to approve an advisory resolution, commonly referred to as a "say-on-pay" vote, on the Company’s executive compensation as reported in this Proxy Statement. We most recently hold a say-on-pay vote at our 2014 Annual Meeting, at which time our stockholders voted to recommend that we conduct future say-on-pay votes on a trienn basis. Accordingly, following the 2017 Annual Meeting, we anticipate that our next say-on-pay vote will be held at our 2020 Annual Meeting. Our executive compensati programs are designed to support the Company’s long-term success. The Board has structured our executive compensation program to achieve the following key objectiv

- Provide a total rewards package to each of our executives that is competitive with compensation packages at similarly situated companies;
- Attract and retain key talent; and
- Link pay to performance by providing incentives that promote short and long-term financial growth and stability in an effort to continuously enhance stockholder value.

In fiscal year 2016, the Company achieved many of its goals, including:

- Continued overall growth in our technology driven business; and
- An increase in Bookings (an internal, operational metric hat measures total dollar val of customer orders in a period, regardless of the timing of the related revenue recognition) and Cash Income (earnings from operations before interest, income taxe amortization, depreciation and excluding non-operational and non-cash items, furthe adjusted to deduct capital expenditures and remove the timing differences for the recognition of deferred revenues and related deferred costs).

We believe that our performance-based executive compensation programs provide incentives that are aligned with the best interests of our stockholders and have facilitated the Company’s performance.

We urge stockholders to read the Summary Compensation Table and related compensation tables and narrative below, which provide detailed information on the compensation of our Named Executive Officers. The Board believes that the policies and procedures of the Company are effective in achieving our goals and that the compensation of our Named Executive Officers reported in this Proxy Statement has supported and contributed to the Company’s success.

Accordingly, we are asking stockholders to approve the following advisory resolution the Annual Meeting:

RESOLVED, that the stockholders of Cambium Learning Group, Inc. (the “Company approve, on an advisory basis,

Table of Contents

the compensation of the Company's named executive officers set forth in the Summa Compensation Table and the related compensation tables and narrative in the Proxy Statement relating to the Company's 2017 Annual Meeting of Stockholders.

This advisory resolution, is non-binding on the Board. Although non-binding, the Bo will carefully review and consider the voting results when evaluating our executive compensation program.

Board of Directors' Recommendation

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR PROPOSAL TWO.

PROPOSAL THREE

ADVISORY VOTE ON THE FREQUENCY OF FUTURE STOCKHOLDER ADVISORY VOTES ON EXECUTIVE COMPENSATION

We will provide an advisory vote on executive compensation at least once every thre years. Pursuant to Section 14A of the Exchange Act, in this Proposal Three, we are asking stockholders to vote on whether future advisory votes on executive compensation should occur every year, every two years or every three years.

After careful consideration, the Board recommends that future advisory votes on executive compensation occur every three years (triennially). We believe that this frequency is appropriate for a number of reasons, including:

- Our compensation programs do not change significantly from year to year and we se to be consistent;
- A longer frequency is consistent with long-term compensation objectives; and
- Our compensation programs are designed to reward and incentivize long-term performance.

For the foregoing reasons, we encourage our stockholders to evaluate our executive compensation programs over a multi-year horizon and to review our Named Executiv Officers' compensation over the past two fiscal years as reported in the Summary Compensation Table below. In addition, we believe that a triennial advisory vote on executive compensation reflects the appropriate time frame for our Board to evaluate the results of the most recent advisory vote on executive compensation, to discuss the implications of that vote with stockholders to the extent needed, to develop and implement any adjustments to our executive compensation programs that may be appropriate in light of a past advisory vote on executive compensation, and for stockholders to see and evaluate the Board's actions in context. In this regard, becaus the advisory vote on executive compensation occurs after we have already implemen our executive compensation programs for the current year, and because the different elements of compensation are designed to operate in an integrated manner and to complement one another, we expect that in certain cases it may not be appropriate or feasible to fully address and respond to any one year's advisory vote on executive compensation by the time of the following year's annual meeting of stockholders.

We are aware that some stockholders may believe that annual or biennial advisory vo will enhance or reinforce accountability. However, we have in the past been, and wil the future continue to be, proactively engaged with our stockholders on a number of topics and in a number of forums. Thus, we view the advisory vote on executive compensation as an additional, but not exclusive, opportunity for our stockholders to communicate with us regarding their views on the Company's executive compensatio programs. In addition, because our executive compensation programs have typically changed materially from year-to-year and are designed to operate over the long-term and to enhance long-term performance, we are concerned that an annual or biennial advisory vote on executive compensation could lead to a near-term perspective inappropriately bearing on our executive compensation programs. Finally, although v believe that holding an advisory vote on executive compensation every three years w reflect the right balance of considerations in the normal course, we will periodically reassess that view and can provide for an advisory vote on executive compensation o more frequent basis if changes in our compensation programs or other circumstances suggest that such a vote would be appropriate.

Stockholders will be able to specify one of four choices for this proposal on the prox card: three years, two years, one year or abstain. Stockholders are not voting to appro or disapprove the Board's recommendation. This advisory vote on the frequency of future advisory votes on executive compensation is non-binding on the Board. Notwithstanding the Board's recommendation and the outcome of the stockholder vo the Board may in the future decide to conduct advisory votes on a more or less freque basis and may vary its practice based on factors such as discussions with stockholder and the adoption of material changes to compensation programs.

Board of Directors' Recommendation

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE TO CONDU FUTURE STOCKHOLDER ADVISORY VOTES ON EXECUTIVE COMPENSATION EVERY THREE YEARS.

Table of Contents

PROPOSAL FOUR
RATIFICATION OF WHITLEY PENN LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of the Board has appointed Whitley Penn LLP as the independ registered public accounting firm to perform the audit of the Company's consolidated financial statements for the fiscal year ending December 31, 2017. Whitley Penn LL audited the Company's consolidated financial statements for each of the last three fis years.

The Board is asking the stockholders to ratify the appointment of Whitley Penn LLP the Company's independent registered public accounting firm for the fiscal year endi December 31, 2017. Although not required by law, by NASDAQ rules or by the Company's bylaws, the Board is submitting the appointment of Whitley Penn LLP to stockholders for ratification as a matter of good corporate practice. Even if the appointment is ratified, the Audit Committee, in its discretion, may appoint a differen independent registered public accounting firm at any time during the year if it determines that such a change would be in the best interests of the Company and its stockholders.

Representatives of Whitley Penn LLP are expected to be present at the Annual Meeti They will have an opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions from the Company's stockholders.

Board of Directors' Recommendation

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF WHITLEY PENN LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FO THE FISCAL YEAR ENDING DECEMBER 31, 2017.

Audit and Non-Audit Services and Fees of Independent Registered Public Accountin Firm

	2016	2015
Audit fees(1)	$336,000	$328,000
Audit-related fees(2)	2,800	3,700
Total fees	$338,800	$331,700

(1) Audit fees represent fees for professional services provided in connection with the audit of our financial statements and review of our quarterly financial statements a audit services provided in connection with other statutory or regulatory filings.

(2) Audit-related fees consisted of accounting consultations.

The Audit Committee is directly responsible for the appointment, compensation, and oversight of the Company's independent registered public accounting firm.

The Audit Committee understands the need for Whitley Penn LLP, the Company's independent registered public accounting firm, to maintain objectivity and independence in its audits of the Company's financial statements. To help ensure the independence of the independent registered public accounting firm, the Audit Committee has adopted a policy for the pre-approval of all audit and non-audit servic to be performed for the Company by its independent registered public accounting fir Pursuant to this policy, all audit and non-audit services to be performed by the independent registered public accounting firm must be approved in advance by the Audit Committee. The Audit Committee may delegate to one or more of its members the authority to grant the required approvals, provided that any exercise of such authority is presented to the full Audit Committee at its next regularly scheduled meeting.

EXECUTIVE COMPENSATION

The following provides compensation information pursuant to the scaled disclosure rules applicable to “smaller reporting companies” under SEC rules.

Summary Compensation Table

The following table sets forth summary compensation information for the year ended December 31, 2016 for all persons serving as the Company’s (i) Chief Executive Off during 2016, (ii) each of the Company’s two most highly compensated executive offi other than the Chief Executive Officer who were serving as executive officers of the Company as of December 31, 2016. These persons are sometimes referred to elsewhe in this Proxy Statement as our “Named Executive Officers.”

Table of Contents

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary ($)	Option Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)(2)	Total ($)
John Campbell	2016	413,269	94,018	287,870	12,445	807,
President and Chief Executive Officer	2015	389,615	—	287,560	12,072	689,
Joe Walsh	2016	300,000	—	—	205	300,
Executive Chairman of the Board	2015	300,000	—	—	5,256	305,
Barbara Benson	2016	216,410	85,922	55,060	8,251	365,
Chief Financial Officer	2015	210,107	35,226	26,728	7,394	279,

(1) The amounts reported in this column for each Named Executive Officer reflect aggregate grant date fair value computed in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718. These are not amounts paid to or realized the individuals, and no such amounts were paid to the individuals in 2016 2015. These values were calculated using Black-Scholes option-pricing model with the following assumptions: expected stock volatility of 64.0% risk free rate(s) of 1.26% - 1.88%; expected years until exercise using the simplified method of 6.25 years; and a dividend yield of 0%. However, pursuant to SEC rules, the amounts above do not reflect any assumption t a portion of the awards will be forfeited. Additional information regardin outstanding stock options held by the Named Executive Officers is set fo in the Outstanding Equity Awards at Fiscal Year-End table.

(2) See the All Other Compensation Table (and footnotes thereto) for details.

The following table sets forth additional detail regarding the amounts reported under "All Other Compensation" column of the Summary Compensation Table, above.

ALL OTHER COMPENSATION TABLE

Name	Year	Life Insurance Premiums ($)	Company Contributions to 401(k)($)	Other Perq and Personal Benefits ($)	Total ($)
John Campbell	2016	4,495	7,950	—	12,445
	2015	4,122	7,950	—	12,072
Joe Walsh	2016	205	—	—	205
	2015	1,804	3,452	—	5,256
Barbara Benson	2016	301	7,950	—	8,251
	2015	289	7,105	—	7,394

Outstand Equity Awards Outstanding at Fiscal Year End

The following table lists the outstanding stock option awards held by our Named Executive Officers as of December 31, 2016. No awards of restricted stock have bee granted to any of our Named Executive Officers as of December 31, 2016.

Table of Contents

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

Name	Option Awards				
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date
John Campbell	400,000	—	—	1.30	12/8/2019
	70,833	29,167	—	2.14	3/13/2024
	7,292	27,708	—	4.50	3/8/2026
Barbara Benson	100,000	—	—	1.30	1/27/2020
	7,083	2,917	—	2.14	3/13/2024
	5,583	7,817	—	2.96	5/15/2025
	1,250	2,750	—	4.77	9/29/2025
	4,167	15,833	—	4.50	3/8/2026
	625	9,375	—	5.42	10/2/2026

Employment Arrangements

The Company or its subsidiaries are parties to certain employment agreements or arrangements with the Named Executive Officers listed in the Summary Compensati Table. The following is a summary of the key terms of these employment arrangeme with the Named Executive Officers.

Barbara Benson

In connection with her appointment as Chief Financial Officer, the Company enter into an offer letter agreement (the "Benson Agreement") with Ms. Benson confirmin terms of her at-will employment with the Company. Pursuant to the Benson Agreeme the Company agreed to provide Ms. Benson with an annual base salary of $200,000. The Benson Agreement also provides for an annual bonus opportunity a target paym of approximately 25% of base salary, subject to the attainment of annually establishe performance goals to be set each year by the Compensation Committee. In the event Ms. Benson's employment is terminated by the Company without cause, she is entitle to certain severance benefits. These benefits are: (x) salary continuation payments fo period of six months; and (y) continuation of health benefits at active employee rates six months. As a precondition to his receipt of such benefits, Ms. Benson is required deliver a general release of claims to the Company. The foregoing description of the Benson Agreement does not purport to be complete, and is qualified in its entirety by reference to the complete text of the Campbell Agreement which was filed with our periodic report on Form 10-Q for the three months ended March 31, 2013.

Ms. Benson also agreed to enter into the Company's standard confidentiality and non-disclosure agreement, which contains provisions customary for agreements of th type. These include confidentiality, non-disparagement, non-competition, and non-solicitation provisions.

John Campbell

In connection with his appointment as Chief Executive Officer, the Company entere into an offer letter agreement (the "Campbell Agreement") with Mr. Campbell confi the terms of his at-will employment with the Company. Pursuant to the Campbell

Agreement, the Company agreed to provide Mr. Campbell with an annual base salary
$350,000. The Campbell Agreement also provides for an annual bonus opportunity a
target payment of approximately 70% of base salary, subject to the attainment of annually established performance goals to be set each year by the compensation committee of the Board. Effective April 1, 2017 Mr. Campbell's annual base salary v
increased to $430,000 and his annual bonus opportunity remained at 70% of his revis
base salary. In the event Mr. Campbell's employment is terminated by the Company without cause, he is entitled to certain severance benefits. These benefits are: (x) sala
continuation payments for a period of twelve months; and (y) continuation of health benefits at active employee rates for twelve months. As a precondition to his receipt
such benefits, Mr. Campbell is required to deliver a general release of claims to the Company. The foregoing description of the Campbell Agreement does not purport to
complete, and is qualified in its entirety by reference to the complete text of the Campbell Agreement which was filed with our periodic report on Form 10-Q for the year ended March 31, 2013.

22

Table of Contents

Mr. Campbell also agreed to enter into the Company's standard confidentiality and non-disclosure agreement, which contains provisions customary for agreements of th type. These include confidentiality, non-disparagement, non-competition, and non-solicitation provisions.

Joe Walsh

In connection with his appointment as Executive Chairman of the Board and consulta the Company entered into an employment agreement (the "Walsh Agreement") with Walsh confirming the terms of his at-will employment with the Company. Pursuant t the Walsh Agreement, Mr. Walsh receives total annual compensation of $300,000.

Incentive Compensation Awards

Cash Incentive Awards. In addition to base salary compensation, the Company's Named Executive Officers also may be awarded cash bonuses for achieving certain performance levels. These bonuses are based on various quantitative and qualitative performance criteria and are designed to attract and retain qualified individuals and a to encourage them to meet the Company's desired performance goals. We have an annual discretionary performance bonus program for our Named Executive Officers a other personnel pursuant to which cash payments may be made based on the Compan performance in the applicable fiscal year. In February 2016, the Compensation Committee determined that annual bonus achievement for the Named Executive Officers would be based on a calculation 40% attributed to a matrix of targeted Cash Income performance, 40% attributed to a matrix of targeted Bookings performance, a 20% attributed to the achievement of certain individual performance objectives. Cash bonuses were paid based on achievement for each objective, as weighted, applied to each Named Executive Officer's bonus opportunity, which is a percentage of base salary.

Equity Incentive Awards. The Company provides long-term executive compensatio incentives that may be in the form of stock option awards, stock appreciation rights and/or restricted stock to more closely align the interests of management with the Company's stockholders. The Board believes that grants of stock option awards, stoc appreciation rights and/or restricted stock are an effective means of advancing the long-term interests of the Company's stockholders by integrating executive compensation with the long-term value of the Company's common stock. Grants of equity incentive awards to the Company's Named Executive Officers are made pursu to the Equity Incentive Plan. Stock options are granted under the Equity Incentive Pla at the prevailing market price on the date of grant and are valuable to the Named Executive Officers only if the Company's common stock appreciates. We believe tha equity-based compensation promotes and encourages long-term successful performan by our Named Executive Officers that is aligned with the organization's goals and th generation of stockholder value.

The Board granted stock options to certain of the Company's Named Executive Offic effective as of March 9, 2016, in (in the case of Mr. Campbell and Ms. Benson), and October 3, 2016 (in the case of Ms. Benson). Each of these awards was issued for the purpose of retaining the individual recipient and increasing the value of the Company The stock option awards described in the preceding paragraph as granted March 9, 20 have a vesting commencement date of March 31, 2016 with a term of ten years, durin which they vest ratably over the first four years, subject to the option holder continui to provide services to the Company through each such date. The stock option awards described in the preceding paragraph as granted October 3, 2016 have a vesting

commencement date of October 31, 2016 and identical terms to the March 9, 2016 st
option award.

Perquisites, Benefits and Other Compensation

The Company provides limited perquisites to the Named Executive Officers, which r
include life insurance and reimbursement of certain expenses. In addition, as part of t
Company’s overall compensation program, Named Executive Officers are entitled to
certain other benefits, including 401(k) plan, health, dental and vision insurance, life
insurance, short- and long-term disability insurance, and flexible spending accounts.
Compensation paid to the Named Executive Officers with respect to perquisites or su
other compensation is included in the “All Other Compensation” column of the Sumr
Compensation Table if required under applicable SEC rules.

The Board believes that these benefits are consistent with those offered by other companies and specifically with those companies with which we compete for employees.

ANNUAL REPORT

We will provide, without charge, a copy of our 2016 Annual Report on Form 10-K,
including the financial statements and financial statement schedules contained therei
as filed with the SEC, upon written request from any person or entity that was a hold
of record, or who represents in good faith that such person or entity was a beneficial

owner, of our common stock as of March 31, 2017. We will also furnish a requesting stockholder with any exhibit not contained in our 2016 Annual Report on Form 10-K upon specific request. Any such requests should be addressed to our Secretary at Cambium Learning Group, Inc., 17855 Dallas Parkway, Suite 400, Dallas, Texas 75287.

"HOUSEHOLDING" OF PROXY MATERIALS

The SEC has adopted rules that permit companies and intermediaries such as brokers satisfy delivery requirements for proxy statements with respect to two or more stockholders sharing the same address by delivering a single notice or set of proxy materials addressed to those stockholders. This process, which is commonly referred as "householding," potentially provides extra convenience for stockholders and cost savings for companies.

Some banks, brokers and other nominees may be participating in the practice of householding, and will therefore send a single Notice or set of proxy materials to multiple stockholders sharing an address, unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker or other nominee that they or we will be householding materials to your addre householding will continue until you are notified otherwise or until you revoke your consent. If at any time you no longer wish to participate in householding and would prefer to receive separate proxy solicitation materials, or if you are receiving multiple copies of the proxy solicitation materials and wish to receive only one, please notify your broker if your shares are held in a brokerage account or notify us if you are the record owner of your shares. You can notify us by sending a written request to the attention of our Secretary at Cambium Learning Group, Inc., 17855 Dallas Parkway, Suite 400, Dallas, Texas 75287, or call us at (888) 399-1995. In addition, if you are a stockholder as of the Record Date, we will deliver a separate copy of the Notice or proxy materials to you if you contact us at the above address or telephone number.

OTHER MATTERS

We are not aware of any other business to be presented at the Annual Meeting. As of the date of this Proxy Statement, no stockholder had advised us of the intent to prese any business at the Annual Meeting. Accordingly, the only business that our Board intends to present at the meeting is as set forth in this Proxy Statement.

If any other matter or matters are properly brought before the Annual Meeting, the proxies will use their discretion to vote on such matters in accordance with their best judgment.

By Order of the Board of Directors,

/s/ J. Scott McWhorter
J. Scott McWhorter
Secretary and General Counsel

Dallas, Texas
April 18, 2017

Table of Contents

CAMBIUM LEARNING GROUP, INC. ATTN: SCOTT MCWHORTER 17855 Dallas Parkway, Suite 400 Dallas, Texas 75287	VOTE BY INTERNET - www.proxyvote.com Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Ti on May 31, 2017. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records an to create an electronic voting instruction form. ELECTRONIC DELIVERY OF FUTURE PROXY MATERIAL If you would like to reduce the costs incurred by our company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically v e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, wher prompted, indicate that you agree to receive or access proxy materials electronically in future years. VOTE BY PHONE - 1-800-690-6903 Use any touch-tone telephone to transmit your voting instruction up until 11:59 P.M. Eastern Time on May 31, 2017. Have your proxy card in hand when you call and then follow the instruction VOTE BY MAIL Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:	KEEP THIS PORTION FOR YOUR RECORD
	DETACH AND RETURN THIS PORTION ON

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

The Board of Directors recommends you vote FOR the following:	For All	Withhold All	For All Except	To withhold au to vote for any individual nom mark "For All and write the number(s) of th nominee(s) on below.

1. Election of Directors

Nominees

01 David F. Bainbridge	02 Walter G. Bumphus	03 John Campbell	04 Clifford K. Chiu	05 Carolyn Getridge
06 Thomas Kalinske	07 Harold O. Levy	08 Jeffrey T. Stevenson	09 Joe Walsh	

The Board of Directors recommends you vote FOR the following proposal:	For	Against
2. Advisory resolution on the Company's executive compensation		

The Board of Directors recommends you vote 3 YEARS on the following proposal:	1 year	2 years	3 years
3. Advisory vote on the frequency of advisory votes on executive compensation.			

The Board of Directors recommends you vote FOR the following proposal:	For	Against
4. Ratification of the appointment of Whitley Penn LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2017.		

NOTE: Such other business as may properly come before the meeting or any adjournment or postponement thereof

For address change/comments, mark here (see reverse for instructions)

	Yes	No
Please indicate if you plan to attend this meeting		

Please sign exactly as your name(s) appear(s) hereon. When signing as an attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

Signature (PLEASE SIGN WITHIN BOX)	Date	Signature (Joint Owners)

Table of Contents

CAMBIUM LEARNING GROUP, INC.
2017 ANNUAL MEETING OF STOCKHOLDERS

WEDNESDAY MAY 31, 2017
8:00 a.m. (Central Time)

Offices of Cambium Learning Group, Inc.
17855 Dallas Parkway, Suite 400
Dallas, Texas 75287

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting: The Notice & Proxy Statement and Annual Report are available at www.proxyvote.com

Cambium Learning Group, Inc.
17855 Dallas Parkway, Suite 400
Dallas, Texas 75287

This proxy is solicited by the Board of Directors of Cambium Learning Group, Inc. for the use at the
2017 Annual Meeting of Stockholders on May 31, 2017

The shares of stock you hold in your account will be voted as you specify on the reverse side.

If no choice is specified, the proxy will be voted "FOR" Proposals 1, 2, 3 and 4 described on the reverse side.

By signing the proxy, you revoke all prior proxies and appoint Barbara Benson and Scott McWhorter with full power of substitution, to vote your shares on the matters

shown on the reverse side and any other matters which may come before the Annua
Meeting, including any motion to adjourn the meeting, and any adjournments or postponements of the meeting.

Address change/comments:

(If you noted any Address Changes and/or Comments above, please mark corresponding box on the reverse side.)

Continues and to be signed on the reverse side