UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A INFORMATION

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

(Amendment No.)

Filed by the Registrant [X]

Filed by 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))
[X] Definitive Proxy Statement
[ ] Definitive Additional Materials
[ ] Soliciting Material under Rule 14a-12

SharpSpring, 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):

[X] 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:

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[ ] 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:

550 SW 2nd Avenue
Gainesville, FL 32601

May 1, 2017

Dear Fellow Stockholder:

The 2017 Annual Meeting of Stockholders (the "**Annual Meeting**") of SharpSpring, Inc. (the "**Company**") will be held at 10:00 a.m. (Eastern Time) on Thursday, June 1, 2017 at 550 2nd Avenue, Gainesville, FL 32601. I hope you will be able to attend.

The attached Notice of Annual Meeting and Proxy Statement describe the matters that we expect to be acted upon at the Annual Meeting. Management will be available to answer any questions you may have immediately after the Annual Meeting.

Please sign, date and return the enclosed Proxy without delay. The Company's Annual Report on Form 10-K (including audited financial statements) for the fiscal year ended December 31, 2016 accompanies the Proxy Statement. The proxy materials and Annual Report included in this package are also available on the internet under the "**Investors**" page of the Company's website at http://sharpspring.com/.

All shares represented by Proxies will be voted at the Annual Meeting in accordance with the specifications marked thereon, or if no specifications are made, (i) as to Proposal No. 1, the Proxy confers authority to vote "FOR" all of the five (5) persons listed as candidates for a position on the Board of Directors; (ii) as to Proposal No. 2, the Proxy confers authority to vote "FOR" the ratification of Cherry Bekaert LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2017; (iii) as to Proposal No. 3, the Proxy confers authority to vote "FOR" the amendment to increase the number of shares of common stock available for issuance under the 2010 Employee Stock Plan from 1,650,000 to 1,950,000; and (iv); as to any other business which comes before the Annual Meeting, the Proxy confers authority to vote in the Proxy holder's discretion.

The Company's Board of Directors believes that a favorable vote for each candidate for a position on the Board of Directors and for all other matters described in the attached Notice of Annual Meeting of Stockholders and Proxy Statement is in the best interest of the Company and its stockholders and recommends a vote "FOR" all candidates and all other matters. Accordingly, we urge you to review the accompanying material carefully and to return the enclosed Proxy promptly.

Your vote is important and we encourage you to vote promptly. For record holders, whether or not you are able to attend the Annual Meeting in person, please follow the instructions contained in the Notice on how to vote via email, facsimile, or request a paper proxy card to complete, sign and return by mail so that your shares may be voted. If your shares are held in the name of a broker, bank or other holder of record, follow the voting instructions you receive from the holder of record to vote your shares.

Thank you for your investment and continued interest in SharpSpring, Inc.

/s/ Semyon Dukach

Semyon Dukach,
Chair of the Board of Directors

SHARPSPRING, INC.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD THURSDAY, JUNE 1, 2017

To our Stockholders:

Notice is hereby given that the 2017 Annual Meeting of Stockholders (the "**Annual Meeting**") of SharpSpring, Inc. (the "**Company**") will be held at 10:00 a.m. (Eastern Time) on Thursday, June 1, 2017 at 550 SW 2nd Avenue, Gainesville, FL 32601, for the following purposes:

1. To elect five (5) Directors to the Board of Directors to serve until the 2018 Annual Meeting of Stockholders or until their successors have been duly elected or appointed and qualified;

2. To ratify the appointment Cherry Bekaert LLP to serve as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2017;

3. To approve an amendment to the Company's 2010 Employee Stock Plan (the "**Plan**") to increase the number of shares of common stock available for issuance under the Plan from 1,650,000 to 1,950,000;

4. To consider and take action upon such other business as may properly come before the Annual Meeting or any adjournments thereof.

The Board of Directors has fixed the close of business on April 20, 2017, as the Record Date for determining the stockholders entitled to notice of, and to vote at, the Annual Meeting or any adjournments thereof.

For a period of 10 days prior to the Annual Meeting, a stockholders list will be kept at the Company's office and shall be available for inspection by stockholders during usual business hours. A stockholders list will also be available for inspection at the Annual Meeting.

Your attention is directed to the accompanying Proxy Statement for further information regarding each proposal to be made.

STOCKHOLDERS UNABLE TO ATTEND THE MEETING IN PERSON ARE URGED TO COMPLETE, DATE AND SIGN THE ACCOMPANYING PROXY AND FAX, EMAIL OR MAIL IT IN THE ENCLOSED STAMPED, SELF-ADDRESSED ENVELOPE AS PROMPTLY AS POSSIBLE. IF YOU SIGN AND RETURN YOUR PROXY WITHOUT SPECIFYING YOUR CHOICES IT WILL BE UNDERSTOOD THAT YOU WISH TO HAVE YOUR SHARES VOTED IN ACCORDANCE WITH THE DIRECTORS' RECOMMENDATIONS. IF YOU ATTEND THE ANNUAL MEETING, YOU MAY, IF YOU DESIRE, REVOKE YOUR PROXY AND VOTE IN PERSON.

By Order of the Board of Directors

/s/ Semyon Dukach

Semyon Dukach,
Chair of the Board of Directors
May 1, 2017

PROXY STATEMENT

2017 ANNUAL MEETING OF STOCKHOLDERS

This Proxy Statement is furnished in connection with the solicitation by and on behalf of the Board of Directors (the "**Board of Directors**" or "**Board**") of SharpSpring, Inc. of proxies to be voted at the 2017 Annual Meeting of Stockholders (the "**Annual Meeting**") that will be held at 10:00 a.m. (Eastern Time) on Thursday, June 1, 2017 at 550 SW 2nd Avenue, Gainesville, FL 32601 and at any adjournments thereof (the "**Annual Meeting**"). In this Proxy Statement, SharpSpring, Inc. is referred to as "**we**," "**us**," "**our**," or "**Company**" unless the context indicates otherwise. The Annual Meeting has been called to consider and take action on the following proposals: (i) to elect five (5) Directors to the Board of Directors; (ii) to ratify the appointment of Cherry Bekaert LLP to serve as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2017; (iii) to approve an amendment to increase the number of shares of common stock available for issuance under the 2010 Employee Stock Plan from 1,650,000 to 1,950,000; and (iv) to consider and take action upon such other business as may properly come before the Annual Meeting or any adjournments thereof.

The Board of Directors knows of no other matters to be presented for action at the Annual Meeting. However, if any other matters properly come before the Annual Meeting, the persons named in the proxy will vote on such other matters and/or for other nominees in accordance with their best judgment. **The Company's Board of Directors recommends that the stockholders vote in favor of each of the director nominees and each of the proposals.**

Only holders of record of Common Stock of the Company at the close of business on April 20, 2017 (the "**Record Date**") will be entitled to vote at the Annual Meeting.

The approximate date on which this Proxy Statement, the proxy card and other accompanying materials are first being sent or given to stockholders is May 1, 2017. A copy of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016 ("**Annual Report**") is enclosed with these materials, but should not be considered proxy solicitation material. The Company intends to provide proxy materials by a "notice and access" process through the Internet. Those stockholders who wish to receive paper proxy materials may request them. This process will be available commencing after our 2017 Annual Meeting.

The principal executive offices of our Company are located at 550 SW 2nd Avenue, Gainesville, FL 32601, and our telephone number is 888-428-9605.

INFORMATION CONCERNING SOLICITATION AND VOTING

Why did I receive this Proxy Statement?

Our Board of Directors is soliciting your proxy to vote at the Annual Meeting because you were a stockholder of record at the close of business on April 20, 2017 (the "**Record Date**"), and are entitled to vote at the meeting. The Company has delivered this Proxy Statement and the Annual Report, along with either a proxy card or a voting instruction card to you by mail beginning on or about May 1, 2017. This Proxy Statement summarizes the information you need to know to vote at the Annual Meeting. You do not need to attend the Annual Meeting to vote your shares.

Who can attend the Annual Meeting?

All stockholders as of the Record Date, or their duly appointed proxies, may attend.

What do I need to be admitted to the Annual Meeting?

In order to be admitted to the Annual Meeting, a stockholder must present proof of ownership of SharpSpring, Inc. common stock on the Record Date. Any holder of a proxy from a stockholder must present the proxy card, properly executed. If your shares are held in the name of a bank, broker or other holder of record, you must present proof of your ownership, such as a bank or brokerage account statement, to be admitted to the meeting. All stockholders must also present a form of personal identification in order to be admitted to the meeting.

What am I being asked to vote on at the meeting?

We are asking our stockholders to elect directors, ratify the appointment of our independent registered public accounting firm and approve an amendment to our 2010 Employee Stock Plan.

Who is entitled to vote?

Stockholders as of the close of business on the Record Date are entitled to vote. Each stockholder is entitled to one vote for each share of common stock held on the Record Date. Stockholders are not entitled to cumulative voting.

How many votes are needed for approval of each item?

Proposal Number 1. Directors will be elected by a plurality of the votes cast in person or by proxy, meaning the five nominees receiving the most votes will be elected as directors. Stockholders are not entitled to cumulative voting with respect to the election of directors.

Proposal Number 2. The appointment of our independent registered public accounting firm will be ratified if a majority of the votes present in person or by proxy and entitled to vote on the matter vote in favor of the proposal.

Proposal Number 3. The amendment to our 2010 Employee Stock Plan will be approved if the holders of a majority of the outstanding shares of common stock entitled to vote in person or by proxy and entitled to vote on the matter vote in favor of the proposal.

Abstentions and broker non-votes will be treated as shares that are present, or represented and entitled to vote for purposes of determining the presence of a quorum at the Annual Meeting. Abstentions will not be counted in determining the number of votes cast in connection with any matter presented at the Annual Meeting. Broker non-votes will not be counted as a vote cast on any matter presented at the Annual Meeting.

What constitutes a quorum?

As of the Record Date, 8,371,547 shares of our common stock were issued and outstanding. The presence, either in person or by proxy, of the holders of a majority of the shares entitled to vote at the Annual Meeting is necessary to constitute a quorum for the Annual Meeting. Abstentions and broker non-votes are counted as present and entitled to vote for purposes of determining a quorum.

How Do I Vote?

Record Holders:

1. Vote by facsimile. Mark, date and sign and follow the facsimile instructions on your proxy card.
2. Vote by email. Mark, date and sign and follow the email instructions on your proxy card.
3. Vote by mail. Mark, date, sign and mail promptly the enclosed proxy card (a postage-paid envelope is provided for mailing in the United States).
4. Vote in person. Attend and vote at the Annual Meeting.

If you vote by facsimile or email, please DO NOT mail your proxy card.

Beneficial Owners (Holding Shares in Street Name):

1. Vote by Internet. The website address for Internet voting is on your vote instruction form.
2. Vote by mail. Mark, date, sign and mail promptly the enclosed vote instruction form (a postage-paid envelope is provided for mailing in the United States).
3. Vote in person. Obtain a valid legal proxy from the organization that holds your shares and attend and vote at the Annual Meeting.

What is the difference between being a "record holder" and "holding shares in street name?"

Most stockholders of the Company hold their shares through in a stock brokerage account or by a nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

Record Holders: If your shares are registered directly in your name with our Company's transfer agent, Interwest Transfer Company, you are considered the stockholder of record with respect to those shares, and these proxy materials are being sent directly to you by the Company. As the stockholder of record, you have the right to grant your voting proxy directly to us or to vote in person at the Annual Meeting. We have enclosed a proxy card for you to use.

Beneficial Owners (Holding Shares in Street Name): If your shares are held in a stock brokerage account or by a nominee, you are considered the beneficial owner of the shares which are held in "street name" and these proxy materials are being forwarded to you by your nominee, who is considered the stockholder of record with respect to these shares. As the beneficial owner, you have the right to direct your nominee on how to vote and are also invited to attend the Annual Meeting. However, since you are not the stockholder of record, you may not vote these shares in person at the Annual Meeting unless you request, complete and deliver a legal proxy from your nominee. Your nominee has enclosed a voting instruction card for you to use in directing the nominee how to vote your shares.

What happens if I return my signed proxy card but forget to indicate how I want my shares of common stock voted?

If you sign, date and return your proxy and do not mark how you want to vote, your proxy will be counted as a vote "FOR" all of the nominees for directors and "FOR" all of the other proposals.

What happens if I do not instruct my broker how to vote or if I mark "abstain" or "withhold authority" on the proxy?

If you mark your proxy "abstain" or "withhold authority," your vote will have the same effect as a vote against the proposal or the election of the applicable director. If you do not instruct your broker how to vote, your broker may vote for you on "routine" proposals but not on "non-routine" proposals. The ratification of our auditor is considered a routine matter, but the election of directors and amending our 2010 Employee Stock Plan are non-routine matters. Therefore, if you do not vote on the non-routine matters or provide voting instructions, your broker will not be allowed to vote your shares on those matters. Broker non-votes with respect to a matter will not be considered as present and entitled to vote with respect to that matter and thus will have no effect on the vote for that matter.

Can I revoke or change my voting instructions before the meeting?

For shares that are held in "street name", the stockholder must follow the directions provided by its bank, broker or other intermediary for revoking or modifying voting instructions. For shares that are registered in the stockholder's own name, the proxy may be revoked by written notification to the Company Secretary prior to its exercise and providing relevant name and account information, submitting a new proxy card with a later date (which will override the earlier proxy) or voting in person at the Annual Meeting.

Method of Counting Votes

Unless a contrary choice is indicated, all duly executed proxies will be voted in accordance with the instructions set forth on the proxy card. A broker non-vote occurs when a broker holding shares registered in street name is permitted to vote, in the broker's discretion, on routine matters without receiving instructions from the client, but is not permitted to vote without instructions on non-routine matters, and the broker returns a proxy card with no vote (the "non-vote") on the non-routine matter. Abstentions will be counted as present for purposes of determining a quorum but will not be counted for or against the election of directors or any other proposals.

As to Item 1, the Proxy confers authority to vote for all of the five persons listed as candidates for a position on the Board of Directors even though the block in Item 1 is not marked unless "For All Except" is marked and the number(s) of the nominee(s) are written on the line below. The Proxy will be voted FOR Items 2 and 3 unless AGAINST or ABSTAIN is indicated. If any other business is presented at the meeting, the Proxy shall be voted in accordance with the recommendations of the Board of Directors.

Who will count the vote?

Edward Lawton, our Chief Financial Officer, will tabulate the votes and act as inspector of election at the Annual Meeting.

Where can I find the voting results of the Annual Meeting?

We intend to publish the final results in a current report on Form 8-K within four business days after the end of the Annual Meeting.

What does it mean if I get more than one proxy card?

It means that you hold shares registered in more than one account. You must return all proxies to ensure that all of your shares are voted.

How many copies of the Proxy Statement or Annual Report to Stockholders will I receive if I share my mailing address with another security holder?

Unless we have been instructed otherwise, we are delivering only one Proxy Statement or Annual Report to Stockholders to multiple security holders sharing the same address. This is commonly referred to as "householding." We will however, deliver promptly a separate copy of the Proxy Statement or Annual Report to Stockholders to a security holder at a shared address to which a single copy of such documents was delivered, on written or oral request. Requests for copies of the Proxy Statement or Annual Report to Stockholders or requests to cease householding in the future should be directed to Investor Relations, SharpSpring, Inc., 550 SW 2nd Avenue, Gainesville, FL 32601. Telephone 888-428-9605. If you share an address with another stockholder and wish to receive a single copy of these documents, instead of multiple copies, you may direct this request to us at the address or telephone number listed above. Stockholders who hold shares in "street name" may contact their brokerage firm, bank, broker-dealer or other similar organization to request information about householding.

How can I obtain additional proxy materials or other Company materials?

The proxy materials and Annual Report included in this package, along with the Company's other SEC filings, are available on the internet under the "**Investors**" page of the Company's website at http://sharpspring.com/. Additionally, any stockholder desiring additional proxy materials, a copy of any other document incorporated by reference in this Proxy Statement, or a copy of the Company's bylaws should contact Investor Relations, SharpSpring, Inc., 550 SW 2nd Avenue, Gainesville, FL 32601. Telephone 888-428-9605.

Who pays for the cost of this proxy solicitation?

The Company pays for the cost of soliciting proxies on behalf of the Board of Directors. The Company also will reimburse brokerage firms and other custodians, nominees and fiduciaries for their reasonable expenses in forwarding proxy material to beneficial owners. Proxies may be solicited by mail, telephone, other electronic means or in person. Proxies may be solicited by directors, officers and regular, full-time employees of the Company, none of whom will receive any additional compensation for their services.

Who are the largest principal stockholders?

See "*Security Ownership of Certain Beneficial Owners*" elsewhere in this Proxy Statement for a table setting forth each owner of greater than 5% of the Company's common stock as of the Record Date.

What percentages of stock do the directors and officers own?

Together, they own approximately 38.2% of our Company common stock as of the Record Date. For information regarding the ownership of our common stock by directors and officers, see the section entitled "*Security Ownership of Certain Beneficial Owners and Management*" elsewhere in this Proxy Statement.

Do I have dissenters' rights of appraisal?

Under Delaware General Corporation Law, our stockholders are not entitled to appraisal rights with respect to any of the items proposed to be voted upon at the Annual Meeting.

Where can I find general information about the Company?

General information about us can be found on our website at http://sharpspring.com/. The information on our website is for informational purposes only and should not be relied upon for investment purposes. The information on our website is not incorporated by reference into this Proxy Statement and should not be considered part of this or any other report that we file with the Securities and Exchange Commission ("**SEC**"). We make available free of charge, either by direct access on our website or a link to the SEC's website, our Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), as soon as reasonably practicable after such reports are electronically filed with, or furnished to, the SEC. Our reports filed with, or furnished to, the SEC are also available directly at the SEC's website at www.sec.gov.

ALL PROXIES RECEIVED WILL BE VOTED IN ACCORDANCE WITH THE CHOICES SPECIFIED ON SUCH PROXIES. PROXIES WILL BE VOTED IN FAVOR OF EACH DIRECTOR NOMINEEE AND FOR A PROPOSAL IF NO CONTRARY SPECIFICATION IS MADE. ALL VALID PROXIES OBTAINED WILL BE VOTED AT THE DISCRETION OF THE PERSONS NAMED IN THE PROXY WITH RESPECT TO ANY OTHER BUSINESS THAT MAY COME BEFORE THE ANNUAL MEETING.

INFORMATION REGARDING DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Board of Directors

Our bylaws provide that the number of directors is determined by resolution of the Board of Directors. Our Board of Directors is currently set at seven directors. We currently have six directors serving on our Board of Directors, and one seat on our Board of Directors is currently vacant. Five of our current directors are standing for reelection at the Annual Meeting; Vadim Yasinovsky has determined not to stand for re-election. Each director is elected to serve a one (1) year term until the next annual meeting of stockholders and until the election and qualification of his or her successor or his or her earlier resignation or removal. After the Annual Meeting, we will have two vacant seats on our Board of Directors.

On December 19, 2016 the Board of Directors increased the size of the Board from five (5) directors to seven (7) directors. The Board considers setting the size of the Board to seven directors and obtaining a more diverse Board to be in the best interest of the Company, is consistent with good corporate governance practices, and may provide the Company's institutional investment community the opportunity to obtain representation on the Board.

The Company's Nominating and Corporate Governance Committee is currently evaluating individuals qualified to become members of the Board to fill the two additional directorship vacancies on the Board that will occur after the Annual Meeting, but as of this date, no nominees have been selected and no nominee is expected to be selected prior to the Annual Meeting.

The names of the five directors standing for reelection at the Annual Meeting, and certain information about each of them, are set forth below.

Identity of Directors Standing for Reelection

Name	Age	Year First Elected Director	Positions/Committees*	Independent
Semyon Dukach	48	2002	COB	no
Richard Carlson	44	2015	CEO, P	no
John L. Troost	49	2010	AC, CC, NCGC	yes
David A. Buckel	56	2014	AC, CC, NCGC, FE	yes
Steven A. Huey	51	2016	CC	yes

AC - Audit Committee
CEO, P - Chief Executive Officer, President
COB - Chair of the Board of Directors
CC - Compensation Committee
FE - Financial Expert
NCGC - Nominating/Corporate Governance Committee
*Note that Vadim Yasinovsky continues as a director through the 2017 Annual Meeting. Mr. Yasinovsky will not stand for re-election after his term expires at the 2017 Annual Meeting. Mr. Yasinovsky currently serves as a member of the Audit Committee and Nominating/Corporate Governance Committee.

Business Experience of Directors Standing for Reelection and New Director Nominees

Semyon Dukach. Semyon Dukach has been Chair of the Board of Directors since October 2002. On November 7, 2014 the Board of Directors changed the status of the position of Chair of the Board of Directors from executive status to non-executive status. Mr. Dukach was our Chief Executive Officer from October 2002 until June 13, 2012 and our principal executive officer, principal accounting officer and Secretary from October 2002 to March 5, 2013. In addition to his role as Chair of the Board of Directors for SharpSpring, Mr. Dukach also currently serves as Managing Director of Techstars in Boston. Mr. Dukach is also a board member of Global Cycle Solutions, Inc. and Terrafugia, Inc. Previously, Mr. Dukach founded GottaFlirt, Inc., Vert, Inc. and Fast Engines, Inc. He was a Senior Vice President at Adero, Inc. after it acquired Fast Engines, Inc. from him in 2000 and he was also a Senior Vice President at North American Media Engines from 1995 to 1997. Mr. Dukach received his undergraduate degree from Columbia University in Computer Science and his Masters degree from MIT, where he authored the Simple Network Payment Protocol, which was one of the earliest ways to transfer money on the Internet. While at MIT, Mr. Dukach published early research on electronic commerce in 1992 and on virtual worlds in 1989. While attending MIT, Mr. Dukach was a member of the MIT Blackjack Team which successfully used card counting techniques to beat casinos at blackjack. Mr. Dukach's qualifications to serve on our Board of Directors include his knowledge of our Company and the email services industry and his years of leadership at our Company.

Richard A. Carlson. Richard Carlson has been a director and has served as the Company's Chief Executive Officer and President since October 1, 2015. From August 1, 2015 to October 1, 2015, he served as President of the Company. From August 15, 2014 until August 1, 2015, he served as the President of SharpSpring Technologies, Inc., our wholly owned subsidiary. Mr. Carlson founded RCTW, LLC (fka SharpSpring, LLC) in December 2011 and served as its President until it was acquired by the Company on August 15, 2014. From April 2009 to December 2011, he served as the Managing Director of US Operations for Panda Security, an international internet security software company. Mr. Carlson's qualifications to serve on our Board of Directors include his knowledge of marketing automation technology, email technology, marketing strategies, as well as his general leadership skills.

John L. Troost. John L. Troost has been a director since July 2010. Since April 2010, Mr. Troost has served as President and Chief Technology Officer at Virtual Clarity, and from 2003 to February 2010, he was the Head of Platform Design and Core Technology Architecture at UBS, AG. Previously, he served as managing partner at Surgam Technology Partners, Chief Technology Officer at NAME, Inc., Manager of Systems and Network Engineering at Moore Capital Management and Senior Systems Administrator at Lehman Brothers. Mr. Troost is a contributor to the development of the original standards for email attachments (MIME standard RFC). Mr. Troost has a degree from Columbia University. Mr. Troost's qualifications to serve on our Board of Directors include his previous public company board experience, knowledge of marketing and cloud technology, and expertise in technology-enabled business innovation.

David A. Buckel. David A. Buckel has been a director since January 2014. Since November 2007 to present, Mr. Buckel has served as a Partner at BVI Ventures, a professional services firm that provides experienced, C-Suite professionals to deliver strategic and functional consulting services to both private and small public technology companies. Mr. Buckel has hands-on experience creating accounting and control systems and processes, financial statements, financial and operating metrics, dashboards, cash flow forecast, budget processes, trend analysis and dealing with auditors. Also, from 2011 to present, Mr. Buckel has served as a Mentor at the USF Student Innovation Incubator, which is administered by the USF Research Foundation, Inc. Mr. Buckel holds an M.B.A in Finance and Operations Management from Syracuse University and a B.S. in Accounting from Canisius College. Mr. Buckel's qualifications to serve on our Board of Directors include a strong background and skill set in areas relating to board service, finance and management.

Steven A. Huey. Steven A. Huey has been a director since December 2016. Since August 2012, Mr. Huey has been Chief Executive Officer of Capture Higher Ed, a technology firm that helps educational institutions meet their enrollment goals. Prior to that, from November 2007 to August 2012, Mr. Huey was Chief Operating Officer of The Learning House, Inc. Mr. Huey received a B.S. in Accounting and Finance from Miami University and an MBA from Emory University. Mr. Huey's qualifications to serve on our Board of Directors include his extensive experience as a technology company executive, with a focus on growing early stage companies.

During the past ten years, none of our directors or nominees for director have been involved in any of the proceedings described in Item 401(f) of Regulation S-K.

Transactions with Related Persons

On August 15, 2014, the Company acquired substantially all the assets and assumed the liabilities of RTCW, LLC (f/k/a SharpSpring LLC), a Delaware limited liability company. The consideration for the transaction, as amended, consisted of a closing cash payment of $5 million in August 2014 and earn out consideration of (i) $2 million in cash and $3 million in Company common stock paid in May 2015, (ii) $1 million in cash paid in April 2016, and (iii) $4 million in Company common stock paid in May 2016. Mr. Richard A. Carlson, our Chief Executive Officer and President and a director, served throughout this time as RCTW's president, and held a 33.8% ownership stake in RCTW, and Mr. Travis Whitton, our Chief Technology Officer, held a 13.0% ownership stake in RCTW. Mr. Steven A. Huey, one of our directors who is standing for reelection, held a 5.7% ownership stake in RCTW. Each of Mr. Carlson, Mr. Whitton and Mr. Huey were entitled to that proportionate amount of the earn-out consideration paid in connection with our Company's acquisition of the RCTW assets. At no time prior to August 15, 2014, was Mr. Carlson, Mr. Whitton or Mr. Huey a "related person" as defined in Item 404 of Regulation S-K.

On October 17, 2014, the Company acquired 100% of the equity interest owned, directly or indirectly, in GraphicMail group companies ("GraphicMail") consisting of InterInbox SA, a Swiss corporation, ERNEPH 2012A (Pty) Ltd. dba ISMS, a South African limited company, ERNEPH 2012B (Pty) Ltd. dba GraphicMail South Africa, a South African limited company, and Quattro Hosting LLC, a Delaware limited liability company. The acquisition consideration consisted of (i) $5.3 million paid at closing, $2.6 million of which was paid in cash and $2.7 million of which was paid in stock, and (ii) earn out consideration of $415,858 paid on March 16, 2016, $207,929 of which was paid in cash and $207,929 of which was paid in stock. Mr. Nicholas Eckert, who served as one of our executive officers until June 30, 2016, was the President of the GraphicMail Group companies and directly and indirectly held a 35% ownership stake in GraphicMail and was entitled to that proportionate amount of the earn-out consideration to be paid in connection with the GraphicMail acquisition. At no time prior to October 17, 2014 was Mr. Eckert a "related person" as defined in Item 404 of Regulation S-K.

James Morgan, Richard Carlson's brother-in-law, serves as our Vice President of Sales. During 2016 and 2015, Mr. Morgan's total compensation, including base salary, commissions, bonus and equity compensation approximated $219,000 and $150,000, respectively. Mr. Morgan's 2016 compensation included a one-time $78,000 payment related to the RCTW earn out that was required to be treated as compensation expense. Mr. Morgan's compensation package is highly variable based on new sales and is comparable to industry standards. Mr. Morgan also participates in standard Company employment benefits that are available all Company employees.

Policies and Procedures for Related-Party Transactions

Our Audit Committee considers and approves or disapproves any related person transaction as required by NASDAQ regulations.

Corporate Governance

Code of Ethics and Business Conduct

Our Company has adopted a Code of Ethics and Business Conduct which constitutes a "code of ethics" as defined by applicable SEC rules and a "code of conduct" as defined by applicable NASDAQ rules. Our Code of Ethics and Business Conduct applies to all of the Company's employees, including its principal executive officer, principal accounting officer, and our Board of Directors. A copy of this Code is available for review on the "**Investors**" page of the Company's website at http://sharpspring.com/. Requests for a copy of the Code of Ethics and Business Conduct should be directed to Investor Relations, SharpSpring, Inc., 550 SW 2nd Avenue, Gainesville, FL 32601. The Company intends to disclose any changes in or waivers from its Code of Ethics and Business Conduct by posting such information on its website or by filing a Form 8-K.

The proxy materials and Annual Report included in this package, along with the Company's other SEC filings, are available on the internet under the "**Investors**" page of the Company's website at http://sharpspring.com/. Additionally, any stockholder desiring additional proxy materials, a copy of any other document incorporated by reference in this Proxy Statement, or a copy of the Company's bylaws should contact Investor Relations, SharpSpring, Inc., 550 SW 2nd Avenue, Gainesville, FL 32601. Telephone 888-428-9605.

Director Independence Standards

Applicable NASDAQ rules require a majority of a listed company's board of directors to be comprised of independent directors. In addition, the NASDAQ rules require that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and corporate governance committees be independent and that audit committee members also satisfy independence criteria set forth in Rule 10A-3 under the Exchange Act. Under applicable NASDAQ rules, a director will only qualify as an "independent director" if, in the opinion of the listed company's board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In order to be considered independent for purposes of Rule 10A-3, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee, accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries or otherwise be an affiliated person of the listed company or any of its subsidiaries.

Director Independence

In April 2017, our Board of Directors undertook a review of the composition of our Board of Directors and its committees and the independence of each of our present directors and each director standing for reelection. Based upon information requested from and provided by each director concerning his background, employment and affiliations, including family relationships, our Board of Directors has determined that each of John L. Troost, David A. Buckel, Steven A. Huey, and Vadim Yasinovsky are "independent directors" as defined under applicable NASDAQ Stock Market Rules and Exchange Act Rules. In making such determination, our Board of Directors considered the relationships that each such non-employee director has with our Company and all other facts and circumstances that our Board of Directors deemed relevant in determining his independence, including the beneficial ownership of our capital stock by each non-employee director. The two members of our Board of Directors who are not "independent directors" are Semyon Dukach and Richard Carlson. Mr. Dukach is not an independent director as a result of his affiliate stock holdings in our Company and his previous executive officer status with our Company during the past three years. Mr. Carlson is not an independent director as a result of his executive officer status with our Company.

There are no family relationships between any director, executive officer, or person nominated or chosen by the Company to become a director or executive officer.

Board Committees

Our Board of Directors has established the committees described below and may establish others from time to time. The charters for each of our committees are described below and are available on the Company's website http://sharpspring.com/.

Audit Committee

We have a separately designated standing Audit Committee established in accordance with Section 3(a)(58)(A) of the Exchange Act. Our Audit Committee is comprised of Vadim Yasinovsky, John L. Troost, and David A. Buckel. Mr. Buckel is the chairperson of the committee. Each member of the Audit Committee is "independent" within the meaning of Rule 10A-3 under the Exchange Act and the NASDAQ Stock Market Rules. Our Board of Directors has designated David A. Buckel as an "audit committee financial expert," as such term is defined in Item 407(d)(5) of Regulation S-K. The Audit Committee's purpose and power are to (a) retain, oversee and terminate, as necessary, the auditors of the Company, (b) oversee the Company's accounting and financial reporting processes and the audit and preparation of the Company's financial statements, (c) exercise such other powers and authority as are set forth in the Charter of the Audit Committee of the Board of Directors, and (d) exercise such other powers and authority as shall from time to time be assigned thereto by resolution of the Board of Directors.

The Audit Committee also has the power to investigate any matter brought to its attention within the scope of its duties and to retain counsel and advisors to fulfill its responsibilities and duties. During our last fiscal year, our Audit Committee held four meetings and acted by unanimous consent one time.

Upon Mr. Yasinovsky's resignation as a director effective as of the 2017 Annual Meeting, the Board of Directors intends to appoint Steven A. Huey serve on the Audit Committee.

Compensation Committee

Our Compensation Committee is comprised of Steven A. Huey, John L. Troost, and David A. Buckel, and Steven A. Huey is the chairperson of the Compensation Committee. Our Board of Directors has determined that each member of the Compensation Committee is an independent director for compensation committee purposes as that term is defined in the applicable rules of NASDAQ and the Exchange Act, is a "non-employee director" within the meaning of Rule 16b-3(d)(3) promulgated under the Exchange Act and is an "outside director" within the meaning of Section 162(m) of the Internal Revenue Code, as amended. The Compensation Committee's purpose and powers are to (a) review and approve the compensation of the chief executive officer of the Company and such other employees of the Company as are assigned thereto by the Board of Directors and to make recommendations to the Board of Directors with respect to standards for setting compensation levels, (b) exercise such other powers and authority as are set forth in a charter of the Compensation Committee of the Board of Directors, and (c) exercise such other powers and authority as shall from time to time be assigned thereto by resolution of the Board of Directors.

Our Compensation Committee has the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the committee may deem appropriate in its sole discretion. If the Committee elects to delegate any authority to a subcommittee, the subcommittee shall be comprised of at least two members who qualify as "non-employee directors" for the purposes of Rule 16b-3 under the Exchange Act, and as "outside directors" for the purposes of Section 162(m) of the Internal Revenue Code, as amended. The Committee is not precluded from accepting solely recommendations from executive officers regarding the amount or form of executive and director compensation.

The Compensation Committee also has the power to investigate any matter brought to its attention within the scope of its duties, and to retain counsel and advisors to fulfill its responsibilities and duties. During our last fiscal year, our Compensation Committee held four meetings and acted by unanimous consent five times.

Compensation Committee Interlocks and Insider Participation

During 2016, our Compensation Committee was comprised of Vadim Yasinovsky, John L. Troost, and David A. Buckel, and Mr. Yasinovsky was the chairperson of the committee. On January 27, 2017, Steven A. Huey replaced Mr. Yasinovsky as a member and as the chairperson of the Compensation Committee. Neither of Steven A. Huey, Vadim Yasinovsky, John L. Troost or David A. Buckel is an officer or employee of our Company. None of our executive officers currently serves, or in the past year has served, as a member of the Board of Directors or compensation committee of any entity that has one or more executive officers serving on our Board of Directors or Compensation Committee. Disclosure is made with respect to Mr. Huey under the section entitled "*Transactions with Related Persons*" above.

Nominating and Corporate Governance Committee

Our Nominating and Corporate Governance Committee is comprised of Vadim Yasinovsky, John L. Troost, and David A. Buckel. Mr. Troost is the chairperson of the committee. Our Board of Directors has determined that each of the committee members is an independent director for Nominating and Corporate Governance Committee purposes as that term is defined in the applicable rules of NASDAQ and the Exchange Act. The Nominating and Corporate Governance Committee's purpose and powers are to: (a) identify potential qualified nominees for director and recommend to the Board of Directors for nomination candidates for the Board of Directors, (b) develop the Company's corporate governance guidelines and additional corporate governance policies, (c) exercise such other powers and authority as are set forth in a charter of the Nominating and Corporate Governance Committee of the Board of Directors, and (d) exercise such other powers and authority as shall from time to time be assigned thereto by resolution of the Board of Directors.

The Nominating and Corporate Governance Committee also has the power to investigate any matter brought to its attention within the scope of its duties and to retain counsel and advisors to fulfill its responsibilities and duties. During our last fiscal year, our Nominating and Corporate Governance Committee held four meetings and acted by unanimous consent one time.

Upon Mr. Yasinovsky's resignation as a director effective as of the 2017 Annual Meeting, the Board of Directors intends to appoint Steven A. Huey to serve on the Nominating and Corporate Governance Committee.

Each of the five directors standing for reelection at the Annual Meeting have expressed their willingness to serve as a director.

When new candidates for our Board of Directors are sought, all of our directors evaluate each candidate for nomination as director within the context of the needs and the composition of the Board of Directors as a whole. The Board of Directors conducts any appropriate and necessary inquiries into the backgrounds and qualifications of candidates. When evaluating director nominees, our Board of Directors generally seeks to identify individuals with diverse, yet complementary backgrounds. Our directors consider both the personal characteristics and experience of director nominees, including each nominee's independence, diversity, age, skills, expertise, time availability and industry background in the context of the needs of the Board of Directors and the Company. The Board of Directors believes that director nominees should exhibit proven leadership capabilities and experience at a high level of responsibility within their chosen fields, and have the experience and ability to analyze business and/or scientific issues facing our Company. In addition to business expertise, the Board of Directors requires that director nominees have the highest personal and professional ethics, integrity and values and, above all, are committed to representing the long-term interests of our stockholders and other stakeholders. To date, all new candidates have been identified and recommended by members of our Board of Directors, including management and non-management directors, our principal executive officer, and other executive officers, and we have not paid any fee to a third party to assist in the process of identifying or evaluating director candidates.

Our directors will consider candidates for nomination as director who are recommended by a stockholder and will not evaluate any candidate for nomination for director differently because the candidate was recommended by a stockholder.

When submitting candidates for nomination to be elected at our annual meeting of stockholders, stockholders should follow the following notice procedures and comply with applicable provisions of our bylaws. To consider a candidate recommended by a stockholder for nomination at the 2018 Annual Meeting of Stockholders, the recommendation must be delivered or mailed to and received by our Secretary within the time periods discussed elsewhere in this Proxy Statement under the heading "Stockholder Proposals for 2018 Annual Meeting." The recommendation must include the information specified in our bylaws for stockholder nominees to be considered at an annual meeting, along with the following:

- The stockholder's name and address and the beneficial owner, if any, on whose behalf the nomination is proposed;
- The stockholder's reason for making the nomination at the annual meeting, and the signed consent of the nominee to serve if elected;
- The number of shares owned by, and any material interest of, the record owner and the beneficial owner, if any, on whose behalf the record owner is proposing the nominee;
- A description of any arrangements or understandings between the stockholder, the nominee and any other person regarding the nomination; and
- Information regarding the nominee that would be required to be included in our Proxy Statement by the rules of the Securities and Exchange Commission, including the nominee's age, business experience for the past five years and any other directorships held by the nominee.

The information listed above is not a complete list of requisite information. The secretary will forward any timely recommendations containing the required information to our independent directors for consideration.

No material changes to the procedures by which our stockholders may recommend nominees to our Board of Directors has occurred since we last provided disclosure regarding these procedures in our Definitive Schedule 14A filed on April 15, 2016.

Board Leadership Structure

Our bylaws provide the Board of Directors with flexibility to combine or separate the positions of Chair of the Board of Directors and Principal Executive Officer in accordance with its determination that utilizing one or the other structure is in the best interests of our Company. Our current structure is that of separate Principal Executive Officer and Chair of the Board of Directors. Richard Carlson serves as our Principal Executive Officer and is responsible for the day-to-day operation of our Company. Semyon Dukach serves as our Chair of the Board of Directors, which is a non-executive position. Mr. Dukach is responsible for performing a variety of functions related to our corporate leadership and governance, including steering the direction of the Company, coordinating board activities, setting relevant items on the agenda and ensuring adequate communication between the Board of Directors and management, which he does in conjunction with the independent directors. Our Board of Directors has determined that maintaining the independence of a majority of our directors helps maintain its independent oversight of management.

Risk Oversight

The Board oversees risk management directly and through its committees associated with their respective subject matter areas. Generally, the Board oversees risks that may affect the business of the Company as a whole, including operational matters. The Audit Committee is responsible for oversight of the Company's accounting and financial reporting processes and also discusses with management the Company's financial statements, internal controls and other accounting and related matters. The Compensation Committee oversees certain risks related to compensation programs and the Nominating and Corporate Governance Committee oversees certain corporate governance risks. As part of their roles in overseeing risk management, these Committees periodically report to the Board regarding briefings provided by management and advisors as well as the Committees' own analysis and conclusions regarding certain risks faced by the Company. Management is responsible for implementing the risk management strategy and developing policies, controls, processes and procedures to identify and manage risks. The interaction with management occurs not only at formal board and committee meetings, but also through periodic and other written and oral communications.

Stockholder Communications with the Board

Stockholders who desire to communicate with the Board of Directors, or a specific director, may do so by sending the communication addressed to either the Board of Directors or any director, c/o SharpSpring, Inc., 550 SW 2nd Avenue, Gainesville, FL 32601. These communications will be delivered directly to the Board, or any individual director, as specified.

Board Meetings and Committees; Annual Meeting Attendance

During our last fiscal year, our Board of Directors held four Board meetings. Each current director attended at least 75% of the total number of Board meetings and their respective committee meetings of the Board held during our last fiscal year. The Board of Directors acted at various times by unanimous written consent, as authorized by our bylaws and the Delaware General Corporation Law.

Our Company has no policy with regard to Board members' attendance at our annual meetings of security holders. One Board member attended our 2016 annual meeting.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires that our executive officers and directors, and persons who own more than ten percent of a registered class of our equity securities, file reports of ownership and changes in ownership with the SEC. Executive officers, directors and greater-than-ten percent stockholders are required by SEC regulations to furnish us with all Section 16(a) forms they file. To the best of our knowledge, based solely upon a review of Forms 3 and 4 and amendments thereto furnished to our Company during its most recent fiscal year and Forms 5 and amendments thereto furnished to our Company with respect to its most recent fiscal year, and any written representation referred to in paragraph (b)(1) of Item 405 of Regulation S-K, all of our executive officers, directors and greater-than-ten percent stockholders complied with all Section 16(a) filing requirements with the following exception: Mr. Edward Lawton filed one late Form 4, Mr. Nicholas Eckert filed one late form 4, and Mr. Steve Huey filed his initial Form 3 late.

AUDIT COMMITTEE REPORT

The following Report of the Audit Committee does not constitute soliciting material and should not be deemed filed or incorporated by reference into any other Company filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent the Company specifically incorporates this Audit Committee Report by reference therein.

Role of the Audit Committee

The Audit Committee's primary responsibilities are generally as follows:

1. To retain, oversee and terminate, as necessary, the auditors of the Company;

2. To oversee the Company's accounting and financial reporting processes and the audit and preparation of the Company's financial statements;

3. To exercise such other powers and authority as are set forth in the Charter of the Audit Committee of the Board of Directors; and

4. To exercise such other powers and authority as shall from time to time be assigned thereto by resolution of the Board of Directors.

The Committee has implemented procedures to ensure that during the course of each fiscal year it devotes the attention that it deems necessary or appropriate to each of the matters assigned to it under the Committee's charter. In overseeing the preparation of the Company's financial statements, the Committee met with management and the Company's outside auditors, including meetings with the outside auditors without management present, to review and discuss all financial statements prior to their issuance and to discuss significant accounting issues. Management advised the Committee that all financial statements were prepared in accordance with generally accepted accounting principles, and the Committee discussed the statements with both management and the outside auditors. The Committee's review included discussion with the outside auditors of matters required to be discussed pursuant to Statement on Auditing 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.

The Committee has received the written disclosures and the letter from the Company's outside auditors required by applicable requirements of the Public Company Accounting Oversight Board regarding the outside auditor's communications with the Committee concerning independence, and has discussed with the outside auditors the outside auditor's independence.

Recommendations of the Audit Committee. In reliance on the reviews and discussions referred to above, the Committee recommended to the Board that the Board approve the inclusion of the Company's audited financial statements in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, for filing with the SEC.

This Audit Committee Report has been furnished by the Audit Committee of the Board of Directors.

David A. Buckel, Chairman
John L. Troost
Vadim Yasinovsky

Executive Officers

Identity of Executive Officers

Name	Age	Position
Richard A. Carlson	44	Director, Chief Executive Officer and President
Edward S. Lawton	39	Chief Financial Officer
Travis Whitton	36	Chief Technology Officer

Experience

Richard A. Carlson. Mr. Carlson's business experience is described above under the caption "Identity and Business Experience of Directors."

Edward S. Lawton. Edward S. Lawton has served as our Chief Financial Officer since September 2014. Mr. Lawton is responsible for overseeing our Company's financial reporting, accounting and administrative functions. Mr. Lawton has over 15 years of financial and accounting experience with a focus on financial planning and analysis and integrating acquisitions for high tech companies. From 2006 to September 2014, Mr. Lawton served as the Director of Finance and Senior Director of Finance at Bottomline Technologies (de), Inc., a cloud-based payment, invoice and digital banking solutions software company.

Travis Whitton. Travis Whitton has served as our Chief Technology Officer since the acquisition of the SharpSpring assets in August 2014. Mr. Whitton was a co-founder of RCTW, LLC (fka SharpSpring, LLC) and served as its Chief Technology Officer from January 2012 until it was acquired by the Company in August 2014. From September 2007 to January 2012, Mr. Whitton served as Senior Software Engineer of Grooveshark, an online streaming music company.

Each officer is elected annually by the Board of Directors and holds their office until they resign or are removed by the Board of Directors or otherwise disqualified to serve, or their successor is elected and qualified.

During the past ten years, none of our executive officers have been involved in any of the proceedings described in Item 401(f) of Regulation S-K.

Executive Compensation

Compensation Discussion and Analysis

The compensation committee of our Board of Directors oversees, reviews and approves all compensation decisions relating to our named executive officers. In the discussion that follows, "executives" refers to our 2016 named executive officers, Messrs. Carlson, Lawton, Whitton and Eckert.

Objectives and Philosophy of Our Executive Compensation Program

The primary objectives of the compensation committee with respect to executive compensation are to:

- enable us to attract, retain and motivate the best possible executive talent by ensuring that our compensation packages are competitive with those offered by similarly situated companies;
- align our executive compensation with our corporate strategies and business objectives;
- promote the achievement of key strategic and financial performance measures; and
- align executives' incentives with the creation of stockholder value.

To achieve these objectives, the compensation committee evaluates our executive compensation program with the goal of setting compensation at levels the committee believes are competitive with those of other companies of a comparable size within our industry. Executives are also evaluated on their professional growth and individual contributions to the Company's success. We provide a portion of our executive compensation in the form of stock option awards that vest over time, typically four years, which we believe promotes the retention of our executives and aligns their interests with those of our stockholders since this form of compensation allows our executives to participate in the long-term success of our Company as reflected in stock price appreciation.

Compensation Challenges

We face challenges in hiring and retaining our executives and other key employees due to several factors. These challenges are similar to those faced by other high-growth technology companies and make recruiting and retaining our executives and other key employees difficult. Specifically, we face challenges related to the pace of our operations, the high growth rate of our businesses, the fact that we are in a competitive industry and the fact that many of our executives and key employees are targeted by other companies.

Components of our Executive Compensation Program

The primary elements of our current executive compensation program are:

- base salary;
- cash bonuses;
- stock option awards; and
- retirement and other employee benefits

We do not have any formal or informal policy or target for allocating compensation between long-term and short-term compensation, between cash and non-cash compensation or among the different forms of non-cash compensation. Instead, the compensation committee determines what it believes to be the appropriate level and mix of the various compensation components based on recommendations from our chief executive officer, Company performance against stated objectives and individual performance.

Base Salary

Base salary is used to recognize the experience, skills, knowledge and responsibilities required of all our employees, including our executives. When establishing base salaries, the compensation committee considers a variety of other factors such as the executive's scope of responsibility, individual performance, prior employment experience and salary history, relative pay adjustments within the Company and our overall financial performance. Base salaries are reviewed at least annually by our compensation committee and may be adjusted from time to time based upon market conditions, individual responsibilities and Company and individual performance.

Mr. Whitton became a named executive officer during 2016, after his employment with the Company had commenced. Accordingly, his existing base salary in effect for 2016 prior to becoming a named executive officer was authorized in accordance with standard employee policies.

During 2016, Mr. Carlson received a base salary of $200,000. Mr. Carlson's salary was increased from $200,000 to $250,000 on March 16, 2017.

Mr. Lawton received a base salary of $165,000 upon joining the Company in September 2014 until December 1, 2016 when his salary was increased to $185,000.

Mr. Whitton has received a base salary of $160,000 since September 1, 2015.

Mr. Eckert, working out of our Geneva office, received a base salary of CHF 148,200 (approximately $154,000) since joining the Company via the GraphicMail acquisition in October 2014 until his termination on June 30, 2016.

Cash Bonuses

Cash bonuses are used to compensate and align our executives toward certain financial, strategic and operational goals. The compensation committee approves payment of quarterly cash bonuses as part of the overall compensation packages of our executive officers, and retains the authority to review and adjust the overall bonus at year-end.

For 2016, our executive cash bonuses were based on revenue and EBITDA targets for the year, as determined by the compensation committee. During 2016, Mr. Carlson received $66,250 in cash bonus awards, Mr. Lawton received $39,750 in cash bonus awards, Mr. Whitton received $13,550 in cash bonus awards and Mr. Eckert received $20,000 in cash bonus awards. Included in the 2016 bonus payments were the following amounts, which were paid in February 2016, but based on 2015 performance: Mr. Carlson: $40,000, Mr. Lawton: $24,000 and Mr. Eckert: $20,000.

Stock Option Awards

Stock option awards are the primary vehicle for offering long-term compensation incentives to our executives. Our compensation committee believes that stock options promote, create and reward long term stockholder value creation.

The following table shows stock option grants made to executives during 2016.

Name	Grant Date	Number of Stock Options (#)	Exercise Price ($)	Grant Date Fair Value of Options ($)
Richard Carlson	—	—	—	—
Edward Lawton[(1)]	7/12/2016	7,000	$ 5.15	$ 17,707
Travis Whitton[(2)]	2/17/2016	25,000	$ 3.34	$ 37,911
Nicholas Eckert	—	—	—	—

1. The options are exercisable for a period of nine years and vest over a 4 year period, with 25% vesting on the first anniversary of the grant date and an additional 1/48 of the original number of options vesting every month thereafter, until becoming fully vested on the fourth anniversary of the grant date.

2. The options are exercisable for a period of nine years and vest over a 4 year period, with 25% vesting on the first anniversary of the grant date and an additional 1/48 of the original number of options vesting every month thereafter, until becoming fully vested on the fourth anniversary of the grant date.

Benefits and Other Compensation

We maintain broad-based benefits that are provided to all of our employees, including (for U.S. resources) health and dental insurance, life insurance and a retirement plan. Executives are eligible to participate in all of our employee benefit plans, in each case on the same terms as our other employees.

Severance and Change in Control Benefits

Pursuant to employment agreements we have entered into with our executives and the terms of our 2010 Stock Incentive Plan, our executives are entitled to certain benefits in the event of a change in control of our Company or the termination of their employment under specified circumstances, including termination following a change in control. We believe these benefits help us compete for and retain executive talent and are generally in line with severance packages offered to executives by the companies in our peer group. We also believe that these benefits would serve to minimize the distraction caused by any change in control scenario and reduce the risk that key talent would leave the Company before any such transaction closes, which could reduce the value of the Company if such transaction failed to close.

2016 Summary Compensation Table

The table below summarizes all compensation awarded to, earned by, or paid to our named executive officers that earned more than $100,000 for the fiscal years ended December 31, 2016 and 2015:

Name	Year	Salary	Bonus	Option Awards	Non-Equity Incentive Plan Compensation	All Other Compensation	Total
		($)	($)	($) (a)	($) (b)	($) (c)	($)
Richard Carlson (1)	2016	$ 200,000	$ 66,250	$ -	$ -	$ 7,950	$ 274,200
Chief Executive Officer and President (Principal Executive Officer), Director	2015	$ 181,250	$ -	$ 625,052	$ -	$ -	$ 806,302
Edward Lawton	2016	$ 166,667	$ 39,750	$ 17,707	$ -	$ 6,193	$ 230,316
Chief Financial Officer (Principal Financial Officer)	2015	$ 165,000	$ 10,000	$ 49,341	$ -	$ 5,250	$ 229,591
Travis Whitton (2)	2016	$ 160,000	$ 13,550	$ 37,911	$ -	$ 3,758	$ 215,219
Chief Technology Officer							
Nicholas Eckert (3)	2016	$ 75,492	$ 20,000	$ -	$ -	$ -	$ 95,492
Vice President of Account Management	2015	$ 154,103	$ -	$ 171,813	$ -	$ -	$ 325,916

(a) The amounts in this column represent the grant date fair values of option grants as computed based on the Black-Scholes methodology.

(b) The amounts in this column reflect cash bonus awards paid to our named executive officers under our executive incentive compensation program, except as described in footnote 4, below.

(c) These amounts consist primarily of our matching contributions to each executive's retirement savings plan account.

(1) Mr. Carlson was appointed as our Chief Executive Officer and President (Principal Executive Officer) on October 1, 2015, and has been an executive officer of the Company since November 7, 2014.

(2) Mr. Whitton became an executive officer of the Company on July 2, 2016.

(3) Mr. Eckert served as an executive officer of the Company until June 30, 2016. Mr. Eckert's compensation was paid in Swiss francs and the information provided in the table above was converted to United States dollars based on the average foreign exchange conversion rates for the periods of 1.0188 and 1.0398 for 2016 and 2015, respectively.

During 2016, we provided our U.S. employees the ability to contribute to a 401(k) retirement plan and during 2015 we provided our U.S. employees the ability to contribute to a Savings Incentive Match Plan for Employees (SIMPLE) retirement plan. Under both plans, eligible employees may elect to defer part of their compensation to the plan each year. The amount of compensation an employee can elect to defer is generally expressed as a percentage of the employee's compensation up to a maximum of $18,000 for 2016. Under both plans, the Company provides a matching contribution of 100% of employee deferrals up to 3% of total compensation. We have no other annuity, pension, retirement or similar benefit plans in place on behalf of our executive officers.

We grant stock awards and stock options to our executive officers based on their level of experience and contributions to our Company. The aggregate fair value of awards and options are computed in accordance with FASB ASC 718 and options are reported in the Summary Compensation Table above in columns (a). The assumptions made in the computation may be found in Note 15: Stock-Based Compensation to our financial statements contained in our latest Form 10-K Annual Report.

At no time during the last fiscal year was any outstanding option otherwise modified or re-priced, and there was no tandem feature, reload feature, or tax-reimbursement feature associated with any of the stock options we granted to our executive officers or otherwise.

The table below summarizes all of the outstanding equity awards for our named executive officers as of December 31, 2016, our latest fiscal year end:

Outstanding Equity Awards At Fiscal Year-End

Name	Number of securities underlying unexercised options(#) Exercisable	Unexercisable	Option exercise price ($)	Option expiration date
Richard A. Carlson	30,000	30,000(1)	$ 6.29	06/01/25
	72,917	177,083(2)	$ 4.80	10/01/25
Edward Lawton	-	7,000(3)	$ 5.15	07/12/26
	29,167	20,833(3)	$ 6.29	08/14/24
	7,813	17,187(3)	$ 4.82	09/13/25
Travis Whitton	-	25,000(3)	$ 3.34	02/17/26
	9,375	15,625(3)	$ 6.29	06/01/25

1. Vests 50% on December 31, 2016, 25% on December 31, 2017 and 25% on December 31, 2018.
2. Vests monthly over four years, with 1/48 vesting each month.
3. Vests over four years, with 25% vesting on the first anniversary and 1/48 of the grant vesting each month thereafter.

Compensation of Non-Employee Directors

Set forth below is a summary of the compensation of our directors during our December 31, 2016 fiscal year.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Semyon Dukach (1)	-	$157,506	-	-	-	$ 20,735	$178,241
John L. Troost (2)	-	$ 21,008	-	-	-	-	$ 21,008
Vadim Yasinovsky (2)	-	$ 21,008	-	-	-	-	$ 21,008
David A. Buckel (2)	-	$ 21,008	-	-	-	-	$ 21,008
Steven A. Huey (3)	-	$ -	-	-	-	-	$ -

(1) As Chair of the Board of Directors, Mr. Dukach receives a $150,000 per year stipend, payable quarterly in stock. During 2016, Mr. Dukach received 32,131 shares of fully-vested Company stock related to this stipend. The quarterly stock stipend is issued shortly after quarter end, and the amount above represents the values on the date of issuance. Mr. Dukach's other compensation relates to participation in our Company's health plan.

(2) During 2016, SharpSpring's non-employee directors received a $20,000 per year stipend, payable quarterly in stock. The quarterly stock stipend is issued shortly after quarter end, and the amount above represents the values on the date of issuance.

(3) Mr. Huey joined the Board of Directors on December 19, 2016 and did not receive any compensation during 2016 for his services.

The aggregate fair value of option awards are computed in accordance with FASB ASC 718. The assumptions made in the computation may be found in Note 15: Stock-Based Compensation to our financial statements contained in our latest Form 10-K Annual Report.

Director's Stipend

Since November 2014, we have compensated our Chair of the Board of Directors with a stipend of $150,000 per year, payable quarterly in stock. Since May 2015, we have compensated non-employee directors with a stipend of $20,000 per year, payable quarterly in cash or stock at the discretion of the Board of Directors. To date, all such stipends have been paid in Company stock. All directors are also entitled to reimbursement for travel expenses for attending director meetings.

Compensation Policies and Practices As They Relate To Our Risk Management

Our compensation program for employees does not create incentives for excessive risk taking by our employees or involve risks that are reasonably likely to have a material adverse effect on us. Our compensation has the following risk-limiting characteristics:

- Our base pay consists of competitive salary rates that represent a reasonable portion of total compensation and provide a reliable level of income on a regular basis, which decreases incentive on the part of our executives to take unnecessary or imprudent risks;
- Option awards are not tied to formulas that could focus executives on specific short-term outcomes; and
- Option awards, generally, have multi-year vesting which aligns the long-term interests of our executives with those of our shareholders and, again, discourages the taking of short-term risk at the expense of long-term performance.

Securities Authorized for Issuance under Equity Compensation Plans

Equity Compensation Plans as of December 31, 2016.

Equity Compensation Plan Information

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders (1)	1,128,368	$ 5.12	239,596
Equity compensation plans not approved by security holders (2)	170,973	$ 6.26	-0-
Total	1,299,341	$ 5.27	239,596

(1) Reflects our 2010 Employee Stock Plan, as amended for the benefit of our directors, officers, employees and consultants. We currently have reserved 1,650,000 shares of common stock for such persons pursuant to that plan.

(2) Comprised of common stock purchase warrants we issued for services.

Voting Securities and Principal Holders Thereof

As of the Record Date, we had outstanding 8,371,547 shares of common stock. Each share of our common stock is entitled to one vote with respect to each matter on which it is entitled to vote. Pursuant to our bylaws and Delaware General Corporation Law, directors will be elected by a plurality of the votes cast in person or by proxy, meaning the five nominees receiving the most votes will be elected as directors. A majority of shares entitled to vote on the subject matter and represented in person or by proxy at a meeting at which a quorum is present is required for all other items. Stockholders are not entitled to cumulative voting with respect to any matter.

The following table sets forth, as of the Record Date, the names, addresses, amount and nature of beneficial ownership and percent of such ownership of (i) each person or group known to our Company to be the beneficial owner of more than five percent (5%) of our common stock; and (ii) each of our officers and directors, and officers and directors as a group:

Security Ownership of Certain Beneficial Owners and Management

Name and Address of Beneficial Owner (1)(2)	Shares Beneficially Owned Number	Shares Beneficially Owned Percent (3)	Options Included in Shares Beneficially Owned Number(4)
5% Stockholders(5)			
Kinderhook 2 GP, LLC	612,224	7.3%	-
2 Executive Drive, Suite 585, Fort Lee, New Jersey 07024			
AWM Investment Company, Inc.	530,734	6.3%	-
c/o Special Situations Funds, 527 Madison Avenue, Suite 2600, New York, NY			
Morgan Stanley/Morgan Stanley Smith Barney LLC	477,213	5.7%	-
1585 Broadway, New York, NY 10036			
Directors and Executive Officers (6)			
Semyon Dukach, Chair of the Board of Directors	2,257,629	26.9%	-
Richard A. Carlson, Chief Executive Officer and President, Director	673,995	7.9%	134,167
Travis Whitton, Chief Technology Officer	227,294	2.7%	20,834
Edward Lawton, Chief Financial Officer	53,855	*	46,355
John L. Troost, Director (7)	29,216	*	16,000
Vadim Yasinovsky, Director (8)	31,616	*	16,000
David A. Buckel, Director	23,423	*	13,000
Steven A. Huey, Director	947	*	-
All executive officers and directors as a group (8 persons)	3,297,975	38.2%	246,356

* Represents less than 1% of the outstanding shares of common stock.

(1) To our best knowledge, as of the date hereof, such holders had the sole voting and investment power with respect to the voting securities beneficially owned by them, unless otherwise indicated herein. Includes the person's right to obtain additional shares of common stock within 60 days from the date hereof.

(2) Unless otherwise noted, in care of SharpSpring, Inc., 550 SW 2nd Avenue, Gainesville, FL 32601.

(3) Based on 8,371,547 shares of common stock outstanding on the Record Date. Does not include shares underlying: (i) options to purchase shares of our common stock under our 2010 Employee Stock Plan, or (ii) outstanding warrants to purchase shares of our common stock.

(4) Represents options exercisable within 60 days.

(5) Based solely upon a review of Schedule 13G filings with the SEC

(6) If a person listed on this table has the right to obtain additional shares of common stock within 60 days from the date hereof, the additional shares are deemed to be outstanding for the purpose of computing the percentage of class owned by such person, but are not deemed to be outstanding for the purpose of computing the percentage of any other person.

(7) Includes 1,600 shares held by Mr. Troost's wife, for which Mr. Troost disclaims beneficial ownership.

(8) Mr. Yasinovsky has determined not to stand for re-election at the 2017 annual meeting.

We are not aware of any arrangements that could result in a change of control.

PROPOSAL ONE

ELECTION OF DIRECTORS

At the Annual Meeting, five directors are to be elected for a one (1) year term to serve until the next annual meeting of stockholders and until a successor for such director is elected and qualified, or until the death, resignation or removal of such director. There are five nominees, all of whom currently serve on our Board of Directors. Mr. Vadim Yasinovsky has determined not to stand for re-election at the 2017 annual meeting, and one seat on our Board of Directors is currently vacant. After the Annual Meeting, we will have two vacant seats on our Board of Directors.

Nominees

Set forth below is information regarding the nominees for election to our Board of Directors:

Name	Position(s) with the Company	Year First Elected Director
Semyon Dukach	Chair of the Board of Directors	2002
Richard Carlson	Chief Executive Officer; Director	2015
John (Rens) Troost	Director	2010
David A. Buckel	Director	2014
Steven A. Huey	Director	2016

Each person nominated has agreed to serve if elected, and our Board of Directors has no reason to believe that any nominee will be unavailable or will decline to serve. In the event, however, that any nominee is unable or declines to serve as a director at the time of the Annual Meeting, the proxies will be voted for any nominee who is designated by the current Board of Directors to fill the vacancy.

Vote Required

Directors will be elected by a plurality of the votes cast at the Annual Meeting. For the purposes of election of directors, although abstentions will count toward the presence of a quorum, they will not be counted as votes cast and will have no effect on the result of the vote. Each holder of common stock is entitled to one vote for each share held.

Recommendation of the Board of Directors

The Board of Directors recommends a vote “**FOR**” the election of all of the above nominees.

PROPOSAL TWO

RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2015

We are asking stockholders to ratify the appointment of Cherry Bekaert LLP to serve as our Company's independent registered public accounting firm for the fiscal year ending December 31, 2017. Cherry Bekaert LLP was our independent registered public accounting firm for our fiscal year ended December 31, 2016 and McConnell & Jones, LLP was our independent registered public accounting firm for our fiscal year ended December 31, 2015. Representatives of Cherry Bekaert LLP will not be present at the Annual Meeting.

As disclosed in the Company's Current Report on Form 8-K filed with the SEC on September 2, 2016, on September 1, 2016, the Company dismissed McConnell & Jones, LLP ("**McConnell & Jones**") as its independent registered public accounting firm. The Company's Audit Committee and Board of Directors unanimously approved the decision to dismiss McConnell & Jones. On September 1, 2016, the Company appointed Cherry Bekaert LLP ("**Cherry Bekaert**") as its new independent registered public accounting firm commencing for its quarter ending September 30, 2016 and its fiscal year ending December 31, 2016. The Company's Audit Committee and Board of Directors unanimously approved the engagement of Cherry Bekaert.

McConnell & Jones' reports on the financial statements of the Company for the years ended December 31, 2015 and 2014 did not contain an adverse opinion or disclaimer of opinion, nor were they modified or qualified as to uncertainty, audit scope or accounting principles. There were no "disagreements" (as that term is defined in Item 304(a)(1)(iv) of Regulation S-K) and no "reportable event" occurred (as that term is defined in Item 304 (a)(1)(v) of Regulation S-K during the fiscal years ended December 31, 2015 and 2014 and the subsequent interim period up to and including the date of McConnell & Jones' dismissal between the Company and McConnell & Jones on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which, if not resolved to the satisfaction of McConnell & Jones, would have caused them to make reference to the subject matter of the disagreement in connection with their report on the Company's financial statements for those periods. The Company provided McConnell & Jones with a copy of the Company's Current Report on Form 8-K filed with the SEC on September 2, 2016 and requested in writing that McConnell & Jones provide a letter addressed to the Securities and Exchange Commission stating whether or not they agree with the above statements. The Company received the requested letter from McConnell & Jones and included the letter as Exhibit 16.1 to the Company's Current Report on Form 8-K filed with the SEC on September 2, 2016.

The Company did not consult with Cherry Bekaert during the fiscal years ended December 31, 2015 and 2014 and any subsequent interim period prior to their engagement regarding: (i) the application of accounting principles to a specific completed or proposed transaction or the type of audit opinion that might be rendered on the Company's financial statements, and neither a written report was provided to the Company nor oral advice was provided that Cherry Bekaert concluded was an important factor in reaching a decision as to the accounting, auditing or financial reporting issue; or (ii) any matter that was either the subject of a disagreement or a reportable event as defined and described in paragraphs (a)(1)(iv) and (a)(1)(v) of Item 304 of Regulation S-K, promulgated under the Securities Exchange Act of 1934, as amended and there was neither a written report nor oral advice provided to the Company by Cherry Bekaert that Cherry Bekaert concluded was an important factor considered by the Company in reaching a decision as to any accounting, auditing or financial reporting issue.

The following table represents aggregate fees billed to the Company for the fiscal years ended December 31, 2016 and December 31, 2015 by the Company's independent registered public accounting firms. The aggregate fees billed for the fiscal year ended December 31, 2016 were from both Cherry Bekaert and McConnell & Jones, LLP, and the aggregate fees billed for the fiscal year ended December 31, 2015 were from McConnell & Jones, LLP.

	2016	2015
Audit Fees	$ 232,797	$ 128,289
Audit-Related Fees	11,924	—
Tax Fees	—	—
All Other Fees	—	—
Total	$ 244,721	$ 128,289

Audit Fees are the fees billed during the years ended December 31, 2016 and December 31, 2015 for professional services rendered by our independent auditors for the audit of the Company's annual financial statements and review of financial statements included in the Company's Form 10-Q or services that are normally provided by the audit firm in connection with statutory and regulatory filings or engagements.

Audit-Related Fees are the aggregate fees billed during the years ended December 31, 2016 and December 31, 2015 for assurance and related services rendered by our independent auditors that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under the category Audit Fees described above.

Tax Fees are the fees billed during the years ended December 31, 2016 and December 31, 2015 for tax compliance rendered by our independent auditors.

All Other Fees are the aggregate fees billed for products and services provided during the years ended December 31, 2016 and December 31, 2015 rendered by our independent auditors, other than the services reported in the above categories.

<u>Audit Committee Pre-Approval Policies</u>.

The Company's audit committee currently does not have any pre-approval policies or procedures concerning services performed by rendered by our independent auditors. However, all the services performed by rendered by the independent auditors that are described above were pre-approved by the Company's audit committee.

None of the hours expended on rendered by our independent auditor's engagement to audit the Company's financial statements for the years ended December 31, 2016 and December 31, 2015 were attributed to work performed by persons other than rendered by the independent auditor's full-time, permanent employees.

Vote Required

The vote required to ratify the appointment of Cherry Bekaert LLP to serve as our Company's independent registered public accounting firm for the fiscal year ending December 31, 2017 is the affirmative vote of the holders of a majority of the votes cast at the Annual Meeting. Each holder of common stock is entitled to one vote for each share held.

Recommendation of the Board of Directors

The Board of Directors recommends that the stockholders vote "**FOR**" the proposal to ratify the appointment of Cherry Bekaert LLP to serve as our Company's independent registered public accounting firm for the fiscal year ending December 31, 2017.

PROPOSAL THREE

AMENDMENT TO THE COMPANY'S 2010 EMPLOYEE STOCK PLAN

Purpose of the Proposal

The Board of Directors of the Company has approved and is recommending to stockholders of the Company an amendment to our Company's 2010 Employee Stock Plan, as previously amended (the "**Plan**") to amend paragraph 4 of the Plan to increase the number of shares of Common Stock available for issuance under the Plan from 1,650,000 to 1,950,000 so that a sufficient amount of awards are available for issuance in the future.

The Board of Directors approved the Plan to ensure that the Company has adequate ways in which to provide stock based compensation to its directors, officers, employees, and consultants. The Board of Directors believes that the ability to grant stock-based compensation is important to the Company's future success. The grant of stock-based compensation, such as stock options, can motivate high levels of performance and provide an effective means of recognizing employee and consultant contributions to the Company's success. In addition, stock-based compensation can be valuable in recruiting and retaining highly qualified technical and other key personnel who are in great demand, as well as rewarding and providing incentives to the Company's current employees and consultants. Our Board of Directors believes that the increase in the number of common shares available for issuance under the Plan is necessary in order to continue to offer stock-based compensation programs that will allow the Company to carry out the purposes of the Plan, including attracting and retaining employees who are critical to the growth and success of the Company.

Summary of the Plan

The principal terms and provisions of the Plan are summarized below. As a summary, the description below is not a complete description of all the terms of the Plan and is qualified in its entirety by reference to the full text of the Plan.

Types of Awards. Both incentive stock options, or ISOs, and nonqualified stock options, or NSOs, and stock grants and stock purchase rights may be granted under the Plan. ISOs receive favorable tax treatment on exercise, and may receive favorable tax treatment on a qualifying disposition of the underlying shares. However, ISOs must comply with certain requirements regarding exercise price, maximum term and post termination exercise period, and must be issued under a stockholder-approved plan. NSOs are not subject to these requirements, nor may they receive this favorable tax treatment upon exercise.

Administration. The Plan is administered by either the Board of Directors of the Company or a Stock Plan Committee ("**Committee**") appointed by the Board of Directors.

Eligibility. Awards under the Plan may only be made as follows: ISOs may be granted to any employee of the Company. Officers and directors of the Company who are not employees may not be granted ISOs under the Plan. Non-Qualified Options, stock grants and authorizations to make stock purchases may be granted to any director (whether or not an employee), officer, employee or consultant of the Company. As of the Record Date, there were 5 non-employee directors, 136 employees and 4 contractors, along with and various consultants who are eligible for awards under the Plan.

Number of Shares. As a result of previous amendments to the Plan, the aggregate number of shares that may be issued pursuant to the Plan is 1,650,000, subject to adjustment as described below.

Adjustments. In the event of a subdivision of the outstanding common stock, a declaration of a dividend payable in shares of common stock, a combination or consolidation of the outstanding common stock into a lesser number of shares of common stock, a recapitalization, a reclassification or a similar occurrence, the Committee shall make appropriate adjustments, subject to the limitations set forth in the Plan.

Transferability. No ISO shall be assignable or transferable by the grantee except by will or by the laws of descent and distribution, and during the lifetime of the grantee each ISO shall be exercisable only by him. All other awards under the Plan shall be freely transferable subject to certain limitations imposed by the Plan, when applicable.

Termination of Service. Each option shall set forth the extent to which the optionee shall have the right to exercise their option following termination of the optionee's employment with the Company. Such provisions shall be determined in the sole discretion of the Board of Directors or Committee, and need not be uniform among all options issued pursuant to the Plan. Notwithstanding the foregoing, and to the extent required by applicable law, each option shall provide that the optionee shall have the right to exercise the vested portion of any option held at termination for at least ninety (90) days following termination of employment with the Company for any reason, and that the optionee shall have the right to exercise the option for at least twelve (12) months if the optionee's employment terminates due to death or disability.

Amendment and Termination. The Plan became effective on June 15, 2010, the date of its adoption by the Board of Directors, and was approved by the holders of a majority of the outstanding shares of common stock of the Company on November 23, 2010. The Plan was subsequently amended on four other occasions pursuant to approval of both the Board of Directors and stockholders (other than the fourth Plan amendment that did not require stockholder approval). Unless sooner terminated pursuant to the terms of the Plan, the Plan will terminate on June 14, 2020. The Board of Directors may terminate or amend the Plan at any time except that the holders of a majority of the outstanding shares of common stock must approve certain amendments. Except as provided for in the Plan, neither the Board of Directors nor the stockholders can alter or impair the rights of an optionee, without his/her consent, under any award previously granted to him/her under the Plan.

Tax Aspects of the Plan

Federal Income Tax Consequences. The following discussion summarizes the material federal income tax consequences to the Company and the participants in connection with the Plan under existing applicable provisions of the Internal Revenue Code (the "**Code**") and the regulations adopted pursuant to such Code. The discussion is general in nature and does not address issues relating to the income tax circumstances of any specific individual employee or holder. The discussion is subject to possible future changes in the Code or other relevant law. The discussion does not address the consequences of state, local or foreign tax laws.

Nonqualified Stock Options. A recipient will not have any taxable income at the time an NSO is granted nor will the Company be entitled to a deduction at that time. When an NSO is exercised, the grantee will have taxable ordinary income (whether the option price is paid in cash or by surrender of already owned shares of Common Stock), and the Company will be entitled to a tax deduction, in an amount equal to the excess of the fair market value of the shares to which the option exercise pertains over the option exercise price.

Incentive Stock Options. A grantee will not have any taxable income at the time an ISO is granted or at the time the ISO is exercised. If a grantee disposes of the shares acquired on exercise of an ISO after two years after the grant of the ISO and one year after exercise of the ISO, the gain, if any, will be long-term capital gains eligible for favorable tax rates under the Code. If the grantee disposes of the shares within two years of the grant of the ISO or within one year of exercise of the ISO, the disposition is a "disqualifying disposition," and the grantee will have taxable ordinary income in the year of the disqualifying disposition equal to the lesser of (a) the difference between the fair market value of the shares and the exercise price of the shares at the time of option exercise, or (b) the difference between the sales price of the shares and the exercise price of the shares. Any gain realized from the time of option exercise to the time of the disqualifying disposition would be long-term or short-term capital gains, depending on whether the shares were sold more than one year or up to and through one year respectively, after the ISO was exercised. The Company is not entitled to a deduction as a result of the grant or exercise of an ISO. If the grantee has ordinary income taxable as compensation as a result of a disqualifying disposition, the Company will then be entitled to a deduction in the same amount as the grantee recognizes as ordinary income.

Future Plan Benefits

All awards to employees, officers, directors and consultants under the Plan are made at the discretion of the Board of Directors on a case by case basis. Therefore, the benefits and amounts that will be received or allocated under the Plan in the future are not determinable at this time.

Copy of Plan and Proposed Amendment

Set forth below is where you can find a complete copy of the Company's 2010 Employee Stock Plan, along with all subsequent amendments and the proposed amendment:

Original 2010 Employee Stock Plan	Exhibit 10.1 to Form S-1 filed on December 2, 2010
First Plan Amendment	Appendix A to Schedule 14C filed on April 29, 2011
Second Plan Amendment	Appendix A to Schedule 14C filed on October 28, 2013
Third Plan Amendment	Appendix A to Schedule 14C filed on April 30, 2014
Fourth Plan Amendment	Exhibit 4.2 to Form 8-K filed on November 12, 2014
Fifth Plan Amendment	Appendix A to Schedule 14A filed on April 15, 2016
Proposed Plan Amendment	Appendix A to this Schedule 14A

Vote Required

The vote required to approve the proposed amendment of the Plan to increase the number of shares of Common Stock available for issuance under the Plan from 1,650,000 to 1,950,000 is the affirmative vote of the holders of a majority of the votes cast at the Annual Meeting. Each holder of common stock is entitled to one vote for each share held.

Recommendation of the Board of Directors

The Board of Directors recommends that the stockholders vote "**FOR**" approval of the amendment to the 2010 Employee Stock Plan.

STOCKHOLDER PROPOSALS FOR 2018 ANNUAL MEETING

In order for stockholder proposals to be included in our proxy statement for the 2018 Annual Meeting, we must receive them at our principal executive offices, 550 SW 2nd Avenue, Gainesville, FL 32601, by December 31, 2017, being 120 days prior to the date of the first anniversary of the date of our proxy statement for the 2017 Annual Meeting of Stockholders. All other stockholder proposals, including nominations for directors, in order to be voted on at the 2018 Annual Meeting, must be received by us not earlier than February 1, 2018 and not later than March 3, 2018 being, respectively, 120 days and 90 days prior to the date of the first anniversary of the 2017 Annual Meeting of Stockholders. In the event that the 2018 Annual Meeting is called for a date that is not within 30 days before or after the anniversary date of the 2017 Annual Meeting of Stockholders, notice by a stockholder in order to be timely must be so received not later than the close of business on the 10th day following the day on which such notice of the date of the 2018 Annual Meeting is mailed or such public disclosure of the date of the 2018 Annual Meeting is made, whichever first occurs.

OTHER MATTERS

Our Board of Directors knows of no other matters to be presented for stockholder action at the Annual Meeting. However, if other matters do properly come before the Annual Meeting or any adjournments or postponements thereof, our Board of Directors intends that the persons named in the proxies will vote upon such matters in accordance with the best judgment of the proxy holders.

Whether or not you intend to be present at the meeting, you are urged to fill out, sign, date and return the enclosed proxy at your earliest convenience.

Gainesville, FL

May 1, 2017

APPENDIX A

AMENDMENT No. 6
TO
SHARPSPRING, INC. (F/K/A/ SMTP, INC.) 2010 EMPLOYEE STOCK PLAN

The SharpSpring, Inc. 2010 Employee Stock Plan (the "**Plan**") is hereby amended as follows (capitalized terms used herein and not defined herein shall have the respective meaning ascribed to such terms in the Plan):

1. Paragraph 4 of the Plan shall be deleted in its entirety and replaced with the following:

> 4. Stock. The stock subject to Options, Awards and Purchases shall be authorized but unissued shares of Common Stock of the Company, $.001 par value (the "**Common Stock**"), or shares of Common Stock reacquired by the Company in any manner. The aggregate number of shares that may be issued pursuant to the Plan is 1,950,000, subject to adjustment as provided in paragraph 13. Any such shares may be issued as ISOs, Non-Qualified Options or Awards, or to persons or entities making Purchases, so long as the number of shares issued does not exceed such number, as adjusted. If any Option granted under the Plan shall expire or terminate for any reason without having been exercised in full or shall cease for any reason to be exercisable in whole or in part, or if the Company shall reacquire any unvested shares issued pursuant to Awards or Purchases, the unpurchased shares subject to such Options and any unvested shares so reacquired by the Company shall again be available for grants of Stock Rights under the Plan.

3. All other provisions of the Plan remain in full force and effect, other than any provision that conflicts with the terms and spirit of this amendment.

Adopted by the Board of Directors on March 17, 2017.

Adopted by the Shareholders on _____________

SHARPSPRING, INC.
c/o *INTERWEST TRANSFER* COMPANY, INC.
P.O. BOX 17136
SALT LAKE CITY, UT 84117

VOTE BY MAIL
Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Interwest Transfer Company, Inc., P.O. Box 17136, Salt Lake City, UT 84117.

VOTE BY FACSIMILE - (801) 277-3147
Mark, sign and date your proxy card and fax it to (801) 277-3147 Attention: Julie, up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date.

VOTE BY EMAIL - julie@interwesttc.com
Mark, sign and date your proxy card and email it to julie@interwesttc.com up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS: KEEP THIS PORTION FOR YOUR RECORDS

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED. DETACH AND RETURN THIS PORTION ONLY

	For All	Withhold All	For All Except	To withhold authority to vote for any individual nominee(s), mark "For All Except" and write the number(s) of the nominee(s) on the line below.
The Board of Directors recommends you vote FOR the following:				
1. Election of Directors **Nominees:**	☐	☐	☐	______________

01 Semyon Dukach 02 Richard Carlson 03 John L. Troost 04 David A. Buckel 05 Steven A. Huey

The Board of Directors recommends you vote FOR proposals 2 and 3	**For**	**Against**	**Abstain**
2. Ratification of the appointment of Cherry Bekaert LLP to serve as the Company's Independent Registered Public Accounting firm for fiscal year 2017.	☐	☐	☐
3. The amendment to increase the number of shares of common stock available for issuance under the 2010 Employee Stock Plan.	☐	☐	☐

NOTE: In their discretion, the Proxies are authorized to vote upon such other business as may properly come before the meeting

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

______________ Print Name ______________ Print Name (Joint Owners)

______________ Signature Date ______________ Signature (Joint Owners) Date

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting: The Notice & Proxy Statement, Form 10-K is/are available at http://sharpspring.com/.

SHARPSPRING, INC.
Annual Meeting of Shareholders
June 1, 2017 10:00 AM
This proxy is solicited by the Board of Directors

The undersigned hereby appoint(s) Richard Carlson and/or Edward Lawton with the power of substitution and resubstitution to vote any and all shares of capital stock of SharpSpring, Inc. (the "Company") which the undersigned would be entitled to vote as fully as the undersigned could do if personally present at the Annual Meeting of the Company, to be held on Thursday, June 1, 2017 at 10:00 a.m. local time, and at any adjournments thereof, hereby revoking any prior proxies to vote said stock, upon the following items more fully described in the notice of any Proxy Statement for the Annual Meeting (receipt of which is hereby acknowledged).

This proxy, when properly executed, will be voted in the manner directed herein. If no such direction is made, this proxy will be voted in accordance with the Board of Directors' recommendations.

Continued and to be signed on reverse side