

Professional Diversity Network, Inc.  
Form PRER14A  
August 23, 2016

PRELIMINARY PROXY STATEMENT,  
SUBJECT TO COMPLETION DATED AUGUST 23, 2016

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934

Filed by the Registrant  x  
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Check the appropriate box:

- Preliminary Proxy Statement
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- Definitive Proxy Statement
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Professional Diversity Network, Inc.

(Name of Registrant as Specified In Its Charter)

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

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PRELIMINARY PROXY STATEMENT,  
SUBJECT TO COMPLETION DATED AUGUST 23, 2016

August 29, 2016

Dear Stockholder:

On behalf of the Board of Directors, I am pleased to invite you to attend the 2016 annual meeting of stockholders of Professional Diversity Network, Inc. (the “Company”). The meeting will be held at the offices of the Company located at 801 W. Adams Street, Suite 600, Chicago, Illinois 60607, on September 26, 2016, at 11:00 a.m., Central Time.

#### Annual Meeting Proposals

At the meeting, you and the other stockholders will be asked to vote on the proposals described in detail in the notice of meeting on the following page and the accompanying proxy statement, including the following matters: (i) the election of seven directors to hold office until the next annual meeting and until their successors are duly elected and qualified; (ii) the ratification of the appointment of Marcum LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2016; (iii) the approval of a series of alternate amendments to our certificate of incorporation, to effect, at the discretion of our Board of Directors, a reverse stock split of our common stock, whereby each outstanding 2 through 15 shares would be combined, converted and changed into one share of our common stock (the “Reverse Stock Split Proposal”) and to reduce proportionally the number of shares of common stock the Company is authorized to issue; and (iv) such other business as may properly be brought before the meeting or any adjournment or postponement thereof.

#### Reverse Stock Split Proposal

We direct your attention to the discussion of our Reverse Stock Split Proposal in our proxy statement. Our common shares are currently listed on the Nasdaq Capital Market. However, as we have previously announced, we have received a delisting notice from the Nasdaq Stock Market for failing to comply with the continued listing requirement of maintaining a minimum bid price of at least \$1.00 per share. In order to regain compliance, the closing bid price of our common stock must be at least \$1.00 per share for a minimum of 10 consecutive business days prior to October 10, 2016. If we fail to satisfy this minimum bid price requirement before the October 10, 2016 deadline, our common stock will be delisted from the Nasdaq Capital Market. We believe it is in our stockholders’ best interests to maintain the listing of our common stock on the Nasdaq Capital Market.

As of August [ ], 2016, the closing bid price of our common stock on the Nasdaq Capital Market was \$[ ]. Because we cannot be assured that we will meet the \$1.00 minimum bid price requirement prior to October 10, 2016, we are asking our stockholders to approve the Reverse Stock Split Proposal. This Proposal authorizes our Board of Directors to file an amendment to our Certificate of Incorporation to effect a reverse stock split in a ratio ranging from 1-for-2 to 1-for-15, which means that each outstanding 2 through 15 shares would be combined, converted and changed into one share of our common stock. For complete information regarding the Reverse Stock Split Proposal, please review the proxy statement.

You and the other stockholders will not be asked to vote on the proposals related to the pending acquisition by Cosmic Forward Limited, a Republic of Seychelles company (“CFL”) of 51% of shares of our common stock on a fully diluted basis. You will receive separate materials with respect to a special meeting of stockholders to be held at a later date determined by our Board of Directors, to vote on such proposals.

Your Vote is Important

Please note that the Reverse Stock Split Proposal requires the affirmative vote of the holders of a majority of the outstanding shares of our common stock. As a result, your participation and vote at the annual meeting are important.

Whether or not you plan to attend the meeting, please vote electronically via the Internet, by telephone or by completing, signing, dating and returning the proxy card included with a paper copy of the proxy statement as promptly as possible. See the proxy statement for more details. Voting electronically or returning your proxy does NOT deprive you of your right to attend the meeting and to vote your shares in person for the matters acted upon at the meeting.

Thank you for your continued interest in the Company. We look forward to seeing you at the meeting.

Sincerely,

James Kirsch  
Executive Chairman of the Board of Directors

PRELIMINARY PROXY STATEMENT,  
SUBJECT TO COMPLETION DATED AUGUST 23, 2016

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Dear Stockholder:

On behalf of the Board of Directors, I am pleased to invite you to attend the 2016 annual meeting of stockholders of Professional Diversity Network, Inc. (the "Company"). The meeting will be held at the offices of the Company, 801 W. Adams Street, Suite 600, Chicago, Illinois 60607, on September 26, 2016, at 11:00 a.m., Central Time. At the meeting you will be asked to:

1. Elect seven directors to serve until the next annual meeting of stockholders (and until their successors are duly elected and qualified);
2. Ratify the appointment of Marcum LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2016;
3. Authorize the Board of Directors to effect, in its discretion, a reverse stock split of the outstanding and treasury shares of the Company's common stock in a ratio of [1-for-2] [1-for-3] [1-for-4] [1-for-5] [1-for-6] [1-for-7] [1-for-8] [1-for-9] [1-for-10] [1-for-11] [1-for-12] [1-for-13] [1-for-14] [1-for-15], to be determined by the Board of Directors, and to approve a corresponding amendment to the Company's Certificate of Incorporation to effect the reverse stock split and to reduce proportionally the number of shares of common stock the Company is authorized to issue; and
4. Transact such other business as may properly come before the 2016 annual meeting of stockholders and any adjournment or postponement thereof.

You will not be asked to vote on the proposals related to the pending acquisition by Cosmic Forward Limited, a Republic of Seychelles company ("CFL") of 51% of shares of our common stock on a fully diluted basis. You will receive separate materials with respect to a special meeting of stockholders to be held at a later date determined by our Board of Directors, to vote on such proposals.

The Board of Directors has fixed the close of business on August 4, 2016 as the record date for the determination of the holders of our common stock entitled to notice of and to vote on all matters presented at the 2016 annual meeting of stockholders and at any adjournments or postponements.

It is important that your shares be represented and voted at the 2016 annual meeting of stockholders regardless of the size of your holdings. Whether or not you plan to attend the meeting, please vote electronically via the Internet, by telephone or by completing, signing, dating and returning the proxy card included with a paper copy of the proxy statement as promptly as possible. Voting electronically or returning your proxy does NOT deprive you of your right to attend the meeting and to vote your shares in person for the matters acted upon at the meeting.

Thank you for your continued interest in the Company. We look forward to seeing you at the meeting.

By Order of the Board of Directors

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James Kirsch  
Executive Chairman of the Board of Directors

Chicago, Illinois  
August 29, 2016

Notice Regarding Availability of Proxy Materials: Pursuant to the rules promulgated by the U.S. Securities and Exchange Commission, we have elected to provide access to our proxy materials by sending you this full set of proxy materials, including a proxy card, and notifying you of the availability of our proxy materials online.

Our proxy statement and our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, as amended, are available online at [www.proxyvote.com](http://www.proxyvote.com) free of charge.

Except as stated otherwise, information on our website is not part of this proxy statement.

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PRELIMINARY PROXY STATEMENT,  
 SUBJECT TO COMPLETION DATED AUGUST 23, 2016

PROFESSIONAL DIVERSITY NETWORK, INC.

PROXY STATEMENT

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SUBJECT TO COMPLETION DATED AUGUST 23, 2016

801 W. Adams Street, Suite 600  
Chicago, IL 60607

PROXY STATEMENT

Proxy Statement for Annual Meeting of Stockholders to be held on September 26, 2016

You are receiving this proxy statement because you own shares of our common stock that entitle you to vote at the 2016 annual meeting of stockholders. Our Board of Directors is soliciting proxies from stockholders who wish to vote at the meeting. By use of a proxy, you can vote even if you do not attend the meeting. This proxy statement describes the matters on which you are being asked to vote and provides information on those matters so that you can make an informed decision.

Date, Time and Place of the 2016 Annual Meeting of Stockholders

We will hold the 2016 annual meeting of stockholders on September 26, 2016 at 11:00 a.m., Central Time, at our corporate offices located at 801 W. Adams Street, Suite 600, Chicago, Illinois 60607.

Questions and Answers about Voting at the 2016 Annual Meeting of Stockholders and Related Matters

Q: Who can vote at the 2016 Annual Meeting of Stockholders?

A: Holders of our common stock at the close of business on August 4, 2016, are entitled to vote their shares at the 2016 annual meeting of stockholders. As of August 4, 2016, there were 14,510,960 shares of common stock issued, outstanding and entitled to vote. Each share of common stock issued and outstanding is entitled to one vote.

Q: What constitutes a quorum, and why is a quorum required?

A: We are required to have a quorum of stockholders present to conduct business at the meeting. The holders of record of a majority of the aggregate voting power of our common stock issued and outstanding and entitled to be voted, present in person or by proxy, will constitute a quorum for the transaction of business at the 2016 annual meeting of stockholders or any adjournment or postponement thereof. Proxies received but marked as abstentions, if any, and broker non-votes will be counted as present at the meeting for quorum purposes. If we do not have a quorum, we will be forced to reconvene the 2016 annual meeting of stockholders at a later date.

Q: What is the difference between a stockholder of record and a beneficial owner?

A: If your shares are registered directly in your name with our transfer agent, Continental Stock Transfer & Trust Company, Inc., you are considered the "stockholder of record" with respect to those shares.

If your shares are held by a brokerage firm, bank, trustee or other agent ("nominee"), you are considered the "beneficial owner" of shares held in street name. As the beneficial owner, you have the right to direct your nominee on how to vote your shares by following their instructions for voting by telephone or on the Internet or, if you specifically request a copy of the printed materials from your nominee, you may use the voting instruction card provided by your nominee.



Q: How do I vote?

A: If you are a stockholder of record, you may vote:

- via Internet;
- by telephone;
- by mail, if you have received a paper copy of the proxy materials; or
- in person at the meeting.

Detailed instructions for voting via Internet, by telephone and by mail are set forth on your proxy card.

If you are a beneficial stockholder, you must follow the voting procedures of your nominee. If your shares are held by a nominee and you intend to vote at the meeting, please bring with you evidence of your ownership as of the record date (such as a letter from your nominee confirming your ownership or a bank or brokerage firm account statement) and a legal proxy from your nominee authorizing you to vote your shares.

Q: What am I voting on?

A: At the 2016 annual meeting of stockholders you will be asked to vote on the following proposals. Our Board recommendation for each of these proposals is set forth below.

Proposal	Board Recommendation
1. To elect seven directors to serve until the next annual meeting of stockholders (and until their successors are duly elected and qualified).	FOR each director nominee
2. To ratify the appointment of Marcum LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2016.	FOR
3. Authorize the Board of Directors to effect, in its discretion, a reverse stock split of the outstanding and treasury shares of the Company's common stock in a ratio of [1-for-2] [1-for-3] [1-for-4] [1-for-5] [1-for-6] [1-for-7] [1-for-8] [1-for-9] [1-for-10] [1-for-11] [1-for-12] [1-for-13] [1-for-14] [1-for-15], to be determined by the Board of Directors, and to approve a corresponding amendment to the Company's Certificate of Incorporation to effect the reverse stock split and to reduce	FOR

proportionally the number of shares of common stock the Company is authorized to issue.

We will also consider other business that properly comes before the meeting in accordance with Delaware law and our bylaws.

You will not be asked to vote on the proposals related to the pending acquisition by Cosmic Forward Limited, a Republic of Seychelles company (“CFL”) of 51% of shares of our common stock on a fully diluted basis. You will receive separate materials with respect to a special meeting of stockholders to be held at a later date determined by our Board of Directors, to vote on such proposals.

Q: What happens if additional matters are presented at the 2016 Annual Meeting of Stockholders?

A: Other than the items of business described in this proxy statement, we are not aware of any other business to be acted upon at the 2016 annual meeting of stockholders. If you grant a proxy, the persons named as proxy holders, James Kirsch and Katherine Butkevich, will have the discretion to vote your shares on any additional matters properly presented for a vote at the meeting in accordance with Delaware law and our bylaws.

You will not be asked to vote on the proposals related to the pending acquisition by CFL of 51% of shares of our common stock on a fully diluted basis. You will receive separate materials with respect to a special meeting of stockholders to be held at a later date determined by our Board of Directors, to vote on such proposals.

Q: What if I abstain on a proposal?

A: If you sign and return your proxy marked “abstain” on any proposal, your shares will not be voted on that proposal. However, your shares will be counted for purposes of determining whether a quorum is present.

Q: What is the required vote for approval of each of the proposals in this proxy statement?

A: Proposal	Vote Required for Approval
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