

Ascent Solar Technologies, Inc.  
Form DEF 14A  
April 25, 2014  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A

(RULE 14a-101)

SCHEDULE 14A INFORMATION

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

ASCENT SOLAR TECHNOLOGIES, INC.

(Name of Registrant as Specified in its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1 ) Title of each class of securities to which transaction applies:

(2 ) Aggregate number of securities to which transaction applies:

(3 ) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4 ) Proposed maximum aggregate value of transaction:

(5 ) Total fee paid:

Fee paid previously with preliminary materials:

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1 ) Amount Previously Paid:

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

(3 ) Filing Party:

(4 ) Date Filed:



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April 25, 2014

Dear Stockholder:

You are cordially invited to attend the 2014 Annual Meeting of Stockholders of Ascent Solar Technologies, Inc. to be held on May 22, 2014. The meeting will be held at the office of Faegre Baker Daniels LLP, 1470 Walnut Street, Suite 300, Boulder, Colorado 80302, beginning at 2:00 p.m. Mountain Time. At this year's Annual Meeting, our stockholders will be asked to elect two Class 3 directors, to ratify the selection of Hein & Associates LLP as our independent registered public accounting firm, to conduct an advisory vote on the compensation of our executive officers, to approve an amendment to the Company's certificate of incorporation, to effect a reverse stock split of the Company's issued and outstanding common stock, to approve certain issuances of our common stock relating to our Series C preferred stock, and to approve an amendment and restatement of our 2008 Restricted Stock Plan that increases the number of shares authorized for issuance under that plan by 2,000,000 shares. Additional information about the Annual Meeting is given in the attached Notice of 2014 Annual Meeting of Stockholders and Proxy Statement.

Whether or not you plan to attend the Annual Meeting, we hope you will vote as soon as possible. Voting your proxy will ensure your representation at the Annual Meeting. If you attend the Annual Meeting in person, you may vote your shares in person even though you have previously given your proxy.

Sincerely,

Victor Lee  
President and Chief Executive Officer

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ASCENT SOLAR TECHNOLOGIES, INC.

12300 North Grant Street

Thornton, Colorado 80241

(720) 872-5000

NOTICE OF 2014 ANNUAL MEETING OF STOCKHOLDERS

May 22, 2014

at 2:00 p.m. Mountain Time

TO OUR STOCKHOLDERS:

NOTICE IS HEREBY GIVEN that the 2014 Annual Meeting of Stockholders (the "Annual Meeting") of Ascent Solar Technologies, Inc., a Delaware corporation, will be held on May 22, 2014, at 2:00 p.m. Mountain Time at the office of Faegre Baker Daniels LLP, 1470 Walnut Street, Suite 300, Boulder, Colorado 80302, for the following purposes, as more fully described in the Proxy Statement accompanying this notice:

1. ELECTION OF DIRECTORS. To elect two Class 3 directors to serve until the 2017 annual meeting of stockholders and their successors have been elected and qualified;

2. RATIFICATION OF AUDITORS. To ratify the Audit Committee's appointment of Hein & Associates LLP as our independent registered public accounting firm for the year ending December 31, 2014.

3. NON-BINDING ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION. To approve a non-binding resolution on the Company's compensation of its executive officers.

4. AUTHORIZATION FOR REVERSE STOCK SPLIT. To approve an amendment to the Company's certificate of incorporation (the "Certificate of Incorporation") to effect a reverse stock split of the Company's issued and outstanding common stock (the "Reverse Stock Split").

5. APPROVAL OF COMMON STOCK ISSUANCES. To approve the issuance by the Company, in connection with 1,000 authorized shares of the Company's Series C Preferred Stock, of more than 20% of the Company's issued and outstanding common stock at a price that may be less than the greater of book or market value of the Company's common stock.

6. AMENDMENT AND RESTATEMENT OF 2008 RESTRICTED STOCK PLAN. To approve an amendment and restatement of the Company's 2008 Restricted Stock Plan that increases the number of shares authorized for issuance under that plan by 2,000,000 shares;

7. ANY OTHER BUSINESS that may properly come before the Annual Meeting or any adjournments or postponements thereof.

Stockholders who owned shares of our common stock at the close of business on April 18, 2014 are entitled to receive notice of, attend and vote at the Annual Meeting and any adjournment or postponement thereof. A complete list of these stockholders will be available at our corporate offices listed above during regular business hours for the ten days prior to the Annual Meeting.

Your vote is important. Whether or not you plan to attend the Annual Meeting, please vote as soon as possible. If you received notice of how to access the proxy materials over the Internet, a proxy card was not sent to you, but you may vote by telephone or online. If you received a proxy card and other proxy materials by mail, you may vote by mailing a completed proxy card, by telephone or online. For specific voting instructions, please refer to the information provided in the following Proxy Statement, together with your proxy card or the voting instructions you receive by e-mail or that are provided via the Internet.

The Board of Directors recommends stockholders vote FOR the Class 3 director nominees and FOR Proposals 2, 3, 4, 5, and 6.

By Order of the Board of Directors

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Victor Lee

President and Chief Executive Officer

Thornton, Colorado

April 25, 2014

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on May 22, 2014 — The Proxy Statement and our Annual Report on Form 10-K for the fiscal year ended December 31, 2013 are available at [www.ascentsolar.com](http://www.ascentsolar.com).

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ASCENT SOLAR TECHNOLOGIES, INC.  
12300 North Grant Street  
Thornton, Colorado 80241  
(720) 872-5000

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PROXY STATEMENT

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Your proxy is being solicited by the Board of Directors (the “Board”) of Ascent Solar Technologies, Inc., a Delaware corporation, for use at the 2014 Annual Meeting of Stockholders (the “Annual Meeting”) to be held at 2:00 p.m. Mountain Time on May 22, 2014, or at any adjournment or postponement thereof, for the purposes set forth in this Proxy Statement. The Annual Meeting will be held at the office of Faegre Baker Daniels LLP, 1470 Walnut Street, Suite 300, Boulder, Colorado 80302.

These proxy materials are first being provided on or about April 25, 2014 to all stockholders as of the record date, April 18, 2014. Stockholders who owned our common stock at the close of business on April 18, 2014 are entitled to receive notice of, attend and vote at the Annual Meeting. On the record date, there were 75,901,029 shares of our common stock outstanding.

This Proxy Statement is being furnished to you with a copy of our Annual Report on Form 10-K for the fiscal year ended December 31, 2013 (the “Annual Report”), which was filed with the Securities and Exchange Commission (the “SEC”) on March 28, 2014. We will provide, without charge, additional copies of our Annual Report upon request. Any exhibits listed in the Annual Report also will be furnished upon request at the actual expense we incur in furnishing such exhibit to you. Any such requests should be directed to our Corporate Secretary at our executive offices set forth above.

References to the “Company,” “Ascent Solar,” “our,” “us” or “we” mean Ascent Solar Technologies, Inc.

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### VOTING AND RELATED MATTERS

#### Voting Procedures

As a stockholder of Ascent Solar, you have a right to vote on certain business matters affecting us. The proposals that will be presented at the Annual Meeting and upon which you are being asked to vote are discussed below. Each share of our common stock you owned as of the record date entitles you to one vote on each proposal presented at the Annual Meeting.

#### Methods of Voting

You may vote over the Internet, by telephone, by mail or in person at the Annual Meeting.

**Voting over the Internet.** You can vote via the Internet. The website address for Internet voting and the instructions for voting are provided on your Notice or proxy card. You will need to use the control number appearing on your Notice or proxy card to vote via the Internet. If you vote via the Internet you do not need to vote by telephone or return a proxy card.

**Voting by Telephone.** You can vote by telephone by calling the toll-free telephone number provided on your proxy card. You will need to use the control number appearing on your Notice or proxy card to vote by telephone. If you vote by telephone you do not need to vote over the Internet or return a proxy card.

**Voting by Mail.** If you received a printed proxy card, you can vote by marking, dating and signing it, and returning it in the postage-paid envelope provided. You may also download the form of proxy card off the Internet and mail it to us. Please promptly mail your proxy card to ensure that it is received prior to the closing of the polls at the Annual Meeting.

**Voting in Person at the Meeting.** If you attend the Annual Meeting and plan to vote in person, we will provide you with a ballot at the Annual Meeting. If your shares are registered directly in your name, you are considered the stockholder of record, and you have the right to vote in person at the Annual Meeting. If your shares are held in the name of your broker or other nominee, you are considered the beneficial owner of shares held in street name. As a beneficial owner, if you wish to vote at the Annual Meeting, you will need to bring to the Annual Meeting a legal proxy from your broker or other nominee authorizing you to vote those shares.

#### Revoking Your Proxy

You may revoke your proxy at any time before it is voted at the Annual Meeting. To do this, you must:

- enter a new vote over the Internet or by telephone, or by signing and returning a replacement proxy card;
- provide written notice by May 22, 2014 of the revocation to our Corporate Secretary at our principal executive offices, which are located at 12300 North Grant Street, Thornton, Colorado 80241; or
- attend the Annual Meeting and vote in person.

#### Quorum and Voting Requirements

Stockholders of record at the close of business on April 18, 2014 are entitled to receive notice and vote at the meeting. On the record date, there were 75,901,029 issued and outstanding shares of our common stock. Each holder of our common stock voting at the meeting, either in person or by proxy, may cast one vote per share of common stock held on all matters to be voted on at the meeting.

The presence, in person or by proxy, of the holders of a majority of the outstanding shares of common stock entitled to vote constitutes a quorum for the transaction of business at the meeting. Assuming that a quorum is present:

- (1) the affirmative vote of a majority of the shares having voting power present in person or by proxy will be required to elect each director nominee;
- (2) the affirmative vote of a majority of the shares having voting power present in person or by proxy will be required to ratify the appointment of Hein & Associates LLP as our independent registered public accounting firm for the year ending December 31, 2014;
- (3) the affirmative vote of the holders of a majority of the outstanding shares of Common Stock will be required to approve the authorization of the Board of Directors to implement a Reverse Stock Split;
- (4) the affirmative vote of a majority of the votes cast will be required to approve the issuance by the Company, in accordance with 1,000 authorized shares of the Company's Series C preferred stock, of more than 20% of the Company's issued and outstanding common stock at a price that may be less than the greater of book or market



value of the Company's common stock;

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the affirmative vote of a majority of the shares having voting power present in person or by proxy will be required (5) to approve the amendment and restatement of the 2008 Restricted Stock Plan (the "Restricted Stock Plan") that increases the number of shares authorized for issuance under that plan by 2,000,000 shares; and unless otherwise required by our Second Amended and Restated Bylaws (the "Bylaws") or by applicable law, the affirmative vote of a majority of the shares present having voting power in person or by proxy will be required to (6) approve any other matter properly presented for a vote at the meeting; provided that if any stockholders are entitled to vote thereon as a class, such approval will require the affirmative vote of a majority of the shares entitled to vote as a class who are present in person or by proxy.

The vote on Proposal 3 is a non-binding advisory vote. The Board of Directors will consider our executive officer compensation to have been approved by stockholders if Proposal 3 receives more votes "For" than "Against." Votes cast by proxy or in person at the meeting will be tabulated by the election inspectors appointed for the meeting. Such inspectors will also determine whether a quorum is present. The election inspectors will treat abstentions as shares that are present and entitled to vote for purposes of determining the presence of a quorum, but as unvoted for purposes of determining the approval of any matter submitted to the stockholders for a vote. If your shares are held in street name and you do not instruct your broker on how to vote your shares, your brokerage firm, in its discretion, may either leave your shares unvoted or vote your shares on routine matters. The election of directors, the advisory vote to approve executive compensation, the reverse stock split proposal, the proposal to approve the issuance of shares pursuant to our Series C preferred stock, and the proposal to amend and restate the Restricted Stock Plan are considered non-routine matters. Consequently, without your voting instructions, your brokerage firm cannot vote your shares on these proposals. These unvoted shares, called "broker non-votes," refer to shares held by brokers who have not received voting instructions from their clients and who do not have discretionary authority to vote on non-routine matters. The proposal to ratify the appointment of Hein & Associates LLP as our independent registered public accounting firm for the current fiscal year is considered a routine matter. To the extent your brokerage firm votes your shares on your behalf on this proposal, your shares also will be counted as present for the purpose of determining a quorum.

Abstentions shall have no effect on the outcome of Proposal 5 (approval of issuance of common shares pursuant to our Series C preferred stock). Abstentions shall have the same effect as a vote against Proposals 1 (election of directors), 2 (approval of auditors), 3 (advisory vote on executive compensation), 4 (approval of reverse stock split), and 6 (approval of amendment to restricted stock plan).

Broker non-votes shall have the same effect as a vote against Proposal 4 (approval of reverse stock split). Broker non-votes shall have no effect on the outcome of Proposals 1 (election of directors), 2 (approval of auditors), 3 (advisory vote on executive compensation), 5 (approval of common shares pursuant to our Series C preferred stock), and 6 (approval of amendment to restricted stock plan).

Voting of Proxies

When a proxy is properly executed and returned, the shares it represents will be voted at the Annual Meeting as directed. If no specification is indicated, the shares will be voted:

- (1) "for" the election of the director nominees set forth in this Proxy Statement;
- (2) "for" the ratification of the appointment of Hein & Associates LLP as our independent registered public accounting firm for the year ending December 31, 2014;
- (3) "for" the approval, on an advisory basis, of the compensation of our executive officers;
- (4) "for" the authorization of the Board of Directors to implement a Reverse Stock Split.
- (5) "for" the issuance by the Company, in accordance with 1,000 authorized shares of Series C preferred stock, of more than 20% of the Company's issued and outstanding common stock at a price that may be less than the greater

of book or market value of the Company's common stock;

(6) "for" the amendment and restatement of the 2008 Restricted Stock Plan that increases the number of shares authorized for issuance under that plan by 2,000,000 shares; and

(7) at the discretion of your proxies on any other matter that may be properly brought before the Annual Meeting.

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If your shares are held in street name and you do not instruct your broker on how to vote your shares, your brokerage firm, in its discretion, may either leave your shares unvoted or vote your shares on routine matters, which include the ratification of our independent registered public accounting firm.

### Voting Confidentiality

Proxies, ballots and voting tabulations are handled on a confidential basis to protect your voting privacy. This information will not be disclosed, except as required by law.

### Voting Results

Voting results will be announced at the Annual Meeting and published in a Form 8-K to be filed within four (4) business days after the Annual Meeting.

### Householding of Proxy Materials

In a further effort to reduce printing costs and postage fees, we have adopted a practice approved by the SEC called "householding." Under this practice, stockholders who have the same address and last name and do not participate in electronic delivery of proxy materials will receive only one copy of our proxy materials, unless one or more of these stockholders notifies us that he or she wishes to continue receiving individual copies.

If: (1) you share an address with another stockholder and received only one set of proxy materials, and would like to request a separate paper copy of these materials; or (2) you share an address with another stockholder and in the future together you would like to receive only a single paper copy of these materials, please notify our Corporate Secretary by mail at 12300 North Grant Street, Thornton, Colorado 80241.

### Proxy Solicitation

We will bear the cost of this solicitation. In addition, we may reimburse brokerage firms and other persons representing beneficial owners of shares for reasonable expenses incurred in forwarding solicitation materials to such beneficial owners. Proxies also may be solicited by our directors, officers or employees, personally, or by mail, facsimile, telephone, messenger or via the Internet, without additional compensation.

### Driving Directions to the Annual Meeting

The office of Faegre Baker Daniels LLP, located at 1470 Walnut Street, Suite 300, Boulder, Colorado 80302, is approximately 43 miles from Denver International Airport. From the Airport, take Pena Boulevard to Exit 6B C-470 West. Continue on C-470 West to Highway 36 West. Turn left onto Canyon Boulevard, right on 13th Street and right on Walnut Street.

## EXECUTIVE OFFICERS AND DIRECTORS

Our executive officers, continuing directors and director nominees, their ages and positions with us as of April 18, 2014, are as follows:

Name	Age	Position
Victor Lee	46	President and Chief Executive Officer, Director
William M. Gregorak	58	Vice President and Chief Financial Officer
Amit Kumar, Ph.D.	49	Chairman of the Board, Director
Kim J. Huntley	59	Director
G. Thomas Marsh	70	Director
Xu Biao	44	Director

Victor Lee (Lee Kong Hian) has been the President and Chief Executive Officer of Ascent Solar Technologies Inc. since February 1, 2012 and as a member of our Board since November 2011. Mr. Victor Lee is the managing director of Tertius Financial Group Pte Ltd, a boutique corporate advisory and private investment firm he founded in February 2009. He brings more than 17 years of experience in corporate banking, real estate finance and investment management, and corporate advisory services at leading worldwide financial institutions. Mr. Victor Lee began his career at Citibank N.A., in 1993, handling small- and medium-sized corporate finance and progressed to a vice president position in the International Personal Banking Division. In 1999 he moved to Deutsche Bank AG as Vice President and in 2004 was promoted to managing director Singapore Market



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Head in the Private Wealth Management Division, where he was responsible for management of approximately \$1 Billion in assets. From 2007 until 2009, he was with Morgan Stanley Private Wealth Management, most recently as executive director and head of Singapore/Malaysia markets. Mr. Victor Lee holds a Bachelor's degree in Accounting from the University of Wisconsin and a Master's in Wealth Management from the Singapore Management University. Mr. Victor Lee is a designated board representative of TFG Radiant pursuant to the Amended and Restated Stockholders Agreement between us and TFG Radiant.

William M. Gregorak has served as our Vice President, Chief Financial Officer, and Secretary since September 2013. Prior to joining Ascent Solar, Mr. Gregorak served as Vice President and CFO of Thule Organization Solutions, a consumer products manufacturer of personal electronics cases sold under both the Case Logic® and Thule brands®, from 2008-2013; overseeing organizations in the United States, Europe and Hong Kong. Before Thule, Mr. Gregorak was the Vice President and corporate controller for Advanced Energy and Xilinx Corporations, both of which currently trade on the NASDAQ. Advanced Energy is a manufacturer of semiconductor equipment with operations in both the United States and China, while Xilinx is a manufacturer of semiconductors with operations spanning the United States, Ireland and Singapore. Prior to 2000, Mr. Gregorak spent 17 years with Hewlett-Packard in various financial and operational capacities. Mr. Gregorak holds a Bachelor's degree in Economics from the University of Washington.

Amit Kumar, Ph.D. has served on our Board of Directors since June 2007 and as Chairman since January 2011. Dr. Kumar is currently President and CEO of Geo Fossil Fuels, LLC, a privately held Energy company. From September 2001 until June 30, 2010, Dr. Kumar was President and CEO of CombiMatrix Corporation (NASDAQ: CBMX). Previously, Dr. Kumar was Vice President of Life Sciences of Acacia Research Corp (NASDAQ: ACTG). From January 1999 to February 2000, Dr. Kumar was the founding President and Chief Executive Officer of Signature BioSciences, Inc., a life science company developing technology for advanced research in genomics, proteomics and drug discovery. From January 1998 to December 1999, Dr. Kumar was an Entrepreneur in Residence with Oak Investment Partners, a venture capital firm. From October 1996 to January 1998, Dr. Kumar was a Senior Manager at IDEXX Laboratories, Inc., a biotechnology company. From October 1993 to September 1996, Dr. Kumar was Head of Research & Development for Idetek Corporation, which was later acquired by IDEXX Laboratories, Inc. Dr. Kumar received his B.S. degree in chemistry from Occidental College. After joint studies at Stanford University and the California Institute of Technology, he received his Ph.D. in Chemistry from Caltech in 1991. He also completed a post-doctoral fellowship at Harvard University in 1993. Dr. Kumar has authored and co-authored over 40 peer-reviewed publications and holds a dozen patents. Dr. Kumar brings significant leadership experience as well as experience in photovoltaic research including work on energy conversion using cells made from silicon (single crystal, polycrystalline, and amorphous), gallium arsenide, indium phosphide, metal oxides and other materials. Dr. Kumar is a member of the Board of Directors of CopyTele, Inc. (OTC: COPY) and Aeolus Pharmaceuticals (OTC: AOLS).

Kim J. Huntley has served on our Board of Directors since June 2010. Mr. Huntley served in the Defense Logistics Agency (DLA) of the U.S. Department of Defense (DOD) for more than 32 years in positions of increasing responsibility. Most recently, from July 2008 until his retirement in January 2010, Mr. Huntley served as Director of the Defense Energy Support Center (DESC) in Fort Belvoir, Virginia. The DESC operates as part of the DLA and is responsible for providing energy solutions to the DOD and federal civilian agencies. As Director of the DESC, Mr. Huntley was the principal executive officer in charge of approximately 1,100 employees worldwide and over \$25 billion in annual appropriations involving energy infrastructure and products. From March 2006 and immediately prior to becoming Director of the DESC, Mr. Huntley served in leadership roles involving supply chain management, including Deputy Commander for the Defense Supply Center in Richmond, Virginia and Columbus, Ohio, and as Executive Director of Customer Support and Readiness. From December 2003 to March 2006, Mr. Huntley served as Chief of the Customer Support Office in Fort Belvoir, Virginia. Mr. Huntley chaired the Inter Agency Working Group for Alternative Fuels and Renewable Energy from January 2009 to January 2010. The Group included senior energy representatives from DOD, DOE, EPA, and other major Federal Agencies. Mr. Huntley holds a B.A. degree in Economics from Golden Gate University and attended post-graduate courses in economics at California State

University, Hayward. Mr. Huntley brings extensive supply chain, budget and defense industry experience to our Board.

G. Thomas Marsh has served on our Board of Directors since June 2010. In June 2006, Mr. Marsh retired as Executive Vice President of Lockheed Martin Space Systems Company, a subsidiary of Lockheed Martin Corporation. Lockheed Martin Space Systems designs, develops, tests, manufactures and operates advanced-technology systems, including human space flight systems, satellites and instruments, space observatories and interplanetary spacecraft, laser radar, fleet ballistic missiles, and missile defense systems. From 1969 until its merger in 1995 to form Lockheed Martin Corporation, Mr. Marsh worked at Martin Marietta Corporation, most recently in the position of President, Manned Space Systems. After 1995, he held positions of increasing responsibility within Lockheed Martin Corporation, including serving as President and General Manager of the Missiles and Space Operations business unit from 2002 until his appointment as Executive Vice President of Lockheed Martin Space Systems in 2003. Mr. Marsh was responsible for business operations and the activities of approximately 18,000 Space Systems employees. Mr. Marsh holds a B.S. degree in Electrical Engineering from the University of New Mexico, an M.B.A.

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from the University of Colorado, and attended the Massachusetts Institute of Technology's Sloan School of Management. Mr. Marsh brings a background in executive management and deep experience with the space and defense industries to our Board.

Xu Biao (Winston Xu) has served on our Board of Directors since April 2012. Mr. Xu currently serves as the Chairman of Radiant Group which he founded in 1997, and as the Chairman of TFG Radiant Investment Group Ltd., a joint venture between Radiant Group and Tertius Financial Group, a private investment firm based in Singapore. Mr. Xu has more than 15 years of experience with investments and operations for a broad spectrum of business start-ups, developments, turnarounds and private equity investments. As a fellow Chartered Institute of Building ("CIOB") member, Mr. Xu is an industry expert in the areas of metallic roofing design and construction, building materials, manufacturing, and international trading. Mr. Xu is a self-made entrepreneur and has businesses footprints spanning the world. He started his career in 1995 as a project manager for Shenzhen Nanli Decorate Construction Company where he designed and developed over thirty types of profiles and systems and is the owner of such intellectual property. He is a certified engineer in Construction Management from China National Institute of Engineers. He holds a Bachelor of Science degree in Industrial Design from ZhongNan Industrial University, and a MBA from QingHua University. Mr. Xu is a designated board representative of TFG Radiant pursuant to the Amended and Restated Stockholders Agreement between us and TFG Radiant.

## CORPORATE GOVERNANCE

### Overview

Our Bylaws provide that the size of our Board of Directors is to be determined from time to time by resolution of the Board of Directors, but shall consist of at least two and no more than nine members. Our Board of Directors currently consists of five members. Following the annual meeting, the Board of Directors will consist of five members. The Board has determined that the following directors are "independent" as required by the listing standards of the NASDAQ Stock Market and by our corporate governance guidelines: Dr. Kumar, Mr. Huntley and Mr. Marsh. Our Certificate of Incorporation provides that the Board of Directors will be divided into three classes. Our Class 1 director is Dr. Amit Kumar. Our Class 2 directors are Kim J. Huntley and G. Thomas Marsh. Our Class 3 directors are Victor Lee and Xu Biao. The terms of Messrs. Lee and Xu expire at the Annual Meeting. Upon the recommendation of the Nominating and Governance Committee, the Board has nominated Messrs. Lee and Xu as the Class 3 director nominees.

### Board Leadership Structure and Role in Risk Oversight

We currently separate the roles of Chairman of the Board and Chief Executive Officer. We believe that Dr. Kumar possesses the strategic, technical and industry knowledge and expertise to serve as our Chairman. As President and Chief Executive Officer, Mr. Victor Lee is responsible for day-to-day oversight of our operations and personnel. Notwithstanding the foregoing, our Board does not have a formal policy regarding separation of the Chairman and Chief Executive Officer roles, and the Board may in the future decide to implement such a policy if it deems it in the best interests of us and our stockholders. The Board does not have a lead independent director.

Risk is inherent with every business, and how well a business manages risk can ultimately determine its success. We face a number of risks, including credit risk, interest rate risk, liquidity risk, operational risk, strategic risk and reputation risk. Management is responsible for the day-to-day management of risks we face, while the Board, as a whole and through its committees, has responsibility for the oversight of risk management. In its risk oversight role, the Board of Directors has the responsibility to satisfy itself that the risk management processes designed and implemented by management are adequate and functioning as designed. To do this, the Chairman of the Board meets regularly with management to discuss strategy and the risks we face. In addition, the Audit Committee regularly monitors our enterprise risk, including financial risks, through reports from management. Senior management attends the Board meetings and is available to address any questions or concerns raised by the Board on risk management and any other matters. The Chairman of the Board and independent members of the Board work together to provide strong, independent oversight of our management and affairs through the Board's standing committees and, when necessary, executive sessions of the independent directors.

### Committees of the Board of Directors



Our Board has three standing committees: an Audit Committee, a Compensation Committee, and a Nominating and Governance Committee. Each committee operates pursuant to a charter. The charters of the Audit Committee, the Compensation Committee, and the Nominating and Governance Committee can be found on our website [www.ascentsolar.com](http://www.ascentsolar.com).

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Audit Committee. Our Audit Committee oversees our accounting and financial reporting processes, internal systems of accounting and financial controls, relationships with independent auditors, and audits of financial statements. Specific responsibilities include the following:

- selecting, hiring and terminating our independent auditors;
- evaluating the qualifications, independence and performance of our independent auditors;
- approving the audit and non-audit services to be performed by our independent auditors;
- reviewing the design, implementation, adequacy and effectiveness of our internal controls and critical accounting policies;
- reviewing and monitoring the enterprise risk management process;
- overseeing and monitoring the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to financial statements or accounting matters;
- reviewing, with management and our independent auditors, any earnings announcements and other public announcements regarding our results of operations; and
- preparing the report that the SEC requires in our annual proxy statement.

Our Audit Committee is comprised of Mr. Huntley, Dr. Kumar and Mr. Marsh. Mr. Huntley serves as Chairman of the Audit Committee. The Board has determined that all members of the Audit Committee are independent under the rules of The NASDAQ Stock Market, and that Mr. Huntley qualifies as an “audit committee financial expert,” as defined by the rules of the SEC.

Compensation Committee. Our Compensation Committee assists our Board in determining the development plans and compensation of our officers, directors and employees. Specific responsibilities include the following:

- approving the compensation and benefits of our executive officers;
- reviewing the performance objectives and actual performance of our officers; and
- administering our stock option and other equity compensation plans.

The Compensation Committee reviews all components of compensation including base salary, bonus, equity compensation, benefits and other perquisites. In addition to reviewing competitive market values, the Compensation Committee also examines the total compensation mix, pay-for-performance relationship and how all elements, in the aggregate, comprise the executives’ total compensation package. The CEO makes recommendations to the Compensation Committee from time to time regarding the appropriate mix and level of compensation for other officers. Those recommendations consider the objectives of our compensation philosophy and the range of compensation programs authorized by the Compensation Committee. The Compensation Committee may determine director compensation by reviewing peer group data. Although the Compensation Committee has the authority to retain outside third parties, it does not currently utilize any outside consultants. The Compensation Committee may delegate certain of its responsibilities, as it deems appropriate, to other committees or officers.

Our Compensation Committee is comprised of Mr. Marsh, Mr. Huntley and Dr. Kumar. Mr. Marsh serves as Chairman of the Compensation Committee. Our Board has determined that all members of the Compensation Committee are independent under the rules of The NASDAQ Stock Market.

Nominating and Governance Committee. Our Nominating and Governance Committee assists our Board by identifying and recommending individuals qualified to become members of our Board, reviewing correspondence from our stockholders, and establishing, evaluating and overseeing our corporate governance guidelines. Specific responsibilities include the following:

- evaluating the composition, size and governance of our Board and its committees and making recommendations regarding future planning and the appointment of directors to our committees;
- establishing a policy for considering stockholder nominees for election to our Board; and
- evaluating and recommending candidates for election to our Board.

Our Nominating and Governance Committee is comprised of Dr. Kumar, Mr. Huntley, and Mr. Marsh. Dr. Kumar serves as Chairman of our Nominating and Governance Committee. Our Board has determined that all members of the Nominating and Governance Committee are independent under the rules of The NASDAQ Stock Market.

When considering potential director candidates for nomination or election, the following characteristics are considered in accordance with our Nominating and Governance Committee Charter:

- high standard of personal and professional ethics, integrity and values;
- training, experience and ability at making and overseeing policy in business, government and/or education sectors;
- willingness and ability to keep an open mind when considering matters affecting interests of us and our constituents;

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- willingness and ability to devote the time and effort required to effectively fulfill the duties and responsibilities related to the Board and its committees;
- willingness and ability to serve on the Board for multiple terms, if nominated and elected, to enable development of a deeper understanding of our business affairs;
- willingness not to engage in activities or interests that may create a conflict of interest with a director's responsibilities and duties to us and our constituents; and
- willingness to act in the best interests of us and our constituents, and objectively assess Board, committee and management performances.

In addition, in order to maintain an effective mix of skills and backgrounds among the members of our Board, the following characteristics also may be considered when filling vacancies or identifying candidates:

- diversity (e.g., age, geography, professional, other);
- professional experience;
- industry knowledge (e.g., relevant industry or trade association participation);
- skills and expertise (e.g., accounting or financial);
- leadership qualities;
- public company board and committee experience;
- non-business-related activities and experience (e.g., academic, civic, public interest);
- continuity (including succession planning);
- size of the Board;
- number and type of committees, and committee sizes; and
- legal and other applicable requirements and recommendations, and other corporate governance-related guidance regarding Board and committee composition.

The Nominating and Governance Committee will consider candidates recommended by stockholders who follow the nomination procedures in our bylaws. The Nominating and Governance Committee does not have a formal policy with respect to diversity; however, as noted above, the Board and the Nominating and Governance Committee believe that it is essential that Board members represent diverse viewpoints.

### Number of Meetings

The Board held a total of 6 meetings in 2013. Our Audit Committee held 8 meetings, our Compensation Committee held 4 meetings, and our Nominating and Governance Committee held 2 meetings in 2013. With the exception of Winston Xu, each director attended at least 75% of the aggregate of the total number of meetings of the Board and the Board committees on which he served.

### Board Member Attendance at Annual Stockholder Meetings

Although we do not have a formal policy regarding director attendance at annual stockholder meetings, directors are encouraged to attend these annual meetings absent extenuating circumstances. Our 2013 annual meeting was attended by all five directors serving at the time.

### Stockholder Nominations

In accordance with our Bylaws, a stockholder wishing to nominate a director for election at an annual or special meeting of stockholders must timely submit a written proposal of nomination to us at our executive offices. To be timely, a written proposal of nomination for an annual meeting of stockholders must be received at least 90 calendar days but no more than 120 calendar days before the first anniversary of the date on which we held our annual meeting of stockholders in the immediately preceding year; provided, however, that in the event that the date of the annual meeting is advanced or delayed more than 30 calendar days from the anniversary of the annual meeting of stockholders in the immediately preceding year, the written proposal must be received: (i) at least 90 calendar days but no more than 120 calendar days prior to the date of the annual meeting; or (ii) no more than 10 days after the date we first publicly announce the date of the annual meeting. A written proposal of nomination for a special meeting of stockholders must be received no earlier than 120 calendar days prior to the date of the special meeting nor any later than the later of: (i) 90 calendar days prior to the date of the special meeting; and (ii) 10 days after the date we first

publicly announce the date of the special meeting.

Each written proposal for a nominee must contain: (i) the name, age, business address and telephone number, and residence address and telephone number of the nominee; (ii) the current principal occupation or employment of each nominee, and the principal occupation or employment of each nominee for the prior ten (10) years; (iii) a complete list of companies, whether publicly traded or privately held, on which the nominee serves (or, during any of the prior ten (10) years, has served) as a member

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of the board of directors; (iv) the number of shares of our common stock that are owned of record and beneficially by each nominee; (v) a statement whether the nominee, if elected, intends to tender, promptly following such person's failure to receive the required vote for election or reelection at the next meeting at which the nominee would face election or reelection, an irrevocable resignation effective upon acceptance of such resignation by the Board; (vi) a completed and signed questionnaire, representation and agreement relating to voting agreements or commitments to which the nominee is a party; (vii) other information concerning the nominee that would be required in a proxy statement soliciting the nominee's election; and (viii) information about, and representations from, the stockholder making the nomination.

A stockholder interested in submitting a nominee for election to the Board of Directors should refer to our Bylaws for additional requirements. Upon receipt of a written proposal of nomination meeting these requirements, the Nominating and Governance Committee of the Board will evaluate the nominee in accordance with its charter and the characteristics listed above.

Director Compensation

In 2013, our independent directors each received an annual cash retainer of \$20,000 and restricted stock units valued at \$35,000 based on the closing price of our common stock on December 31, 2012. In addition, an independent director received: (1) for serving as a Board committee member, restricted stock unit awards valued at \$10,000 based on the closing price of our common stock as of December 31, 2012; (2) for serving as a committee chairman, restricted stock unit awards valued at \$20,000 based on the closing price of our common stock on December 31, 2012; and (3) for serving as chairman of the Board, additional cash compensation of \$100,000 and restricted stock unit awards valued at \$40,000 based on the closing price of our common stock on December 31, 2012.

The following Director Compensation Table summarizes the compensation of each of our non-employee directors for services rendered to us during the year ended December 31, 2013:

2013 Director Compensation Table

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)(1)	All Other Comp (\$)	Total (\$)
Amit Kumar	120,000	114,998	—	234,998
Kim J. Huntley	20,000	74,998	—	94,998
G. Thomas Marsh	20,000	74,998	—	94,998
Victor Lee	—	—	—	—
Xu Biao	—	—	—	—

(1) Represents the aggregate grant date fair value of restricted stock unit awards computed in accordance with FASB ASC Topic 718 for awards of stock granted during the year ended December 31, 2013.

In addition to the fees listed above, we reimburse the directors for travel expenses submitted to us related to their attendance at meetings of the Board or its committees. The directors did not receive any other compensation or personal benefits.

Code of Ethics

We have adopted a code of ethics that applies to our principal executive officer, principal financial officer, principal accounting officer and other senior finance and accounting staff. The code is designed to, among other things, deter wrongdoing and to promote the honest and ethical conduct of our officers and employees. The text of our code of ethics can be found on our Internet website at [www.ascentsolar.com](http://www.ascentsolar.com). If we effect an amendment to, or waiver from, a provision of our code of ethics, we intend to satisfy our disclosure requirements by posting a description of such amendment or waiver on that Internet website or via a current report on Form 8-K.

Communication with the Board of Directors

Stockholders may communicate with the Board by sending correspondence to our Chairman, c/o the Corporate Secretary, at our corporate address on the cover of this Proxy Statement. It is our practice to forward all such correspondence to our Chairman, who is responsible for determining whether to relay the correspondence to the other members of the Board.

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## EXECUTIVE COMPENSATION

## Compensation of Executive Officers in 2013

The following Summary Compensation Table sets forth certain information regarding the compensation of our principal executive officer and former chief financial officer for services rendered in all capacities to us during the years ended December 31, 2013 and 2012.

## Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)(1)	Option Awards (\$)(2)	All Other Comp(\$)	Total (\$)
Victor Lee—Chief Executive Officer(3)	2013	—	—	—	95,660	—	95,660
	2012	—	—	—	—	—	—
Gary Gatchell—Former Chief Financial Officer(4)	2013	148,096	—	—	23,915	—	172,011
	2012	204,231	50,000	—	—	—	254,231

(1) Represents the aggregate grant date fair value computed in accordance with FASB ASC Topic 718 for awards of stock awards granted during the years ended December 31, 2013 and 2012.

(2) Represents the aggregate grant date fair value computed in accordance with FASB ASC Topic 718 for options granted during the years ended December 31, 2013 and 2012.

Mr. Lee became our CEO in February 2012. Mr. Lee agreed at that time to serve as CEO without any cash compensation. Mr. Lee is reimbursed for travel expenses in accordance with the Company's expense reimbursement policies. As described below, we entered into an employment agreement with Mr. Lee effective March 31, 2014.

(4) Gary Gatchell voluntarily resigned as our Chief Financial Officer on August 30, 2013.

## Executive Employment Agreements

As of December 31, 2013, we did not have any executive employment agreements.

On April 4, 2014, we entered into an employment agreement with Mr. Lee. The employment agreement provides that Mr. Lee will receive an annual base salary of \$300,000, subject to annual adjustments as determined by our board. Mr. Lee will also be eligible for an annual bonus of up to 100% of his base salary as determined at the sole discretion of our board or compensation committee. Under this agreement, if the Company terminates Mr. Lee without cause, Mr. Lee is entitled to receive twelve months of base salary from the date of termination. In addition, if Mr. Lee is terminated without Cause, an additional portion of his stock options will become vested. In addition, the employment agreement provides that Mr. Lee is eligible to participate in the Company's standard benefit plans and programs. As provided in the employment agreement, Mr. Lee was granted stock options to purchase 200,000 shares of the Company's common stock. These options vest in four equal annual installments on the first, second, third and fourth anniversaries of the employment agreement date, with an exercise price of \$0.55 per share. These options expire on April 4, 2024.

The following table sets forth information concerning the outstanding equity awards granted to the named executive officers as of December 31, 2013.

## Outstanding Equity Awards at Fiscal Year-End 2013



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Name	Option Awards Number of Securities Underlying Unexercised Options(#)		Option Exercise Price(\$/sh)	Option Expiration Date	Stock Awards Number of Shares or Market Value of Shares or Units of Stock That Have Not Vested	
	Exercisable	Unexercisable			Units of Stock That Have Not Vested	Units of Stock That Have Not Vested
Victor Lee(1)	—	200,000	\$0.65	3/1/2023	—	—
Gary Gatchell(2)	—	—	\$—		—	—

Vesting dates of securities underlying unexercised options and stock awards not yet vested as of December 31, 2013:

(1) \$0.65 options—100,000 vesting on 3/01/14 and 100,000 vesting on 3/01/15

(2) Gary Gatchell voluntarily resigned as our Chief Financial Officer on August 30, 2013.

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table shows information regarding the beneficial ownership of our common stock by our directors, executive officers, former executive officers and greater than 5% beneficial owners as of April 18, 2014.

Beneficial ownership is determined in accordance with the rules of the SEC and generally includes any shares over which a person exercises sole or shared voting or investment power and all shares issuable upon exercise of options or the vesting of restricted stock within 60 days of April 18, 2014. For purposes of calculating the percentage of our common stock beneficially owned, the number of shares of our common stock includes 75,901,029 shares of our common stock outstanding as of April 18, 2014.

Unless otherwise indicated, each of the stockholders listed below has sole voting and investment power with respect to the shares beneficially owned. The address for each director or named executive officer is c/o Ascent Solar Technologies, Inc., 12300 North Grant Street, Thornton, Colorado 80241.

Name of Beneficial Owner	No. of Shares Beneficially Owned	Percentage	
<b>5% Stockholders:</b>			
TFG Radiant Investment Group Ltd.(1)	16,032,842	21.12	%
Ironridge Technology Co.(2)	7,582,513	9.99	%
Seng Wei Seow(3)	7,514,202	9.90	%
<b>Officers and Directors:</b>			
Victor Lee(4)	100,000	*	
William M. Gregorak(5)	—	—	%
Amit Kumar, Ph.D.(6)	486,803	*	
Kim J. Huntley(7)	117,131	*	
G. Thomas Marsh(8)	336,350	*	
Xu Biao(9)	—	—	%
Gary Gatchell(10)	—	—	%
All directors and executive officers as a group (5 persons)	1,040,284	1.37	%

\* Less than 1.0%.

(1)

The address of TFG Radiant Investment Group Ltd. is Block B. 4th Floor, Jihong R&D Building, No.1 Binlang Road, Futian FTZ, Shenzhen, China 518038.

The address for Ironridge Technology Group Ltd. is Harbour House, 2nd Floor, Waterfront Drive, Road Town, Tortola, British Virgin Islands VG1110. The Series B-1 and Series C preferred shares held by Ironridge contain conversion and issuance limitations providing that the Ironridge may not be issued shares of common stock (2) (whether by means of conversion of Series B-1 or Series C preferred stock, or otherwise) if after giving effect to such issuance Ironridge would beneficially own in excess of 9.99% of the Company's outstanding shares of common stock. Accordingly, the number of

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shares of common stock set forth in the table above reflects only the number of shares which would represent approximately 9.99% of the shares of common stock outstanding as of April 18, 2014. Does not include any other shares of common stock that may be issued in the future in connection with any shares of Series B-1 or Series C preferred stock previously issued to Ironridge (or additional shares of Series C preferred stock issuable in the future to Ironridge) that could be issued to Ironridge if such 9.99% limitation does not apply.

The address for Seng Wei Seow is 17 Jalan Haji Salam, Singapore 468784. The Series A preferred stock and common stock warrants held by Seow contain conversion, exercise and issuance limitations providing that Seow may not be issued shares of common stock (whether by means of conversion of Series A preferred stock, exercise of warrants or otherwise) if after giving effect to such issuance Seow would beneficially own in excess of 9.9% of (3) the Company's outstanding shares of common stock. Accordingly, the number of shares of common stock set forth in the table above reflects only the number of shares which would represent approximately 9.9% of the shares of common stock outstanding as of April 18, 2014. Does not include any other shares of common stock that may be issued in the future in connection with any shares of Series A preferred stock or common stock warrants previously issued to Seow that could be issued to Seow if such 9.9% limitation does not apply.

Does not include securities held by TFG Radiant Investment Group Ltd., our largest stockholder. Mr. Lee is (4) managing director of Tertius Financial Group Pte Ltd. a 50% owner of TFG Radiant Investment Group Ltd., and disclaims beneficial ownership of our securities held by TFG Radiant Investment Group Ltd. Does not include 100,000 options to purchase common stock issued but not vested as of or within 60 days of April 18, 2014.

Does not include 50,000 options to purchase common stock issued but not vested as of or within 60 days of (5) April 18, 2014.

(6) Does not include 80,984 shares of restricted stock issued but not vested as of or within 60 days of April 18, 2014.

(7) Does not include 52,816 shares of restricted stock issued but not vested as of or within 60 days of April 18, 2014.

(8) Does not include 52,816 shares of restricted stock issued but not vested as of or within 60 days of April 18, 2014.

Does not include securities held by TFG Radiant Investment Group Ltd., our largest stockholder. Mr. Xu is an (9) investor in TFG Radiant Investment Group Ltd., and disclaims beneficial ownership of our securities held by TFG Radiant Investment Group Ltd.

(10) Gary Gatchell voluntarily resigned as our Chief Financial Officer effective as of August 30, 2013.

## RELATED PARTY TRANSACTIONS

### Transactions Involving TFG Radiant

On August 12, 2011, we entered into a strategic alliance with TFG Radiant and its affiliates. TFG Radiant made an initial \$7.36 million equity investment in our common stock and received an option to acquire an additional 9,500,000 shares of our common stock at an exercise price of \$1.55 per share. This option expired unexercised in February, 2014. In connection with the transaction, we entered into a stockholders agreement with TFG Radiant (the "Prior Stockholders Agreement"), which granted TFG Radiant the right to designate a member of our Board of Directors for election so long as TFG Radiant holds at least 15% of our common stock. On November 3, 2011, we appointed Mr. Victor Lee as a member of our Board of Directors and a designated representative of TFG Radiant.

On March 30, 2012, TFG Radiant purchased all of the Ascent Solar common shares then owned by Norsk Hydro (previously our largest shareholder), or 8,067,390 shares, for \$4 million, or approximately \$0.50 per share.

In April 2012, we appointed the Chairman of TFG Radiant, Mr. Winston Xu (aka Xu Biao), as a member of our Board of Directors. TFG Radiant owns approximately 21% of our outstanding common stock as of April 18, 2014.

### Amended and Restated Stockholders Agreement

We previously entered into the Prior Stockholders Agreement in connection with TFG Radiant's prior investment in our common stock. On December 30, 2011, we entered into an Amended and Restated Stockholders Agreement with

TFG Radiant (the “Amended and Restated Stockholders Agreement”). The Amended and Restated Stockholders Agreement became effective March 30, 2012 and has replaced and superseded the Prior Stockholders Agreement.

Among other things, the Amended and Restated Stockholders Agreement provides that:

TFG Radiant may designate a second representative for election to our Board at any time as TFG Radiant<sup>a</sup> beneficially owns 25% of our outstanding common stock;

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b. TFG Radiant may designate a third representative for election to our Board at any time as TFG Radiant beneficially owns 45% of our outstanding common stock; and

c. TFG Radiant will vote its shares of our common stock for the election of all persons nominated for election to our Board if such nominees (i) have been approved by a majority of our Board and (ii) such board approval included the affirmative vote of at least one TFG Radiant representative on the Board;

Pursuant to the terms of the Amended and Restated Stockholders Agreement, on April 16, 2012, Mr. Xu Biao of TFG Radiant was appointed to our Board.

#### Joint Development Agreement

We entered into a Joint Development Agreement (the “Joint Development Agreement”) with TFG Radiant dated August 12, 2011 in connection with TFG Radiant's prior investment in us. Under the terms of the Joint Development Agreement:

a. The parties will collaborate in order to allow TFG Radiant to (i) develop and commercialize facilities (“Fabs”) that manufacture Copper Indium Gallium diSelenide (“CIGS”) thin-film photovoltaic modules (“CIGS PV”) in an agreed upon territory in East Asia, and (ii) sell CIGS PV in such territory.

b. TFG Radiant agrees to pay to us certain specified non-recurring engineering funding.

c. We shall have the option to require TFG Radiant to purchase CIGS PV produced by us, subject to certain minimum volume and price thresholds.

d. TFG Radiant has been granted an exclusive license to intellectual property owned by us or developed by us in connection with constructing Fabs and selling CIGS PVs in the territory. In order to maintain exclusivity in the territory, TFG Radiant must achieve certain specified performance metrics.

e. TFG Radiant will pay to us a series of milestones payments in the event TFG Radiant (i) sells and ships certain quantities of CIGS PV and (ii) achieves certain target costs of production.

f. TFG Radiant will pay to us a royalty percentage based on net sales of the CIGS PV, a portion of which can be converted into an ownership interest in the Fab responsible for such production.

g. TFG Radiant will pay to us a license fee at the time of commissioning for each TFG Radiant Fab.

During 2013 we did not receive any funds pursuant to the Joint Development Agreement from TFG Radiant.

The Joint Development Agreement was filed as an exhibit to our Quarterly Report on Form 10-Q filed on November 10, 2011 and is subject to a confidential treatment order of the SEC through December 31, 2020.

#### Supply Agreement

In June 2012, we entered into a supply agreement with TFG Radiant. Under the supply agreement TFG Radiant is a distributor of our consumer products in Asia. During the year ended December 31, 2013, we recognized revenue in the amount of \$143,000 for products sold to TFG Radiant under the supply agreement.

#### Contract Manufacturing Agreement

In June 2012, we entered into a contract manufacturing agreement with TFG Radiant. Under the terms of the contract manufacturing agreement TFG Radiant oversees certain aspects of the contract manufacturing process related to our EnerPlex™ line of consumer products. We compensate TFG Radiant for acting as general contractor in the contract manufacturing process. During the year ended December 31, 2013 we made disbursements to TFG Radiant in the amount of \$552,000 for finished goods received and deposits for work-in-process. As of December 31, 2013, we had \$21,000 in deposits with TFG Radiant.

#### Consulting Agreement

In December 2012, we entered into a services agreement with TGF Radiant for product design, product development and manufacturing coordination activities provided by TFG Radiant to us in connection with our line of consumer electronics products. The services agreement has a one year term initially, and the services agreement may be terminated by either party upon 10 days

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prior written notice. During the year ended December 31, 2013, we made disbursements to TFG Radiant in the amount of \$800,000 for consulting fees.

#### Policies and Procedures with Respect to Transactions with Related Persons

The Board recognizes that related person transactions can present a heightened risk of potential or actual conflicts of interest. Accordingly, our Audit Committee charter requires that all such transactions will be reviewed and subject to approval by members of our Audit Committee, which will have access, at our expense, to our or independent legal counsel. Future transactions with our officers, directors or greater than five percent stockholders will be on terms no less favorable to us than could be obtained from independent third parties.

#### SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our directors, officers, and persons that own more than 10 percent of a registered class of our equity securities to file reports of ownership and changes in ownership with the SEC. Officers, directors, and greater than 10 percent stockholders are required by SEC regulations to furnish us with copies of all Section 16(a) forms they file.

Based solely upon our review of the copies of such forms received by us during the fiscal year ended December 31, 2013, we believe that each person who, at any time during such fiscal year, was a director, officer, or beneficial owner of more than 10 percent of our common stock complied with all Section 16(a) filing requirements in a timely manner during such fiscal year.

#### PRINCIPAL ACCOUNTANTS

##### Principal Accounting Fees and Services

Fees for audit and related services by our accounting firm, Hein & Associates LLP, for the years ended December 31, 2013 and 2012 were as follows:

	2013	2012
Audit fees	\$ 150,000	\$ 147,000
Audit related fees	12,000	16,000
Total audit and audit related fees	\$ 162,000	\$ 163,000
Tax fees	—	—
All other fees	—	—
Total Fees	\$ 162,000	\$ 163,000

Audit fees for Hein & Associates LLP for fiscal year 2013 and 2012 represent aggregate fees during the audit of the financial statements, interim reviews of the quarterly financial statements and consents and comfort letters.

##### Audit Committee Pre-Approval Policies and Procedures

The Audit Committee charter provides that the Audit Committee will pre-approve all audit services and non-audit services to be provided by our independent auditors before the accountant is engaged to render these services. The Audit Committee may consult with management in the decision making process, but may not delegate this authority to management. The Audit Committee may delegate its authority to pre-approve services to one or more committee members, provided that the designees present the pre-approvals to the full committee at the next committee meeting. All audit and non-audit services performed by our independent accountants have been pre-approved by our Audit Committee to assure that such services do not impair the auditors' independence from us.

##### Attendance at Annual Meeting

Representatives of Hein & Associates LLP are expected to be present at the annual meeting, will have the opportunity to make a statement if they desire to do so, and are expected to be available to respond to appropriate questions.

## REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The Audit Committee has reviewed and discussed the audited financial statements with management. The Audit Committee has discussed with the independent accountants the matters required to be discussed by Statement on Accounting Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1. AU Section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T (as superseded by Statement on Auditing Standards No. 114). The Audit Committee also has received the written disclosures and the letter from the independent accountants required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence, and has discussed with the independent accountants the accountants' independence. Based on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2013.

Respectfully submitted,

AUDIT COMMITTEE

Kim J. Huntley, Chairman

Amit Kumar

G. Thomas Marsh

## PROPOSAL NO. 1 – ELECTION OF DIRECTORS

### Overview

There are currently five members of our Board. Our Class 1 director is Dr. Amit Kumar. Our Class 2 directors are Kim J. Huntley and G. Thomas Marsh. Our Class 3 directors are Victor Lee and Xu Biao.

The terms of Messrs. Lee and Xu are scheduled to expire at this Annual Meeting. Our Board has nominated Messrs. Lee and Xu to serve as our Class 3 directors until the 2017 annual meeting; each until their successors are duly elected and qualified.

### Nominees

Upon the recommendation of our Nominating and Governance Committee, the Board has nominated Mr. Victor Lee and Mr. Xu Biao to serve as our Class 3 directors until the 2017 annual meeting and until their successors are duly elected and qualified.

### Vote Required

The affirmative vote of a majority of shares with voting power present in person or by proxy will be required to elect the director nominee.

### Recommendation

The Board recommends that stockholders vote FOR the election of Mr. Lee and Mr. Xu.

Unless marked otherwise, proxies received will be voted FOR the election of the director nominee.

## PROPOSAL NO. 2 – RATIFICATION OF APPOINTMENT OF HEIN & ASSOCIATES LLP

### Overview

The Audit Committee has engaged the registered public accounting firm of Hein & Associates LLP as our independent registered public accounting firm to audit our financial statements for the year ending December 31, 2014. Hein & Associates LLP audited our financial statements for the years ended December 31, 2013 and 2012. Please refer to "Principal Accountants" above for information about fees and services paid to Hein & Associates LLP in 2013 and 2012, and our Audit Committee's pre-approval policies.

Representatives of Hein & Associates LLP are expected to be present at the Annual Meeting, will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

### Vote Required





The affirmative vote of a majority of the shares with voting power present in person or by proxy will be required to ratify the appointment of Hein & Associates LLP as our independent registered public accounting firm to audit our financial statements for the year ending December 31, 2014.

**Recommendation**

The Board recommends that shareholders vote “FOR” the proposal to ratify the appointment of Hein & Associates LLP as our independent registered public accounting firm to audit our financial statements for the year ending December 31, 2014.

Unless marked otherwise, proxies received will be voted FOR ratification of Hein & Associates LLP as our independent registered public accounting firm to audit our financial statements for the year ending December 31, 2014.

**PROPOSAL 3 – NON-BINDING ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION**

**Overview**

Section 14A of the Securities Exchange Act requires public companies to conduct a separate stockholder advisory vote on executive compensation as disclosed in the Executive Compensation section of the annual proxy statement. While this advisory vote, commonly referred to as a “say-on-pay” vote, is non-binding, the Board of Directors and the Compensation Committee will review and consider the voting results when making future decisions regarding our executive compensation programs.

We urge stockholders to carefully read the Executive Compensation section of this proxy statement, which describes the executive compensation paid to our executive officers. Our Board of Directors and our Compensation Committee believe that the compensation paid to our executive officers is effective in achieving our compensation objectives.

In accordance with Section 14A of the Securities Exchange Act, we are asking stockholders to approve the following advisory resolution at the 2014 Annual Meeting:

RESOLVED, that the stockholders of Ascent Solar Technologies, Inc. approve, on an advisory basis, the compensation of the Company's executive officers as disclosed in the Executive Compensation section of the proxy statement for the Company's 2014 Annual Meeting.

**Vote Required**

The affirmative vote of a majority of shares with voting power present in person or by proxy will be required to approve the resolution.

**Recommendation**

The Board recommends that stockholders vote FOR the resolution. Unless marked otherwise, proxies received will be voted FOR the resolution.

**PROPOSAL 4 – AMENDMENT TO THE CERTIFICATE OF INCORPORATION TO EFFECT A REVERSE STOCK SPLIT**

**General**

Our Board of Directors has unanimously adopted a resolution approving, declaring advisable and recommending to the stockholders for their approval of a proposal to amend the Certificate of Incorporation to effect a Reverse Stock Split at any whole number ratio between, and inclusive of, one for five (every 5 shares would be combined into one) and one for ten (every 10 shares would be combined into one). Approval of this Proposal will grant the Board of Directors the authority, without further action by the stockholders, to carry out the amendment to the Certificate of Incorporation at any time within one year after the date stockholder approval for the amendment is obtained, with the exact exchange ratio and timing of the Reverse Stock Split to be determined at the discretion of the Board of Directors. The decision whether and when to effect the Reverse Stock Split, and at what whole number ratio to effect the Reverse Stock Split, will be based on a number of factors, including market conditions, existing and anticipated trading prices for our common stock and the continued listing requirements of the NASDAQ Capital Market.

We may not be required to effect a stock split, if before September 15, 2014, our stock has achieved a bid price of at least \$1.00 for a minimum of 10 and a maximum of 20 consecutive days. The Board of Directors reserves the right to

abandon the Reverse Stock Split without further action by our stockholders at any time before the effectiveness of the amendment to the Certificate of Incorporation, even if the Reverse Stock Split has been authorized by our stockholders at the Annual Meeting. By

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voting in favor of the Reverse Stock Split, you are expressly also authorizing our Board of Directors to determine not to proceed with, and abandon, the Reverse Stock Split if it should so decide.

A sample form of the certificate of amendment relating to this Proposal, which we would file with the Secretary of State of the State of Delaware to effect the Reverse Stock Split, is attached to this Proxy Statement as Annex A.

### Rationale for the Reverse Stock Split

Our common stock trades on the NASDAQ Capital Market, which we believe helps support and maintain stock liquidity and company recognition for our stockholders. Companies listed on the NASDAQ Capital Market, however, are subject to various continued listing standards imposed by the NASDAQ Stock Market. One of these standards is the “minimum bid price” requirement, which requires that the bid price of the common stock of listed companies be at least \$1.00 per share. A listed company risks being delisted and removed from the NASDAQ Capital Market if the closing bid price of its stock remains below \$1.00 per share for an extended period of time.

On March 19, 2014, we received notice from NASDAQ stating that, due to our continued non-compliance with the \$1.00 minimum bid price requirement for continued listing, we were subject to delisting pending request of a hearing before the Nasdaq listing panel or a transfer of listing to the NASDAQ Capital Market tier. We subsequently requested a transfer to the NASDAQ Capital Market tier and our request was approved. Our listing on the NASDAQ Capital Market tier became effective March 28, 2014. We now have a period of 180 calendar days, or until September 15, 2014, for our closing bid price to meet or exceed \$1.00 per share for a minimum of 10 consecutive business days. If this initial compliance period were to expire, we could request a hearing which would stay any delisting action in connection with the notice and allow the continued listing of our common stock until the panel renders a decision subsequent to the hearing. The implementation of a reverse stock split would likely increase the price of our stock such that we would be able to meet the \$1.00 minimum bid requirement and thereby maintain our compliance with the Nasdaq Listing Qualifications.

Effecting the Reverse Stock Split would reduce our total shares of common stock outstanding, which we believe will increase the price per share of our common stock. For example, a hypothetical company with a market value of \$50 million and 100 million shares outstanding would have a trading price of \$0.50 per share, while a company with the same market value and only 20 million shares outstanding would have a trading price of \$2.50 per share.

We are asking stockholders to approve this Proposal because we believe the Reverse Stock Split will result in a higher price per share for outstanding shares of our common stock. This, we believe, could provide a number of potential advantages. We describe each of these below.

### Potential Advantages of the Reverse Stock Split

**Maintain NASDAQ Capital Market Listing.** We believe that having our common stock delisted from the NASDAQ Capital Market would be undesirable for our stockholders and potentially detrimental to our business. Among other things, being delisted could reduce the liquidity of our common stock. We also deem valuable our ticker symbol, which is easily recognized as “ASTI” and which we could lose if we were delisted by the NASDAQ Capital Market. Moreover, being listed on the NASDAQ Capital Market carries with it certain prestige and we believe it improves the recognition of our company.

Our Board of Directors believes that a Reverse Stock Split, at a whole number exchange ratio ranging from one for five to one for ten, would result in an increase in the price per share, and thereby help us meet the \$1.00 per share minimum bid price requirement. While our stock price has traded above \$1.00 on its own accord over the last year, our Board believes that it is in our best interests and in the interests of our stockholders to seek approval of the proposed amendment to our Certificate of Incorporation to effect the Reverse Stock Split in order to increase the likelihood that we will be able to regain compliance with the Nasdaq listing requirements. Even if our common stock’s closing bid price were to satisfy the minimum closing bid price requirements prior to approval of this Proposal, we may still effect the Reverse Stock Split if our stockholders approve this Proposal and our Board of Directors determine that effecting the Reverse Stock Split would be in the best interests of the company and its stockholders.

**Facilitate Potential Future Financings.** By preserving our NASDAQ Capital Market listing, we can continue to consider and pursue a wide range of future financing options to support our business. We believe being listed on a national securities exchange, such as the NASDAQ Capital Market, is valued highly by many long-term investors. A listing on a national securities exchange also has the potential to create better liquidity and reduce volatility for buying

and selling shares of our stock, which benefits our current and future stockholders.

**Increase Our Common Stock Price to a Level More Appealing for Investors.** We believe that the Reverse Stock Split could enhance the appeal of our common stock to the financial community, including institutional investors, and the general investing public. We believe that a number of institutional investors and investment funds are reluctant to invest in lower-priced securities

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and that brokerage firms may be reluctant to recommend lower-priced stock to their clients, which may be due in part to a perception that lower-priced securities are less promising as investments, are less liquid, or are less likely to be followed by institutional securities research firms. We believe that the reduction in the number of issued and outstanding shares of our common stock caused by the Reverse Stock Split, together with the anticipated increased stock price immediately following and resulting from the Reverse Stock Split, may encourage further interest in our common stock.

**Certain Risks Associated with the Reverse Stock Split**

The proposed Reverse Stock Split carries with it several significant risks.

We cannot assure you, for example, that the market price per share of our common stock after the Reverse Stock Split will rise or remain constant in proportion to the reduction in the number of shares of common stock outstanding before the Reverse Stock Split. For instance, using the closing price of our common stock on April 18, 2014 of \$0.51 per share as an example, if our Board of Directors were to implement the Reverse Stock Split at a one for five ratio, we cannot assure you that the post-split market price of our common stock would be or would remain at a price of five times greater than \$0.51, or \$2.55. In many cases, the market price of a company's shares declines after a reverse stock split. Thus, while our stock price might meet the continued listing requirements for the NASDAQ Capital Market initially, we cannot assure you that it would continue to do so.

The market price of our common stock will also be affected by our performance and other factors, some of which are unrelated to the number of shares outstanding. If the Reverse Stock Split is effected and the market price of our common stock declines, the decline as a percentage of our overall market capitalization may be greater than would occur in the absence of a Reverse Stock Split. Furthermore, the liquidity of our common stock could be adversely affected by the reduced number of shares that would be outstanding after the Reverse Stock Split.

**Principal Effects of the Reverse Stock Split**

**Reduction of Shares Held by Our Stockholders.** After the effective date of the Reverse Stock Split, each stockholder will own fewer shares of our common stock. However, the Reverse Stock Split will affect all of our stockholders uniformly and will not affect any stockholder's percentage ownership interest in the Company. For example, a holder of two percent of the voting power of the outstanding shares of common stock immediately prior to the Reverse Stock Split would continue to hold two percent of the voting power of the outstanding shares of common stock immediately after the Reverse Stock Split.

The number of stockholders of record will not be affected by the Reverse Stock Split. In addition, because the number of shares of authorized common stock will not be affected, the Reverse Stock Split will result in an increase in the authorized, but unissued, shares of common stock as a percentage of total authorized shares.

**Change in Number and Exercise Price of Outstanding Options and RSUs.** Under the terms of our 2005 Stock Option Plan, as amended, and our 2008 Restricted Stock Plan, as amended, the administrator will make appropriate adjustments to the maximum number of shares that may be issued under the plans, the number of shares subject to outstanding awards and the exercise prices relating to awards.

**Change in Conversion Prices and Other Terms Relating to our Preferred Stock.** We currently have outstanding shares of our Series A preferred stock, Series B-1 preferred stock and Series C preferred stock. All such preferred shares are convertible into our common stock at a fixed conversion price. Such preferred shares also have other features and adjustments which are tied to the market price of our common stock. The certificates of designation for such preferred stock contain provisions that will automatically make ratable adjustments to the conversion prices and other price-related provisions in the event of a reverse stock split.

**Reduction in Number of Outstanding Shares; Increase in Number of Unreserved Shares.** The Reverse Stock Split will reduce the total number of outstanding shares of common stock by the exchange ratio determined by the Board in its discretion and it will apply automatically to all shares of our common stock, including shares issuable upon the exercise of outstanding stock options and RSUs. The following table contains approximate information relating to our common stock under certain of the possible exchange ratios, based on share information as of April 18, 2014:

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	Current	1-For-5 Split	1-For-10 Split
Authorized common stock	250,000,000	250,000,000	250,000,000
Common stock outstanding	75,901,029	15,180,206	7,590,103
Common stock issuable upon exercise of outstanding options	932,609	186,522	93,261
Common stock issuable upon vesting of restricted stock grants	619,532	123,906	61,953
Common stock reserved for issuance upon exercise of options available for future grant	839,967	167,993	83,997
Common stock reserved for issuance upon exercise of restricted stock available for future grant	136,485	27,297	13,649
Common stock reserved for issuance upon conversion of outstanding Series A preferred shares	2,623,900	524,780	262,390
Common stock reserved for issuance upon conversion of outstanding Series B-1 preferred shares	1,739,130	347,826	173,913
Common stock reserved for issuance upon conversion of Series C preferred shares which are currently outstanding or issuable under existing agreements	6,000,000	1,200,000	600,000
Common stock authorized but unissued and unreserved(1)	161,207,348	232,241,470	241,120,734

Does not reflect any additional shares of common stock which may be issued under certain circumstances to pay (1) make whole and dividend amounts due on our Series A, Series B-1 and Series C preferred shares if we elect to pay such amounts in shares rather than cash.

As reflected in the table above, the number of authorized shares of our common stock will not be reduced by the Reverse Stock Split. Accordingly, the Reverse Stock Split will have the effect of increasing the authorized, but unissued, shares of our common stock as a percentage of total authorized shares. These shares may be used by us for various purposes in the future without further stockholder approval (subject to applicable NASDAQ rules), including, among other things, financings, strategic partnering arrangements, equity incentive plans, acquisitions of assets or businesses, stock splits or stock dividends.

#### Procedure for Effecting Reverse Stock Split and Exchange of Stock Certificates

If this Proposal is approved by our stockholders and if our Board of Directors concludes that the Reverse Stock Split is in the best interests of the Company and its stockholders on a date within one year after stockholder approval is obtained, our Board of Directors will cause the Reverse Stock Split to be implemented at the whole number ratio between one for five and one for ten as selected by our Board of Directors in its sole discretion. We will file an amendment to our Certificate of Incorporation with the Delaware Secretary of State at such time as our Board of Directors deems appropriate. The amendment will become effective on the date that it is filed (the "Effective Date"). As soon as practicable after the Effective Date, stockholders will be notified that the Reverse Stock Split has been effected. We will retain an exchange agent (the "Exchange Agent") for purposes of implementing the exchange of stock certificates. Holders of pre-reverse split shares will be asked to surrender to the Exchange Agent certificates representing pre-reverse split shares in exchange for certificates representing post-reverse split shares in accordance with the procedures to be set forth in a letter of transmittal that will be delivered to the Company's stockholders. No new certificates will be issued to a stockholder until the stockholder has surrendered to the Exchange Agent his, her or its outstanding certificate(s) together with the properly completed and executed letter of transmittal.

**STOCKHOLDERS SHOULD NOT DESTROY ANY STOCK CERTIFICATES AND SHOULD NOT SUBMIT ANY CERTIFICATES UNTIL REQUESTED TO DO SO.** Stockholders whose shares are held in book-entry form do not need to submit old share certificates for exchange. These shares will automatically reflect the new quantity of shares based on the Reverse Stock Split. Beginning on the Effective Date, each certificate representing pre-reverse split shares will be deemed for all corporate purposes to evidence ownership of post-reverse split shares.

#### Fractional Shares

No fractional shares will be issued in connection with the Reverse Stock Split. Stockholders of record who otherwise would be entitled to receive fractional shares will be entitled to rounding up of their fractional share to the nearest

whole share.  
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The Reverse Stock Split will not affect the common stock capital account on our balance sheet. As of the Effective Date, the stated capital on our balance sheet attributable to our common stock will be reduced proportionately based on the selected exchange ratio, and the additional paid-in capital account will be credited with the amount by which the stated capital is reduced. In future financial statements, we will restate net income or loss per share and other per share amounts for periods ending before the Reverse Stock Split to give retroactive effect to the Reverse Stock Split. The per share net income or loss and net book value of our common stock will be increased because there will be fewer shares of our common stock outstanding.

### Discretionary Authority of the Board of Directors to Abandon Reverse Stock Split

The Board of Directors reserves the right to abandon the Reverse Stock Split without further action by our stockholders at any time before the effectiveness of the amendment to the Certificate of Incorporation, even if the Reverse Stock Split has been authorized by our stockholders at the Annual Meeting. By voting in favor of the Reverse Stock Split, you are expressly also authorizing our Board of Directors to determine not to proceed with, and abandon, the Reverse Stock Split if it should so decide.

### No Dissenter's Rights

Under applicable Delaware law, our stockholders are not entitled to dissenter's rights with respect to the Reverse Stock Split, and we will not independently provide stockholders with any such right.

### Directors' Recommendation

The affirmative vote of a majority of all issued and outstanding shares of common stock is required to approve the Reverse Stock Split at the Annual Meeting. If you abstain from voting on this proposal to approve the Reverse Stock Split, it will have the same effect as a vote "AGAINST" the proposal. Your vote is therefore extremely important. **THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE PROPOSAL TO AMEND THE COMPANY'S CERTIFICATE OF INCORPORATION TO EFFECT THE REVERSE STOCK SPLIT.**

Please Note: This Proxy Statement contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and is subject to the safe harbor created by that section. Such statements include, but are not limited to, all statements as to expectation or belief and statements as to the future trading price and liquidity of our common stock, whether traded on the NASDAQ Capital Market or otherwise; our future results of operations; our ability to satisfy the listing requirements of NASDAQ; the prospect for analyst coverage; and financing needs, as well as assumptions relating to the foregoing. The words "anticipate," "believe," "expect," "may," "plan," "will," and similar expressions identify forward-looking statements, which speak only as of the date the statement was made.

These forward-looking statements are not guarantees of future performance. All forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements and risk factors identified from time to time in our SEC reports, including our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the SEC. Except as expressly required by federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changes in circumstances or any other reason.

## **PROPOSAL 5 – APPROVAL OF THE ISSUANCE OF MORE THAN 20% OF THE COMPANY'S ISSUED AND OUTSTANDING COMMON STOCK PURSUANT TO 1,000 AUTHORIZED SHARES OF SERIES C PREFERRED STOCK.**

### Terms of the Ironridge Transaction

On April 1, 2014, the Company entered into a Securities Purchase Agreement (the "Ironridge Purchase Agreement") with Ironridge Technology Co., a division of Ironridge Global IV, Ltd. ("Ironridge"), pursuant to which Ironridge agreed to purchase from the Company, and we agreed to sell to Ironridge (subject to the terms and conditions set forth therein), up to \$6,000,000 of the Company's newly designated Series C preferred stock (the "Series C preferred stock"). The Company will sell the Series C preferred stock to Ironridge in two tranches. In the first tranche, the Company sold 300 shares of Series C preferred stock to Ironridge at a purchase price of \$10,000 per share of Series C preferred stock, resulting in gross proceeds to the Company of \$3,000,000. The first tranche closed on April 1, 2013.



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In the second tranche, the Company has the option to sell 300 shares of Series C preferred stock to Ironridge at a purchase price for each share of Series C preferred stock of \$10,000 per share, which would result in additional gross proceeds to the Company of \$3,000,000. The Company must exercise this option within three trading days after the date on which the registration statement covering the re-sale of the common stock underlying the Series C preferred stock has been declared effective by the Securities and Exchange Commission.

The exercise of this option will not close, however, until after our stockholders approve certain issuances of our common stock related to the Series C Preferred Stock in accordance with Nasdaq Listing Rule 5635(d). Accordingly, the second tranche will not close unless our stockholders approve Proposal 5 at the annual meeting. If our stockholders do not vote to approve Proposal 5, then the second tranche will not close and we will not receive the related proceeds. In connection with the Ironridge Purchase Agreement, TFG Radiant, the Company's largest stockholder, entered into a Voting Agreement with Ironridge. Pursuant to the Voting Agreement, TFG Radiant has agreed to vote all shares of common stock it owns in favor of the stock issuances related to the Series C Preferred Stock.

In connection with the Ironridge Purchase Agreement, the Company entered into a Registration Rights Agreement agreeing to register the shares of common stock which may be issued upon (i) conversion of the Series C preferred stock, and (ii) the payment by the Company of dividends and make whole amounts (if any) on the Series C Preferred Stock. As required by the Registration Rights Agreement, the Company filed a resale registration statement with the Securities and Exchange Commission in April 2014.

The Registration Rights Agreement provides that if such resale registration statement is not to be declared effective on or before (i) the 30<sup>th</sup> day after April 1, 2014, the Company will be required to issue 30 additional shares of Series C preferred stock to Ironridge; (ii) the 60<sup>th</sup> day after April 1, 2014, the Company will be required to issue 30 additional shares of Series C preferred stock to Ironridge; and (iii) before the 90<sup>th</sup> day after April 1, 2014, the Company will be required to issue 30 additional shares of Series C preferred stock to Ironridge.

Holders of the Series C preferred stock are entitled to dividends in the amount of 5.75% per annum, payable when, as and if declared by the board of directors in its discretion. The dividend rate on the Series C preferred stock is indexed to the Company's stock price and subject to upward and downward adjustment in certain circumstances. The Series C preferred stock has a maximum dividend rate of 18% and a minimum dividend rate of 3%.

The Company has the option to pay dividends on the Series C Preferred Stock in cash or in additional shares of common stock. If the Company elects to pay in the form of common stock, the number of shares to be issued shall be calculated by using the lesser of (i) 92% of the volume weighted average price for the common stock over a 60 day measuring period or (ii) 92% of the lowest single day closing price for the common stock occurring during such measuring period.

The Series C preferred stock will be convertible into common stock at a fixed conversion price of \$1.15 per share of common stock. The Series C preferred stock may be converted into shares of common stock at any time at the option of the holder. The Series C preferred stock may also be converted into shares of common stock at the option of the Company if the closing price of the common stock exceeds \$2.00 for 20 consecutive trading days.

In addition to the issuance of the applicable number of conversion shares, upon any conversion of Series C preferred stock the Company will also pay to the holder an "embedded dividend liability" amount equal to the dividends (calculated at the then applicable dividend rate) on the converted Series C preferred stock for a full five year period from the date of issue (less any period for which dividends have previously been paid). Such embedded dividend liability amount may be paid in cash or, at the Company's option, additional shares of common stock. If the Company elects to pay the embedded dividend liability amount in the form of common stock, the number of shares to be issued shall be calculated by using the lesser of (i) 92% of the volume weighted average price for the common stock over a 60 day measuring period or (ii) 92% of the lowest single day closing price for the common stock occurring during such measuring period.

Upon or after the fifth anniversary of the initial issuance date of the Series C preferred stock, the Company will have the right, at its option, to redeem for cash all or a portion of the Series C preferred stock at a price per share equal to \$10,000 plus any accrued but unpaid dividends. At any time prior to the fifth anniversary of the date of the initial issuance of Series C preferred stock, the Company will have the option to redeem for cash all or a portion of the Series

C preferred stock at a price per share equal to (a) \$10,000 plus (b) the “embedded dividend liability” amount equal to the dividends on the redeemed Series C preferred stock for a full five year period from the date of issue (less any period for which dividends have previously been paid).

Upon our liquidation, dissolution or winding up, holders of Series C preferred stock will be entitled to be paid out of our assets, on a parity with holders of our common stock and our Series A preferred stock, Series B-1 preferred stock and Series B-2 preferred stock, an amount equal to \$10,000 per share plus any accrued but unpaid dividends thereon.

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At no time will the Company issue shares of common stock in connection with the securities issued pursuant to the Ironridge Purchase Agreement (whether upon conversion of Series C Preferred Stock, payment of dividends in common stock or payment of embedded dividend liability amounts in common stock) if such transaction (when aggregated with all other issuances in connection with the Ironridge Purchase Agreement) would result in the issuance of more than 19.99% of the amount of common stock of the Company issued and outstanding on the date of the Ironridge Purchase Agreement unless (i) the Company's stockholders shall have approved the issuance of shares of common stock in excess of 19.99% limit or (ii) Nasdaq has provided a waiver of its Listing Rule 5635(d).

On November 1, 2013, the Company entered into a previous securities purchase agreement with Ironridge. Pursuant to that previous agreement, the Company issued to Ironridge an aggregate of 1,000 shares of Series B-1 preferred stock in two tranches, resulting in gross proceeds to the Company of \$10,000,000. The first Series B-1 tranche closed in November 2013. The second Series B-1 tranche closed in January 2014. Our stockholders approved the issuances of common stock related to the Series B-1 preferred stock at a special stockholders meeting in January 2014.

### Potential Issuance of Additional Authorized Series C Preferred Stock to Ironridge

In connection with the Ironridge Purchase Agreement, we filed a certificate of designation with the office of the Delaware Secretary of State which created and authorized 1,000 shares of Series C preferred stock. Under the terms of the Ironridge Purchase Agreement, we may issue between 300 and 690 shares of Series C preferred stock. We do not currently have any agreements in place regarding the issuance and sale of Series C preferred stock other than the Ironridge Purchase Agreement.

Following the completion of the transactions under the Ironridge Purchase Agreement, however, we may decide to issue any remaining authorized shares of Series C preferred stock to Ironridge on terms which are substantially similar to the terms contained in the a Purchase Agreement. If our stockholders approve Proposal 5 at the annual meeting, then we would be able to issue any such remaining shares of Series C preferred stock to Ironridge on substantially similar terms and the issuance of common shares related to such remaining shares of Series C preferred stock would not be limited by applicable Nasdaq listing rules. Approval of Proposal 5 would not apply to (i) the issuance of any remaining Series C preferred stock to an investor other than Ironridge or (ii) the issuance of any remaining Series C preferred stock to Ironridge on terms that were significantly different than those contained in the Ironridge Purchase Agreement.

There is no assurance that we would actually issue any remaining shares of Series C preferred stock to Ironridge on substantially similar terms if our stockholders approve proposal 5 at the annual meeting. If our stockholders do not vote to approve Proposal 5, then the issuance of common shares related to any remaining shares of Series C preferred stock would be limited by applicable Nasdaq listing rules. That limitation could make it more difficult for us to issue any remaining shares of Series C preferred stock to Ironridge.

### Why the Company Needs Stockholder Approval

Our common stock is listed on the Nasdaq Global Market and, as such, we are subject to the Nasdaq Marketplace Rules. Nasdaq Marketplace Rule 5635(d) is referred to as the "Nasdaq 20% Rule." The Nasdaq 20% Rule requires that an issuer obtain stockholder approval prior to certain issuances of common stock or securities convertible into or exchangeable for common stock at a price less than the greater of market price or book value of such securities (on an as exercised basis) if such issuance equals 20% or more of the common stock or voting power of the issuer outstanding before the transaction. Shares of our common stock that might be issued upon the conversion of the Series C preferred stock are considered common stock issued for the purposes of determining whether the 20% limit has been reached. Shares of our common stock that might be issued in payment of embedded dividend liability amounts or dividends on the Series C preferred stock are also considered common stock issued for the purposes of determining whether the 20% limit has been reached.

The aggregate number of shares of our common stock issuable in connection with the Ironridge Purchase Agreement could result in the issuance of more than 20% of our outstanding common stock as of April 1, 2014 (the date of the Ironridge Purchase Agreement) at a price less than the greater of the book value or market of the shares. Our common stock had a book value of \$0.20 and market value of \$0.55 on April 1, 2014. In particular, it is possible that the Company would elect to pay dividends and embedded dividend liability amounts on the Series C preferred stock in the form of common stock, rather than cash, so that such issuances would be subject to the Nasdaq 20% Rule.

Accordingly, we need stockholder approval of the potential issuance of more than 20% of the Company's issued and outstanding common stock at a price that may be less than the greater of book or market value of the Company's common stock as of April 1, 2014.

Nasdaq Marketplace Rule 5635(b) requires us to obtain stockholder approval prior to certain issuances with respect to common stock or securities convertible into common stock which could result in a change of control of the issuer.

This rule is referred to as the "Nasdaq Change of Control Rule." Generally, Nasdaq interpretations provide that the acquisition of 20% of the shares of an issuer by one person or group of affiliated persons may be considered a change of control of such issuer. The issuance

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of common stock upon the conversion of the Series C preferred stock, and upon payment of dividends and embedded dividend liability amounts in the form of common stock, rather than cash, could result in Ironridge acquiring more than 20% of our shares of common stock. Accordingly, we need stockholder approval of the issuance of shares of common stock in excess of 20% of the amount of common stock issued and outstanding as of April 1, 2014.

In order to comply with the Nasdaq 20% Rule and the Nasdaq Change of Control Rule, we are seeking stockholder approval for the potential issuance of securities in excess of the Nasdaq limitations.

We did not seek advance stockholder approval of all potential share issuances related to the Ironridge Purchase Agreement because the Ironridge Purchase Agreement restricts the number of shares that can be issued (whether upon conversion of Series C preferred stock, payment of dividends in common stock or payment of embedded dividend liability amounts in common stock) to an amount that would not be in excess of the applicable Nasdaq limitations. In addition, the closing of any exercise of the Company's option for the second tranche under the Ironridge Purchase Agreement is expressly conditioned upon the Company first obtaining stockholder approval of the issuance of the second tranche shares. Therefore, stockholder approval was not required by the Nasdaq Marketplace Rules.

We are, however, seeking advance stockholder approval of all potential share issuances related to any of our authorized Series C preferred stock which remains unissued following the completion of the transactions under the Ironridge Purchase Agreement. If our stockholders approve Proposal 5 at the annual meeting, then we would be able to issue any such remaining shares of Series C preferred stock to Ironridge on substantially similar terms and the issuance of common shares related to such remaining shares of Series C preferred stock would not be limited by applicable Nasdaq listing rules. This advance stockholder approval could make it easier for us to issue any remaining shares of Series C preferred stock to Ironridge on terms that are substantially similar to the Ironridge Purchase Agreement.

If stockholders do not approve Proposal 5 at the annual meeting, this limit will remain in place. The Company's option for the second tranche will not close unless our stockholders approve Proposal 5 at the annual meeting. If our stockholders do not vote to approve Proposal 5, then the Company's option for the second tranche will not close and we will not receive the related proceeds.

### No Dissenters' Rights

Under applicable Delaware law, our stockholders are not entitled to dissenters' or appraisal rights with respect to the approval of the issuance of shares related to the Ironridge Purchase Agreement.

### Effect of Proposal 5 on Current Stockholders

If Proposal 5 is adopted, we would be able to issue shares of common stock in excess of 19.99% of our outstanding shares of common stock upon conversion of the Series C preferred stock, and payment of dividends and embedded dividend liability amounts in the form of common stock, rather than cash. The issuance of such shares could result in significant dilution to our stockholders, and afford them a smaller percentage interest in the voting power, liquidation value and aggregate book value of the Company. Additionally, the sale or any resale into the public markets of the common stock issued upon conversion of the Series C preferred stock, or payment of dividends or embedded dividend liability amounts in the form of common stock could cause the market price of our common stock to decline.

### Further Information

The terms of the Ironridge Purchase Agreement and the Series C preferred stock are complex and only briefly summarized above. For further information, please refer to the descriptions contained in the Company's Current Report on Form 8-K filed with the SEC on April 2, 2014, and the transaction documents filed as exhibits to such report. The discussion herein is qualified in its entirety by reference to such filed transaction documents.

### Required Vote

Approval of the issuance of more than 20% of the Company's issued and outstanding common stock pursuant to 1,000 authorized shares of our Series C preferred stock at a price that may be less than the greater of book or market value in accordance therewith requires the receipt of the affirmative vote of the majority of the votes cast at the annual meeting.

Any shares of common stock held by Ironridge shall not be entitled to vote on Proposal 5.

RECOMMENDATION OF THE BOARD FOR PROPOSAL 5:





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THE BOARD RECOMMENDS A VOTE FOR APPROVAL OF THE ISSUANCE OF MORE THAN 20% OF THE COMPANY'S ISSUED AND OUTSTANDING COMMON STOCK PURSUANT TO 1,000 SHARES OF OUR AUTHORIZED SERIES C PREFERRED STOCK.

PROPOSAL 6 – APPROVAL OF AMENDMENT AND RESTATEMENT OF THE COMPANY'S 2008 RESTRICTED STOCK PLAN

Overview

Subject to stockholder approval, the Board approved an amendment and restatement of our 2008 Restricted Stock Plan (the "Restricted Stock Plan") that increases the number of shares of common stock authorized for issuance under the Restricted Stock Plan by 2,000,000 shares. The proposed amendment and restatement will not become effective if the stockholders do not approve it.

The Restricted Stock Plan was adopted by the Board in June 2008 and approved by the stockholders in July 2008. As originally adopted, the Restricted Stock Plan permitted shares of restricted stock to be issued. The Restricted Stock Plan was later amended in September 2008 by our Board to permit restricted stock units to also be issued. That amendment did not require stockholder approval. The Restricted Stock Plan was amended and restated in June 2010 pursuant to shareholder approval, and the number of shares authorized for issuance was increased by 800,000. The Restricted Stock Plan was amended and restated in June 2012 pursuant to shareholder approval, and the number of shares authorized for issuance was increased by 1,000,000.

We believe that stock-based awards motivate high levels of performance and provide an effective means of recognizing contributions by employees and other service providers to our success. Moreover, we believe that stock-based awards align the interests of our management, employees and consultants with the interests of our stockholders. We also believe that stock-based awards are of great value in recruiting and retaining highly qualified technical and other key personnel who are in high demand. The Board believes that the ability to make stock-based awards will be important to our future success by allowing it to remain competitive in attracting and retaining such key personnel. We are asking our stockholders to approve an increase in the number of shares issuable under the Restricted Stock Plan in order to continue this company-wide compensation strategy and to provide resources to recruit and retain qualified personnel to support our planned strategic growth. We expect the number of persons eligible to participate in the Restricted Stock Plan to increase as we continue our planned expansion of operations. The Restricted Stock Plan (prior to the proposed amendment and restatement) authorizes the issuance of 2,550,000 shares of our common stock. As of April 18, 2014, there were approximately 136,485 shares of our common stock remaining available for future grants under the Restricted Stock Plan, and approximately 115 persons were eligible to participate in the Restricted Stock Plan.

Proposal

The stockholders are asked to approve an amendment and restatement of the Restricted Stock Plan to increase the number of shares authorized for issuance by 2,000,000. If approved, the number of shares of our common stock authorized for issuance under the Restricted Stock Plan will be increased from 2,550,000 to 4,550,000.

In addition, the stockholders are asked to approve an amendment and restatement of the Restricted Stock Plan to increase the number of shares that may be awarded to any individual grantee under the Restricted Stock Plan in any calendar year. If approved, the number of shares that may be awarded to any individual grantee under the Restricted Stock Plan in any calendar year will be increased from 200,000 to 400,000.

A copy of the proposed Fourth Amended and Restated 2008 Restricted Stock Plan is attached to this Proxy Statement as Annex B.

Vote Required

The affirmative vote of a majority of the shares having voting power present in person or by proxy will be required to approve the amendment and restatement of the Restricted Stock Plan.

Recommendation

The Board recommends that stockholders vote FOR approval of the amendment and restatement of the Restricted Stock Plan.



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Unless marked otherwise, proxies will be voted FOR approval of the amendment and restatement of the Restricted Stock Plan.

Summary of the Restricted Stock Plan

The following summary of the Restricted Stock Plan is qualified in its entirety by the terms of the Fourth Amended and Restated Restricted Stock Plan, a copy of which is attached to this proxy statement as Annex A.

**Purpose.** The purposes of the Restricted Stock Plan are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to our employees, consultants and directors and to promote the success of our business.

**Awards.** The Restricted Stock Plan provides for awards of restricted stock and restricted stock units.

**Stock Subject to the Restricted Stock Plan.** The Restricted Stock Plan, if amended as proposed, will authorize the issuance of restricted stock and restricted stock units representing up to 4,550,000 shares of our common stock. Such shares of common stock may be authorized, but unissued, or reacquired shares of common stock. Shares of common stock that were subject to Restricted Stock Plan awards that expire or are forfeited shall become available for future awards under the Restricted Stock Plan. The Restricted Stock Plan, if amended as proposed, will provide that no more than 400,000 shares may be awarded to any individual grantee under the Restricted Stock Plan in any calendar year. The aggregate number of shares available for issuance under the Restricted Stock Plan will be adjusted in the event of a change affecting our capitalization, such as stock splits, reverse stock splits, stock dividends, combinations or reclassifications or the like. An award made under the Restricted Stock Plan may be subject to time-based vesting or to a vesting schedule based on performance targets or criteria established by the Compensation Committee.

**Administration.** The Restricted Stock Plan may be administered by the Board of Directors or one or more committees of the Board (the "Administrator"). The Board may require that the Administrator be constituted to comply with Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Section 162(m) of the Internal Revenue Code (the "Code"), or both. Subject to the other provisions of the Restricted Stock Plan, the Administrator has the power to determine the terms of each award granted, including the number of shares subject to the award and the forfeitability thereof.

**Eligibility.** The Restricted Stock Plan provides that the Administrator may grant restricted stock and restricted stock unit awards to eligible employees, consultants and directors of the Company and any subsidiary of the Company. A grantee who has received a grant of an award may, if he is otherwise eligible, receive additional award grants. The Administrator selects the grantees and determines the number of shares of common stock to be subject to each award. Each award granted under the Restricted Stock Plan will be evidenced by a written agreement between the grantee and us. As of April 18, 2014, approximately 115 persons would be eligible to participate in the Restricted Stock Plan.

**Termination of Service.** If a grantee's status as an employee or service as a director terminates for any reason, then the grantee's stock award shall be forfeited to the extent it is forfeitable immediately before the date of such termination, or settled by delivery of the appropriate number of unrestricted shares to the extent it is nonforfeitable, except as described in "Change of Control" below.

**Nontransferability of Awards.** Until such time as an aft">the redemption date;

the redemption price;

the place or places of payment;

the CUSIP or ISIN number of the debt securities being redeemed;

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in the case of partial redemption, the principal amount being redeemed;

whether the redemption is pursuant to a sinking fund; and

that on the redemption date, interest, or, in the case of OID debt securities, original issue discount, will cease to accrue.  
(Section 1104)

On or before any redemption date, we will deposit an amount of money with the trustee or with a paying agent sufficient to pay the redemption price. (Section 1105)

If less than all the debt securities are being redeemed, we may select the particular series to be redeemed; if less than all the debt securities of a series are being redeemed, the trustee shall select the debt securities to be redeemed using a method it considers fair and appropriate. (Section 1103) After the redemption date, holders of debt securities which were redeemed will have no rights with respect to the debt securities except the right to receive the redemption price and any unpaid interest to the redemption date. (Section 1106)

### **Concerning the Trustee**

HSBC Bank USA, National Association is the trustee under the indenture. HSBC Bank USA, National Association or its affiliates makes loans to and performs certain other services for us and certain of our subsidiaries and affiliates. Among other services, HSBC Bank USA, National Association or its affiliates provide us and our affiliates with investment banking and cash management services, foreign exchange and investment custody account services, and participate in our credit facilities and those of our affiliates.

### **Governing Law**

The laws of the State of New York govern the indenture and will govern the debt securities.

(Section 112)

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**DESCRIPTION OF DEBT WARRANTS**

We may issue debt warrants in registered certificated form for the purchase of debt securities. We may issue debt warrants separately or together with any debt securities offered by any prospectus supplement. If issued together with any debt securities, debt warrants may be attached to or separate from such debt securities. Debt warrants will be issued under debt warrant agreements to be entered into between us and a bank or trust company, as debt warrant agent, all as set forth in the prospectus supplement relating to the particular issue of debt warrants. The debt warrant agent will act solely as our agent in connection with the warrants and will not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of warrants. A form of debt warrant agreement, including a form of debt warrant certificate, reflecting the particular terms and provisions of a particular issue of debt warrants, will be filed with the SEC in connection with the offering and incorporated by reference in the registration statement of which this prospectus is a part. See [Where You Can Find More Information](#) for information on how to obtain copies of any form of debt warrant agreement that has been filed. Summaries of certain provisions of the debt warrant agreements and debt warrant certificates follow. You should read the more detailed provisions of the forms of debt warrant agreement and debt warrant certificate and any additional terms relating to the particular issue of debt warrants, which will be described in detail in the applicable prospectus supplement, for additional information before you buy any debt warrants.

**General**

The prospectus supplement will describe the terms of the debt warrants offered thereby, the debt warrant agreements relating to such debt warrants and the debt warrant certificates representing such debt warrants, including the following:

the offering price;

the designation, aggregate principal amount and terms of the debt securities purchasable upon exercise of the debt warrants;

if applicable, the designation and terms of the debt securities with which the debt warrants are issued and the number of debt warrants issued with each such debt security;

if applicable, the date on and after which the debt warrants and the related debt securities will be separately transferable;

the principal amount of debt securities purchasable upon exercise of one debt warrant and the price at which such principal amount of debt securities may be purchased upon such exercise, and any provisions for changes to or adjustments in the exercise price;

the date on which the right to exercise the debt warrants will commence and the date on which such right will expire;

the maximum or minimum number of warrants which may be exercised at any time;

United States federal income tax consequences;

the identity of the debt warrant agent; and

any other terms of the debt warrants.

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Debt warrant certificates may be exercised, and those that have been issued separately or, if issued together with debt securities, once detachable, may be exchanged for new debt warrant certificates of different denominations and may be presented for registration of transfer at the corporate trust office of the debt warrant agent or any other office indicated in the applicable prospectus supplement. A debt warrant certificate that is not immediately detachable from a debt security may be exchanged or transferred only with the debt securities to which it was initially attached, and only in connection with the exchange or transfer of such debt securities. Debt warrants for the purchase of debt securities will be in registered form only.

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### **Exercise of Debt Warrants**

Each debt warrant will entitle its holder to purchase for cash such principal amount of debt securities at such exercise price as will in each case be set forth in, or calculable from, the applicable prospectus supplement relating to the debt warrants. Each holder of a debt warrant may exercise it at any time up to 5:00 p.m., New York City time, on the debt warrant expiration date set forth in the applicable prospectus supplement. After such time, or such later date to which such debt warrant expiration date may be extended by us, unexercised debt warrants will be void.

### **PLAN OF DISTRIBUTION**

We may sell the securities offered pursuant to this prospectus in any of the following ways:

directly to one or more purchasers;

through agents;

through underwriters, brokers or dealers; or

through a combination of any of these methods of sale.

We will identify the specific plan of distribution, including any underwriters, brokers, dealers, agents or direct purchasers and their compensation in a prospectus supplement.

### **LEGAL MATTERS**

The validity of the securities offered by this prospectus and any prospectus supplement will be passed upon for us by Hunton & Williams LLP, New York, New York, and for any underwriters, agents or dealers by Simpson Thacher & Bartlett LLP, New York, New York. Simpson Thacher & Bartlett LLP will rely upon Hunton & Williams LLP as to matters of Virginia law. Sutherland Asbill & Brennan LLP, Washington, D.C. is also representing us with respect to United States federal tax laws.

### **EXPERTS**

The consolidated financial statements and financial statement schedule incorporated in this prospectus by reference to our Registration Statement on Form 10, as amended, have been so incorporated in reliance on the reports of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

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**Philip Morris International Inc.**

*% Notes due*

*% Notes due*

**Citi**

**Deutsche Bank**

**HSBC**

**JPMorgan**