

Employee Handbook



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WELCOME

Welcome to EDMC!

At EDMC, our success is measured by the success of our students, and every employee has a role to play. The Employee Handbook sets forth important information and expectations that will serve as a reference and help you get started as you join us in positively impacting the lives of our students.

We have more than 40 years of experience in preparing students for professional careers, and our student-first approach is unique in the industry. It's a philosophy that has earned us recognition as a company that "does things right." Our Education Systems have strong reputations for delivering high-quality academic programs. And whether in the creative and applied arts, behavioral sciences, education, business, or health science fields, it is our employees who stand behind and sustain this reputation each and every day.

EDMC is built on strong values: dedication to student success, operational and educational integrity, high ethical standards, and respect for each other. A strong foundation, it keeps us grounded as we build for the future and work to achieve our goal of becoming the preeminent company in our industry.

Orientation is just the first important step in your EDMC career. As you delve more deeply into your new position, specific questions will likely arise about the company and your department. Your manager and the Human Resources department are ready to help you understand your role in the organization and how your responsibilities fit into EDMC's mission.

Congratulations on joining EDMC and best wishes for a satisfying and rewarding career.

Sincerely,

A handwritten signature in black ink, appearing to read "Ed West". The signature is fluid and cursive, with a prominent initial "E" and a long, sweeping underline.

Ed West
Chief Executive Officer

Introduction

This Handbook applies to all employees of Education Management LLC (the "Company" or "EDMC") and is provided as a ready reference and as a summary of the EDMC policies and procedures.

This Handbook supersedes all prior handbooks.

The goal of this Handbook is to help employees understand:

1. The Company's philosophy
2. What to expect from EDMC
3. What is expected of them

The Handbook explains employment policies, but it is not a contract of employment and does not create enforceable rights on the part of employees. All employees must sign an acknowledgement that they have received the Handbook and that they understand that they have obligations to read, understand and follow its provisions.

It's not possible to anticipate every situation that may arise in the workplace. As such, it is difficult to provide advance information that will answer every possible question. Circumstances will occasionally require a change in policies, practices and/or benefits. The Company reserves the right, at its sole discretion, to change or terminate any of its policies or practices in an individual case or generally, with or without notice.

Note that many matters covered by this Handbook also are described in other documents, such as Company and department-specific policies and benefit plan documents. These other documents always are controlling over any statement made in this Handbook or by any supervisor or manager.

If you need have questions about EDMC policies, please see your local Human Resources representative, or contact **HR One Connect**, the employee resource center, at **1-888-471-3362** (1-888-HR1-EDMC) or at HR1Connect@edmc.edu.

At-Will Employment Disclaimer. In distributing this Handbook, the Company does not intend to create a contract of any kind, to promise to act in any way or to alter the at-will status of any employee. Employment is at the mutual consent of the employee and the Company. Accordingly, both the Company and the employee have the right to sever the employment relationship at will, with or without cause or advance notice, and the Company can modify any term or condition of employment at any time, with or without cause or advance notice.

Nothing in this Handbook is a contract or a promise that the Company will act in any given manner.

GENERAL INFORMATION

About EDMC

EDMC is among the largest providers of private post-secondary education in North America based on student enrollment and revenue. EDMC's education institutions offer a broad range of academic programs concentrated in the media arts, design, fashion, culinary arts, behavioral sciences, health sciences, education, information technology and business fields, culminating in the award of associate's through doctoral degrees. EDMC has provided career-oriented education for more than 40 years.

EDMC has its corporate offices at 210 Sixth Avenue, 33rd Floor, Pittsburgh, PA 15222-2603. (412) 562-0900.

<http://www.edmc.com/>

The Art Institutes

The Art Institutes is EDMC's largest operating unit. Offering programs both online and traditionally through campus locations, The Art Institutes are an important source of design, media arts, fashion and culinary professionals.

Argosy University

Argosy University offers online and on ground doctoral, master's and bachelor's programs in clinical psychology, counseling and education. Argosy University also offers doctoral, master's and bachelor's degree programs in business administration, bachelor's degrees in psychology and associate's degree programs in various health sciences fields. Argosy also operates Western State University College of Law in Fullerton, California, The Connecting Link and The Ventura Group.

South University

South University joined the EDMC family in 2003. South University is a private academic institution dedicated to providing both online and on ground educational opportunities for the intellectual, social and professional development of a diverse student population. South University offers educational programs at the associate's, bachelor's, master's and doctoral levels.

Brown Mackie College

The Brown Mackie College provides educational programs that prepare students for entry-level positions in a competitive, rapidly-changing workplace including associate's degree, diploma, and certificate programs.

EDMC Values Statement

EDMC's mission and vision are realized through our values-based pursuit of three goals. The Company has adopted a mission, vision and goals which collectively comprise EDMC's "Strategic Focus." The Strategic Focus provides a lens for understanding how the Company helps students to achieve their goals and establishes a firm foundation upon which employees carry out their day-to-day responsibilities. Innate in those responsibilities is the Company's organizational commitment to "doing things the right way" on behalf of EDMC's students, graduates, and all stakeholders.

Our goals are the guideposts to sustainably achieve our mission and vision:

- Quality: Deliver exceptional student experiences and continuously improve outcomes
- Community: Cultivate outstanding reputations with our key audiences
- Growth: Efficiently serve as many students as possible who possess the ability and desire to succeed

The Company's shared beliefs that define EDMC's culture are:

- Student Success
- Integrity
- Innovation
- Excellence

EDMC Vision Statement

EDMC's vision:

Helping students achieve their goals across the full spectrum of in-demand careers.

EDMC Mission Statement

EDMC is a leader in postsecondary, career-focused education, dedicated to meeting employers' needs through qualified graduates. The Company's mission is to provide education that builds careers and transforms the lives of those who teach, learn and work here.

The organization is committed to continuous improvement and profitable growth through collaborative partnerships with all stakeholders. EDMC fulfills its mission in a culture of learning which values student success, integrity, innovation and excellence.

GENERAL POLICIES

Code of Business Ethics and Conduct

Education Management Corporation (together with its subsidiaries, "EDMC") is committed to being a responsible member of the various communities in which EDMC does business. The Company strives to assure the welfare of those dependent upon the continuation of our business success, namely our employees, students and the employers of our graduates.

The Business Ethics Policy and Code of Conduct is based on the following principles:

- We conduct ourselves with honesty and integrity.
- We maintain a professional environment for our students, customers, partners, shareholders and each other.
- We avoid conflicts of interest.
- We compete fairly and ethically in the marketplace.
- We are an equal opportunity employer and comply with all applicable employment and labor laws and regulations.

This Business Ethics Policy and Code of Conduct (the "Code") was developed to guide the Company's business practices with regard to compliance with laws and maintenance of the highest legal, ethical and financial reporting standards. It applies equally to EDMC directors, as well as employees at all levels. All EDMC officers and managers are responsible for communicating and implementing the policies contained in the Code within their specific areas of supervisory responsibility.

Of course, no code of conduct can replace the thoughtful behavior of an ethical director or employee, and EDMC relies upon each employee to act with integrity, to use good judgment and to act appropriately in any given situation. Nevertheless, EDMC believes that the Code can help focus our Board of Directors (the "Board") and management on areas of ethical risk, provide guidance to employees to help them recognize and deal with ethical issues and help to foster a culture of honesty and accountability.

Upon your review of the Code, the Company encourages you to ask any questions regarding its policies and procedures to ensure that you understand each of them as well as the overall intent of the Code. You are expected to make every effort to remain in full compliance with both its letter and spirit. Please see the sections of the Code entitled "Your Responsibilities" and "Consequences of Non-Compliance."

EDMC welcomes and appreciates the efforts of individuals who report suspected violations of the Code. Your reports will be handled confidentially, consistent with a fair and thorough investigation. The Company will not tolerate any form of retaliation against anyone who in good faith reports possible violations even if, upon investigation, suspicions prove to be unwarranted.

Employees are asked to review the Business Ethics Policy and Code of Conduct in its entirety.

Confidentiality

Some employees are given access to confidential business information and trade secrets belonging to the Company (including, but not limited to, budgets, contracts and manuals for the school) by reason of the employment relationship. Because such information and trade secrets constitute valuable and unique assets of the institution, employees may not disclose any confidential business information or trade secrets of the Company at any time during or after employment for any purpose other than the proper conduct of the business and affairs of the Company. In the event of termination of employment, employees must return to the Company all documents that contain or relate in any way to any such confidential information or trade secrets (without retaining any excerpt, note, photograph, reproduction or copy of any of them). This Handbook provision merely summarizes and restates the Confidentiality Agreement that you were asked to sign at the time you were hired.

Reporting Violations of the Code of Conduct or Corporate Fraud

There are many ways for you to voice your concern or to ask about the Code of Conduct or corporate fraud. However, when you believe you must raise your issue to a higher level of authority, EDMC requires you to work through the following escalation order. Please be advised that matters escalated to the corporate level will generally be routed back to the Local, Regional or Ed System level for investigative purposes if the Local, Regional or Ed System level was bypassed in the escalation process.

Step 1: Speak with Your Supervisor

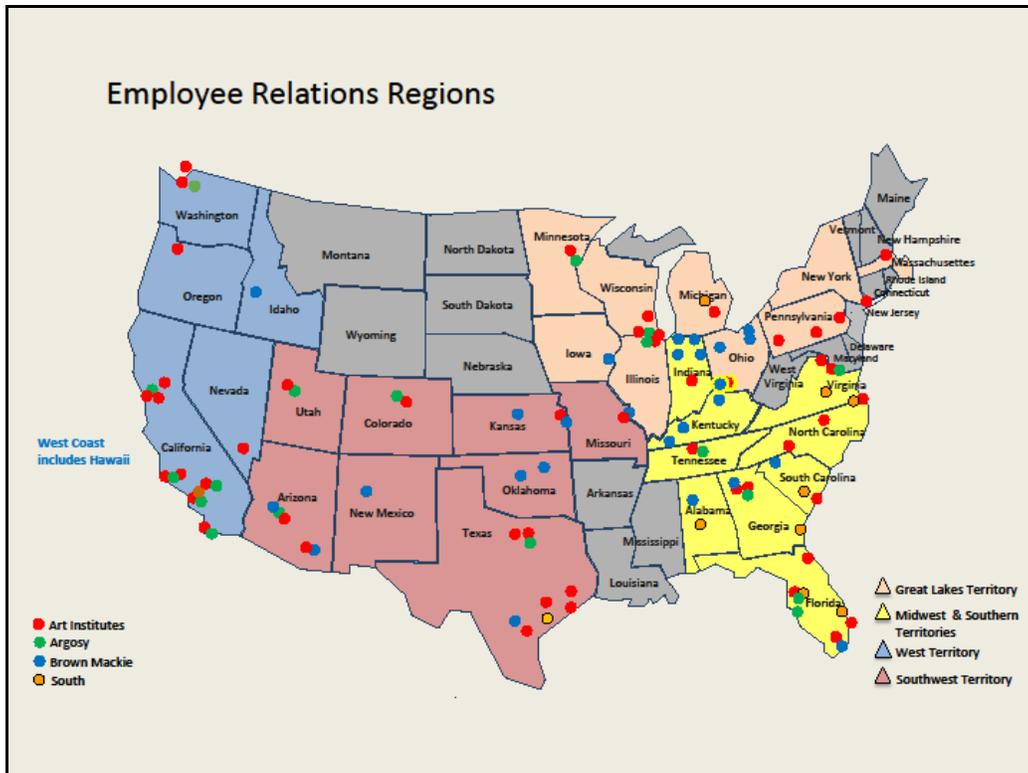
EDMC strongly encourages you to discuss your questions and concerns about possible violations of the Code with your supervisor. If after such discussion you believe that a violation of the Code has occurred, you are expected to report it promptly by the methods that follow.

Step 2: Speak with the Next Level of Management (Supervisors Supervisor, Campus President or Other Senior Leader at Your Facility)

If you are not satisfied with the guidance or direction provided by your direct supervisor, you should take your concern to your supervisor's next-level supervisor. If you work at a campus, this process should conclude with a review of the situation with the Campus President or Campus Director.

Step 3: Speak with Your Employee Relations Representative

If your concern involves your supervisor, if you are uncomfortable sharing your concern with your supervisor or higher-level management, or if you have already spoken with management and are dissatisfied with the response, you must next contact your Employee Relations representative assigned to your campus/location.



If you are unsure of whom your Employee Relations representative may be, you may contact the Vice President, Employee Relations:
 Vice President, Employee Relations
 200 Stephenson Avenue, Suite 200
 Savannah, Georgia 31405
 Direct: 912-433-0939

Escalation of Other Legal Matters, Contact EDMC General Counsel:

If your concern involves legal issues other than matters relating to employment, please contact EDMC's General Counsel:

SVP and General Counsel
 Education Management Corporation
 210 Sixth Avenue
 33rd Floor Pittsburgh, PA 15222-2603
 412-995-7315
 Confidential Fax: 412-995-7322

Escalation of Fraudulent Behavior or Suspected Theft, Contact EDMC Internal Audit:

Another internal resource available to you for financial reporting, suspected fraud, and theft concerns is EDMC's Internal Audit Department:

VP, Internal Audit
Education Management Corporation
210 Sixth Avenue
33rd Floor Pittsburgh, PA 15222-2603
Direct: 412-995-7803
Fax: 412-918-5535

For specific questions regarding EDMC's Business Ethics Policy and Code of Conduct, or Stakeholders' obligations under the Code contact:

Vice President, Compliance
Education Management Corporation
210 Sixth Avenue, 32nd Floor
Pittsburgh, PA 15222-2603
Direct: 412-918-5489
Fax: 412-995-7322
Compliance@edmc.edu

The EDMC Corporate Compliance Hotline:

If you wish to remain anonymous due to the nature of your concerns, you may contact the confidential EDMC Corporate Compliance Hotline, available 24 hours a day, 7 days a week. You do not have to give your name. The Hotline is not intended to be a replacement for management, Employee Relations, the Law Department or Internal Audit involvement in Code compliance issues. It is, however, an option that is available to you. Please be advised that matters reported through the Hotline will generally be routed back to the Employee Relations representative for investigative purposes. You will not face retaliation for making a report through any of the means outlined.

Contact the Hotline at - <http://edmc.edu/about/edmc-compliance-hotline>
Or via EDMC's anonymous reporting hotline at 1-866-439-6805

Equal Employment Opportunity

EDMC believes that all persons are entitled to equal employment opportunity and does not discriminate against its employees or applicants because of race, gender, color, religion, sexual orientation, gender identification, gender expression, age, national origin, disability, medical condition, genetic information, marital status, veteran status or on any other basis protected by law. To ensure EDMC's workplace is free of artificial barriers, every supervisor and manager is responsible for assisting in the implementation of this policy and violation of this policy may lead to discipline, up to and including discharge.

Our policy of nondiscrimination applies to all levels of employment and all personnel practices, including recruitment, hiring, promotions, demotion, compensation, benefits, transfer, layoff, termination, training, and educational, social and recreational programs.

In accordance with the Americans with Disabilities Act of 1990 and other federal, state and local laws, EDMC makes reasonable accommodations to allow qualified employees and applicants with disabilities to perform the essential functions of their jobs. Employees and applicants who seek reasonable accommodations should notify their Employee Relations representative of their specific limitations and, if known, their specific requested accommodations. Managers must direct all accommodation requests to their local Human Resources or Employee Relations representative. Employees will be asked to supply medical documentation of the need for accommodation. All medical information provided shall be maintained in separate files and shall be kept confidential. Employees are encouraged to request accommodations before any disability interferes with their work. The Company may not forgive past policy violations even where the violation may have been caused in part by a disability.

The Genetic Information Nondiscrimination Act of 2008 (GINA) prohibits employers from requesting genetic information about an employee and his/her family. To comply with this law, EDMC asks that you not provide any genetic information on any EDMC document. 'Genetic information' includes family medical history, results of genetic tests, information that an individual sought or received genetic services, and genetic information of a fetus.

EDMC respects all recognized forms of religious observance. Employees whose religious beliefs require particular scheduling needs or exemptions from the dress policy, or any other policy of the Company, are encouraged to discuss the issue with their managers or their Employee Relations representative as soon as possible, and in no event less than three weeks before any requested time off. Employees should recognize that EDMC is a customer service organization and it may not always be possible to grant every request for time off for religious observance. Employees requesting accommodation may be asked to provide documentation from their religious sect of the need for accommodation.

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of their Employee Relations representative. The Company will not tolerate any form of retaliation against individuals who raise issues of equal employment opportunity in good faith.

No Harassment

EDMC is committed to providing workplaces and learning environments that are free from intentional or unintentional sexual harassment, as defined below, or harassment on the basis of any protected classification including, but not limited to race, gender, color, religion, sexual orientation, gender identification, gender expression, age, national origin, disability, medical condition, genetic information, marital status, veteran status or on any other basis protected by law. Such conduct is unprofessional, unproductive, illegal, and generally considered bad for business. Consequently, all conduct of this nature is expressly prohibited, regardless of whether it violates any law.

Definition of Sexual Harassment

Sexual harassment consists of unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature where:

- a. Submission to such conduct is an explicit or implicit term or condition of employment;
- b. Submission to or rejection of such conduct is used as a basis for employment decisions; or
- c. Such conduct has the purpose or effect of unreasonably interfering with an individual's work or academic performance or creating an intimidating, hostile, or offensive work or educational environment.

Examples of sexual harassment include, but are not limited to: unwanted sexual advances; demands for sexual favors in exchange for favorable treatment or continued employment; verbal abuse of a sexual nature; graphic commentary about an individual's body, sexual prowess, or sexual deficiencies; leering; whistling; touching; pinching; assault; coerced sexual acts; suggestive, insulting or obscene comments or gestures; stalking; and displaying sexually suggestive objects or pictures. EDMC prohibits all conduct of this nature whether or not such conduct violates any applicable laws.

Other Forms of Harassment

Verbal abuse, insulting comments and gestures, and other harassing conduct are also forbidden under this policy when directed at an individual because of his or her race, color, sex, sexual orientation, gender identification, gender expression, familial status, age, religion, ethnic origin, genetic information or disability. It is the responsibility of each employee to conduct himself or herself in a professional manner at all times and to refrain from such harassment.

Complaint Procedure

No employee is required to tolerate harassment. If you feel that you have been harassed or retaliated against in violation of this policy, you are expected to report the conduct, either to your Campus President or to your Employee Relations representative. When you cannot report your concern to your Employee Relations representative, you should report the

matter to the Vice President, Employee Relations at 912-433-0939.

Promptly after learning of such alleged conduct, EDMC will conduct an investigation for the purpose of determining whether prohibited harassment has occurred. Efforts will be made to ensure confidentiality to the extent consistent with the goal of conducting an appropriate investigation. Employees who initiate or participate in such investigations in good faith will be protected against work-related retaliation. If an investigation confirms the allegations EDMC will take prompt corrective action, which may include discipline, up to and including discharge.

Non-Fraternization and Consensual Relationships

All employees, especially faculty members and managers, are expected to conduct themselves in a professional manner that contributes to the proper educational, business and employment environment. Due to the inherently unequal relationship that exists between a manager and his or her subordinates, and a faculty or staff member and a student, dating, sexual relationships or other inappropriate intimate social relationships can be problematic. Such relationships can easily degenerate into allegations of sexual harassment, and the real or perceived problem of favoritism can seriously affect the management process. Accordingly, such relationships between a manager and his or her subordinates and between a faculty or staff member and a student are prohibited except as mitigated through the notification procedures below.

The Company requires individuals who become engaged in a prohibited relationship to promptly notify their respective supervisors. The supervisor will have the responsibility to work with Human Resources, and if appropriate, senior management to determine whether it is possible to remove or mitigate a conflict that might prove detrimental to EDMC or to either party in the relationship. Potential mitigation would include, but will not be limited to, the transfer of one of the employees to a different department. If the transfer of one of the employees or other mitigation is not possible, a determination will be made as to which employee separates employment with the Company. In the case of a pre-existing faculty/student relationship the faculty member shall, at a minimum, have no direct assignments with the student (i.e., advising, teaching, dissertation, supervision or evaluation of the work or academic performance of the student). Violation of this policy is considered a serious violation of Company principles and may result in discipline, up to and including termination.

Drug-Free Workplace Policy

EDMC has adopted and implemented a Drug-Free Workplace Policy, which is designed to prevent the unlawful use, possession, sale or distribution of illicit drugs and alcohol by employees on Company premises. The policy has been implemented in compliance with The Drug-Free Workplace Act of 1988 and The Drug-Free Schools and Communities Act Amendments of 1989, Public Law 101-226. This provision merely restates and summarizes the complete policy. All employees will be expected to comply with the complete policy.

Generally, the policy prohibits the **unlawful or unauthorized** use, abuse, solicitation, theft, possession, transfer, purchase, sale or distribution of controlled substances, drug paraphernalia or alcohol by an individual anywhere on Company premises, while on

Company business (whether or not on Company premises) or while representing the Company. In addition, the policy prohibits employees and other individuals who work for the Company from reporting to work or working while they are using any controlled substances, except when the use is pursuant to a licensed medical practitioner's instructions and the licensed medical practitioner authorized the employee or individual to report to work.

Get help before you are caught. Employees who need assistance or information in dealing with an alcohol or drug problem are encouraged to get help by speaking with an addiction counselor. The Company will not forgive past policy violations simply because an employee claims he or she was under the influence of drugs or alcohol. Places to call for help include, but are not limited to the Employee Assistance Program. You may contact the Employee Assistance Program directly at 1-800-828-6025.

Workplace Violence

The Company is strongly committed to providing a safe workplace. The purpose of this policy is to minimize the risk of personal injury to employees and damage to Company and personal property.

The Company does not expect employees to physically subdue a threatening or violent individual. In fact, employees are specifically discouraged from engaging in any physical confrontation. Employees are expected to exercise reasonable judgment in identifying potentially dangerous situations. All employees are authorized to call 911 to summon professional help to the workplace.

Prohibited Conduct:

Threats, threatening language or any other acts of aggression or violence made toward or by any Company employee, student or vendor will not be tolerated. For purposes of this policy, a threat includes any verbal or physical harassment or abuse, any attempt at intimidating or instilling fear in others, menacing gestures, flashing of weapons, stalking or any other hostile, aggressive, and injurious and/or destructive action undertaken for the purpose of domination or intimidation. No one is permitted to carry a weapon on to Company premises or at any Company-sponsored events at any time unless expressly permitted by state or local law or by other EDMC policy provisions.

Procedures for Reporting a Threat:

All potentially dangerous situations, including threats by co-workers, should be reported immediately to Human Resources or to any other member of management with whom you feel comfortable. Reports of threats will be kept confidential to the extent maintaining confidentiality does not impede the Company's ability to investigate and respond to the complaints. All threats will be promptly investigated. No employee will be subjected to retaliation, intimidation or disciplinary action as a result of reporting a threat in good faith under this policy. If an investigation confirms that threat of a violent act or violence itself has occurred, the Company will take swift and appropriate corrective action.

The Employee Assistance Program offers qualified, confidential counselors to help employees cope with personal problems they may be facing. You can contact the Employee Assistance Program directly at 1-800-828-6025.

Employees who need time off or modified scheduling to attend protection from abuse (PFA) hearings or family or personal counseling should request such time off or modified scheduling from their managers. Such leave and/or modified scheduling shall be liberally granted when supported by appropriate documentation.

If you have any questions about this policy, please speak with Human Resources.

Crime Awareness and Campus Security

It is the policy of the Company that all criminal actions or other emergencies occurring on or near school facilities be properly documented and reported to local authorities as required by law.

The accident/injury/crime incident report form is provided for faculty, staff and students to document any of the following criminal activities occurring on campus: 1) murder; 2) rape; 3) robbery; 4) aggravated assault; 5) burglary and 6) vehicle theft. The forms are available in the Human Resources, Facilities, or Student Affairs Departments and employees are asked to complete one when appropriate, and return it to the Human Resources, Facilities or Student Affairs Department.

Employee Information

It is your responsibility to report to Human Resources any changes to your address, telephone number, name, beneficiary or emergency contact. Please note that your name must be listed on the Company's records exactly as it appears on your Social Security card, and a copy of your Social Security card may be requested to substantiate a name change request.

If you have dependent medical coverage, you must promptly notify Human Resources if your marital status or number of dependents changes in order to administer your benefits properly. Federal law requires the Company to send COBRA notices to employee dependents covered by health benefits when the dependents' coverage has been terminated. Please keep Human Resources informed of the current addresses of your dependents. Any changes should be reported to Human Resources or call HR One Connect at 1-888-471-3362 (1-888-HR1-EDMC).

Dress Guidelines

In the interests of presenting a professional image, employees are expected to observe good habits of grooming and appearance. Please dress conservatively, in good taste, and in keeping with the requirements of your position.

In an effort to present a professional image, you should use appropriate discretion when choosing your attire based on your department's specific function, your interaction with vendors, students and other outsiders, and as determined by your supervisor or manager. In general terms, all employees' attire must be appropriate for the business environment where the employee works, and be clean and neat.

To further clarify, we offer the following guidelines as listed below.

Acceptable Attire

- Dress slacks, khaki-type pants
- Collared shirts and blouses
- Sweaters
- Dresses or skirts

Not Acceptable Attire

- Leggings or shorts
- Spandex or lycra stretch clothing
- Halter or tube tops
- Athletic clothing, jogging suits, sweat pants, sweat shirts
- Jeans
- Hats of any kind
- T-shirts
- Work boots, flip-flops, sneakers
- Torn or cut-off clothing of any kind
- Backless, see-through or revealing clothing

You should ask your manager for more specific information on proper dress and appearance applicable to your work area.

Nursing Mothers

The Company provides reasonable break time for an employee to express breast milk for her nursing child for one year after the child's birth each time such employee has need to express the milk. The Company provides a place, other than a bathroom, that is shielded from view and free from intrusion from coworkers and the public, which may be used by the employee to express breast milk. Please contact your local Human Resources representative or your manager to make the appropriate arrangements.

Promotion From Within

The Company encourages employees to apply for positions for which they are qualified. Non-officer positions generally will be posted. However, nothing herein restricts the Company from simultaneously seeking outside candidates or solely seeking outside candidates. Interested employees must first contact their own manager and Human Resources prior to applying for another position. The employee must have been in the current position for at least 12 months in his/her current role and not have received a formal warning in the last 12 months in order to be eligible to apply for a new position.

Company-wide employment opportunities can be found on EDMC's website. The process of announcing vacancies gives interested employees an opportunity to apply for consideration. It is important to remember that simply applying for the position does not automatically qualify an employee; there may be other more qualified candidates from inside or outside the Company.

Alternative Dispute Resolution Policy

EDMC seeks to cultivate a positive working environment and culture which promotes high levels of employee engagement as well as frequent and strong two-way communication between employees and their managers. We believe the best method to resolve work related issues is for an employee to communicate directly with his/her immediate manager about concerns. However, we recognize that dialogue with your immediate manager will always not resolve all concerns. Therefore, EDMC has implemented an Alternative Dispute Resolution Policy to promptly and fairly address all work-related disputes.

This policy is intended to create the exclusive means by which all work-related disputes between Education Management Corporation (and its related entities or asserted agents, hereinafter "the Company") and its employees will be promptly addressed and fairly resolved.¹ No employee will be harassed, intimidated, discharged, disciplined or otherwise retaliated against in any manner for utilizing these Dispute Resolution procedures. Accepting or continuing employment with the Company after receipt of this Policy constitutes agreement to abide by its terms. The term "employee" as used in this Policy includes current employees, former employees and applicants for employment.

This policy applies to the following individuals unless they are covered by (1) a collective bargaining agreement or (2) an employment agreement containing an arbitration provision:

- All full-time faculty and staff of EDMC and all of its subsidiaries employed on or after the Effective Date of this Policy.
- All part-time employees, adjunct faculty, and casual and student workers of EDMC and all of its subsidiaries employed on or after the Effective Date of this Policy.
- Applicants for employment with the Company who apply on after the effective date of this Policy.

¹*Not covered by this Policy are claims for Unemployment Compensation, Workers Compensation and claims subject to different procedures contained in a Company Benefit Plan.*

Dispute Levels

Disputes or claims asserted by either an employee or the Company fall into one of two levels:

- Level One Disputes: Claims alleging a violation of legally protected rights such as claims of employment discrimination, harassment, retaliation, wrongful termination or other alleged unlawful treatment, including asserted violations of state, local or federal law. By way of example, such claims include, but are not limited to, alleged violations of the Age Discrimination in Employment Act of 1967; the Civil Rights Acts of 1964 and 1991; the Americans with Disabilities Act and the 2008 amendments to same; the Rehabilitation Act of 1973; the Occupational Safety and Health Act; the Equal Pay Act; the Pregnancy Discrimination Act; the Family and Medical Leave Act; the Fair Labor Standards Act; Uniformed Services Employment and Reemployment Rights Act; the Employee Retirement Income Security Act of 1974; the Workers Adjustment and Retraining Notification Act; 42 U.S.C. §1981, or any alleged violation of public policy, any statutory or common law tort claims or alleged breach of contract claims, or any dispute arising out of the discipline, demotion or termination of any employee or any other personnel issue of a substantial nature. If not resolved sooner, Level One Disputes may be processed through all four Steps of the following Dispute Resolution Procedures.
- Level Two Disputes: Unless they involve a claimed violation of law, personnel issues of a lesser nature, for example, issues relating to salary adjustments, performance evaluation ratings, work schedule assignments, etc. are considered Level Two Disputes and if not resolved sooner may be processed only through Steps One and Two of the following Dispute Resolution Procedures.

Step One: Informal Resolution

Employees are encouraged to attempt to resolve any work place issue, if feasible, informally with their supervisor, with other members of management or with the assistance of the Human Resources or Employee Relations Department. This may be done either verbally or in writing.² All such disputes should be raised as soon as practical after the employee (or the Company) becomes aware of the problem.³ If such a resolution is not feasible, for example, because the decision at issue was made at a higher level, then the matter may proceed directly to Step Two.

² Employees may also bring workplace concerns to management's attention through the Company's corporate compliance hotline program. However, if the employee raising a concern is also seeking some form of relief from the Company, this Policy shall apply.

³ Employees should raise issues under Steps One, Two and Three of the Alternative Dispute Resolution Policy as soon as practical but in no event later than 1 year after the events giving rise to the dispute.

Step Two: Submission to the Company's Senior Management

If not satisfactorily resolved in Step One, a dispute may be submitted in writing to the Vice President of Employee Relations for Education Management Corporation (hereafter "Senior Management"). Once again, this written submission of the dispute to Senior Management should occur as soon as it is determined that the matter will not be resolved at Step One. The written submission must clearly and concisely identify what the problem is and must specify what resolution the employee or Company seeks. Senior Management or its designee will respond in writing with his or her decision within 30 working days of receiving written notice of the dispute as provided above, or otherwise as agreed by the parties. If a Level One dispute is not resolved at this Step Two, it may proceed through Steps Three and Four.

Step Three: Mediation

If the dispute is not resolved as a result of Steps One or Two, then prior to proceeding to Arbitration, all parties are encouraged to participate in a formal Mediation session facilitated by a professional, neutral Mediator. Mediation is not mandatory but is strongly encouraged as an effective way to resolve disputes. In order to proceed to Mediation, both parties must elect, in writing, to participate in the Mediation. Mediation is not a mandatory prerequisite to Arbitration.

The Mediation will be held where the employee involved is or was employed, or as otherwise mutually agreed by the parties. If the parties elect Mediation, the employee is required to pay the sum of \$100 towards the Mediation costs. All other costs associated with the Mediation shall be borne by the Company. Both the employee and the Company shall submit in writing to the other the name(s) of one or more professional, neutral Mediators as a potential Mediator in the matter. The parties will exercise their best efforts to agree upon the selection of a Mediator. If the parties cannot agree upon the selection of a Mediator within thirty (30) days, then the parties may submit the matter to the American Arbitration Association ("AAA") for the purpose of assisting with the appointment of a neutral Mediator.

The Mediator shall schedule the Mediation as expeditiously as possible. All parties will have the opportunity to attend and participate in the Mediation. Any party may be represented by counsel of his or her choosing, at his or her own expense. The Mediator shall direct how the Mediation will be conducted. As with all Mediations, any resulting resolution must be agreed to by the parties, which shall constitute a final and binding resolution of the matter.

Step Four: Binding Arbitration

1. If the matter is not resolved at Step One, Two, or Three (or if the parties do not avail themselves of these opportunities), then all covered disputes (see Level One Disputes, above) shall be submitted to Arbitration for final and binding resolution. This Arbitration Agreement is intended to apply to the resolution of disputes that otherwise would be resolved in a court of law, and therefore this Arbitration Agreement requires all such disputes to be resolved only through final and binding Arbitration and not by way of court or jury trial. The Arbitrator(s) shall have the exclusive authority to resolve any dispute relating to the enforceability or coverage of this Arbitration Policy, including, without limitation, any assertion that one or more of its terms is invalid, unenforceable, unconscionable, void or voidable.

2. Both the Company and the employee retain the right to file administrative charges with any federal, state, or local administrative agency with enforcement responsibilities. However, after exhaustion of the administrative process, any remaining issue or dispute between the Company and its employee shall be resolved exclusively through these dispute resolution procedures.
3. Notwithstanding any other language contained in this Policy or any Company Employee Handbook or any other Company policy or practice, this Arbitration Agreement will not be unilaterally revised, modified or eliminated by the Company with respect to any covered dispute after that dispute has been submitted to Arbitration pursuant to this Arbitration Agreement. The Company will not revise, modify or eliminate this Dispute Resolution Policy without giving at least thirty (30) days written notice to its employees.
4. The party bringing the claim must demand Arbitration in writing and deliver the written demand by hand or first class mail to the other party within the legally applicable statute of limitations period. An arbitration demand upon the Company should be addressed to the Vice President of Employee Relations. The Arbitrator(s) shall resolve all disputes regarding the timeliness or propriety of the demand for Arbitration. A party may apply to a court of competent jurisdiction for temporary or preliminary injunctive relief in connection with an arbitrable controversy, but only upon the ground that an Arbitration award to which that party may be entitled could be rendered ineffectual without such provisional relief.
5. Like Mediation, the Arbitration will be held in the location where the employee involved is or was employed, unless otherwise agreed to by the parties.
6. Each party to the Arbitration may be represented by counsel of its own choosing and will be responsible for resulting attorneys' fees, subject only to any remedies to which that party may later be entitled under applicable law and/or as ordered by the Arbitrator(s). The Company shall initially bear the remainder of the administrative costs associated with the conduct of the Arbitration, subject to: (1) a one time payment by the employee toward these costs equal to the filing fee then required by the court of general jurisdiction in the state where the employee in question works; and (2) any subsequent award by the Arbitrator in accordance with applicable law. Because the Company bears the majority of administrative costs associated with the conduct of the Arbitration, the Company may elect, at its sole discretion, to have the matter decided by a panel of three Arbitrators, instead of a single Arbitrator.
7. As with the selection of a Mediator, both the employee and the Company shall equally participate in the selection of the Arbitrator(s). Both the employee and the Company shall submit in writing to the other the name(s) of one or more professional, neutral Arbitrators as a potential Arbitrator in the matter. The parties will exercise their best efforts to agree upon the selection of an Arbitrator(s). If the parties cannot agree upon the selection of an Arbitrator(s) within thirty (30) days, then the parties may submit the matter to the AAA for the purpose of assisting with the selection of an Arbitrator(s). Unless the parties jointly agree otherwise, the Arbitrator(s) shall be either an attorney who is experienced in employment law and licensed to practice law in the state in which the Arbitration is held, or a retired judge. Except as provided in this Policy or as otherwise directed by the Arbitrator, the Arbitration shall be held in accordance with the then current Employment Arbitration Procedures of the AAA. The AAA rules are available at (www.adr.org/employment).

8. The parties will have the right to conduct adequate discovery, bring dispositive motions, and present witnesses and evidence as needed to present their claims and defenses. Any disputes in this regard shall be presented to and resolved by the Arbitrator(s).
9. The burden of proof shall be borne by the party asserting a claim.
10. The Arbitrator(s) may award any party any remedy to which that party is entitled under applicable law.
11. The Arbitrator(s) shall render a final and binding award based solely on the evidence presented, and the applicable law, and the provisions contained herein. The award shall be rendered promptly and, unless otherwise agreed by the parties, no later than sixty (60) calendar days from the close of the Arbitration hearing. The award shall be in writing and signed and dated by the Arbitrator(s) and shall contain express findings of fact, the rationale for the award and, if necessary to dispose of any issues of law, conclusions of law and discussions of legal authorities. Except as may be permitted or required by law, neither a party nor an Arbitrator may disclose the existence, content, or results of any Arbitration hereunder without the prior written consent of all parties. A court of competent jurisdiction shall have the authority to enter a judgment upon the award made pursuant to the Arbitration. The award shall be final and binding on the Company and the employee and not subject to review or appeal, except as provided by the Federal Arbitration Act, 9 U.S.C. §§1-16, or in any instance where the Arbitrator(s) has exceeded the Arbitrator's authority as defined herein, including failure to follow applicable law.
12. This section entitled "Binding Arbitration" is the full and complete agreement between the Company and its employees relating to the resolution of employment-related disputes in Arbitration. In the event any portion of this Arbitration Agreement is deemed unenforceable, the remainder of this Arbitration Agreement will be enforceable.

COMPENSATION

Pay Practices

With your written consent, your pay will be deposited directly into your bank account each pay unless otherwise required by state law. Your pay and direct deposit election information is available on the HR One Connect Employee Resource. You may elect to have your pay deposited into up to three accounts, if you so desire. It is the responsibility of each employee to check his or her paycheck for accuracy each pay period. Errors in your pay should be reported immediately to the local Human Resources representative or call HR One Connect at 1-888-471-3362 (1-888-HR1-EDMC).

Working Hours

For payroll purposes, the work week is defined as Saturday through Friday. Normal work hours for full time employees are forty hours per week. Employees will schedule their specific working hours with their managers. Meal breaks are unpaid. Rest periods will be provided as required by applicable law. Various factors such as workloads, service to

students, and staffing needs may require variations in an employee's work hours, including working overtime or hours other than those normally scheduled.

Employees are expected to be at work as scheduled and to arrange personal schedules to accommodate established working hours. Managers should be notified as soon as possible before the start of the workday if an employee expects to be absent or tardy. Leaving a voicemail message generally is insufficient. The Company reserves the right to request medical certification for any absences due to the employee's health. Excessive absenteeism and/or tardiness will not be permitted and may result in discipline up to and including discharge.

Employees who are absent for three consecutive days and have not contacted their manager or Human Resources generally will be assumed to have voluntarily terminated employment as of the end of the third consecutive day missed, except where excused by FMLA or other approved leave.

Employees who will be out of work for five or more work days for any reason other than scheduled paid time off should request a leave of absence.

Overtime Pay

In compliance with the Fair Labor Standards Act and other applicable law, jobs are classified as non-exempt or exempt based on tasks and responsibilities. These job classifications determine eligibility for overtime compensation. Exempt employees are those in certain administrative, executive and professional positions, including all teaching positions, except where otherwise determined by state law. Exempt employees do not receive overtime compensation regardless of hours worked. Non-exempt employees are those in all other positions and are paid overtime as required by applicable federal, state and local laws. It is important to note, if you are non-exempt and entitled to overtime, your regular earnings covers up to 40 hours of work per week.

Employees may be required to work beyond their normally scheduled hours. Unless otherwise required by state law, non-exempt employees who work more than forty hours per week will be compensated at the rate of one and one-half times their regular rate of pay for all hours worked in excess of forty. Hours paid but not worked such as holidays and paid time off are not counted as time worked for overtime pay purposes. Non-exempt employees who work overtime will be paid in accordance with this policy. Non-exempt employees are expected to accurately record their hours of work.

Authorization for Overtime

Non-exempt employees should not work overtime unless authorized in advance by their manager. All overtime work must be recorded. No manager is authorized to allow any non-exempt employee work time that is not recorded. Do not start work early, finish work late, work during a meal break or perform any other extra or overtime work unless, (1) you are authorized to do so and (2) that time is recorded on your time record. Employees are prohibited from performing any "off-the-clock" work. "Off-the-clock" work means work you perform but fail to report on your time record. Any employee who fails to report or inaccurately reports any hours worked will be subject to disciplinary action, up to and including discharge.

Recording Time Worked

All non-exempt employees are responsible for accurately reporting all time worked on a time record each pay period. Both the employee and the manager must approve and verify the hours being paid including hours worked and any overtime payments that will be paid during the pay period. Proper completion of time records is a vital step to ensure that you are paid properly.

It is a violation of Company policy to falsify a time record, or to alter another employee's time record. It is also a serious violation of Company policy for any employee or manager to instruct another employee to incorrectly or falsely report hours worked or alter another employee's time record to under- or over-report hours worked. If any manager or employee instructs you to (1) incorrectly or falsely under- or over-report your hours worked, or (2) alter another employee's time record to inaccurately or falsely report that employee's hours worked, you should report the situation immediately to the Human Resources Department.

Payroll Deductions

It is the Company's policy and practice to accurately compensate employees in compliance with all applicable state and federal laws. The Company makes every effort to ensure employees are paid correctly. Occasionally, however, mistakes can happen. When mistakes do occur and are brought forward, the Company will promptly make any corrections necessary. **Please review your pay stub** for accuracy. If you believe an error has occurred or if you have any questions, please follow the process outlined in the "procedure to report concerns" portion of this section of the employee Handbook.

The Company is required by law to take deductions from the wages of all employees that are required by federal, state and local law, that are authorized in writing by the employee (including, but not limited to your portion of health, dental, vision or life insurance premiums) and deductions imposed by court order such as wage garnishments. Child

support and other court-ordered garnishments cannot be stopped by the Payroll Department until a letter of absolution is received from the court.

Non-exempt employees are paid for all hours worked. Thus, they are not paid for hours not worked unless the non-worked time qualifies for compensation under another policy, such as forms of paid time off or short term disability.

An employee qualifying as exempt under the provisions of federal law receives his or her entire salary for any day in which the employee performs any work, regardless of the number of hours worked. This salary will be established at the time of hire or transfer into a position classified as an exempt position. While it may be subject to review and modification from time to time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work performed.

Under federal and state law, the following deductions may be made from the weekly salaries of overtime exempt employees:

- Full day absences for personal reasons other than illness or accident.
- Full day absences for sickness or disability when the employee is not yet eligible to participate in the Company's Paid Time Off and disability programs or when the employee has exhausted available paid time under those programs.
- Full day(s) disciplinary suspensions for infractions of written Company policies and procedures.
- For unpaid Family and Medical Leave absences (either full or partial day absences).
- To offset amounts received as payment for military pay or jury duty.
- For time not worked during the first or last week of employment.

Please note that unless state law provides otherwise, it is not an improper deduction to reduce an employee's paid time off allocation for full or partial day absences for personal reasons, sickness or disability.

Procedure to Report Concerns

If you have questions about deductions from your pay, please contact Human Resources immediately or to report suspected violations of pay policies, call the 24 hour reporting Corporate Compliance hotline at 1-866-439-6805.

Every report will be fully investigated and corrective action will be taken where appropriate, including reimbursement for improper deductions or unpaid hours worked and correction of processes. In addition, the Company will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the Company's investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy will result in disciplinary action, up to and including discharge.

LEAVES OF ABSENCE

Leaves of Absence Introduction

To request a leave of absence, please notify your supervisor and your local Human Resources representative. You will need to complete a "Leave of Absence Request Form" and submit the form, along with any other applicable documentation, to HR One Connect who will consider your request in accordance with applicable law and the Company's leave policies. The Company will let you know if your leave request is approved or denied. Unless specifically provided in the applicable leave of absence policy or unless state law provides otherwise, all leaves of absence are unpaid. Misrepresenting the reasons for applying for a leave of absence may result in disciplinary action.

Any information submitted to HR One Connect will be kept in strictest confidence, to the extent consistent with implementing or approving a leave of absence or reasonable accommodation. You should not provide any family medical history or any genetic information, but instead ask your physician to focus on your current restrictions/limitations and any need for time off. In addition, managers should consult with Human Resources if any health related information pertaining to a leave of absence or reasonable accommodation is shared with them by employees. Managers are required to keep all health related information pertaining to employees confidential.

When an employee is placed on leave of absence, reinstatement is not guaranteed, except when required by law. It is the employee's responsibility to notify the Company of his/her intention to return to work from a leave of absence, as set forth in the applicable policies. If an employee fails to return to work at the expiration of a leave and has not requested and been approved for an additional unpaid leave or other reasonable accommodation, the employee will be considered to have resigned.

Family and Medical Leave (FMLA)

The Federal Family and Medical Leave Act (FMLA) requires employers with 50 or more employees to grant eligible employees up to 12 weeks of unpaid leave for the following reasons: the birth of a child or the placement of a child for adoption or foster care; to care for a parent, spouse or child with a serious health condition or because of employees' own serious health condition or a qualifying military event. In addition, EDMC grants eligible employees up to 26 weeks for military caregiver leave. Eligible employees can request an intermittent leave for serious health conditions. The FMLA policy outlines the FMLA process, as well as, the eligibility requirements and the types of FMLA covered qualifying events in greater detail.

Military Family Leaves

Qualifying Exigency: You may apply for up to 12 weeks of leave for Qualifying Exigencies arising out of the fact that your spouse, son, daughter or parent is on active duty or is called to active duty status in the National Guard or Reserves (note, this does not apply for those in regular armed forces) in support of a contingency operation. Additional information about Qualifying Exigencies for FMLA leave can be found in the FMLA Policy.

Military Caregiver: If you are an eligible employee who is the spouse, son, daughter, parent or next of kin (as designated by the service member) of a covered service member who is recovering from a serious illness or injury sustained in the line of duty on active duty, you may use up to 26 weeks of leave in a single 12-month period to care for the service member. Additional information about Qualifying Exigencies for FMLA leave can be found in the FMLA Policy.

Other FMLA Leave Considerations

Paid Leave vs. Unpaid Leave. FMLA leave is generally unpaid, although you may be eligible for statutory or Company short-term disability payments, Company paid time off, Company-sponsored long-term disability payments, paid leave mandated by state law and/or statutory workers' compensation benefits. If you are eligible to receive paid benefits, those benefits are paid during those portions of your FMLA leave where paid leave also applies.

When your FMLA-approved leave is longer than your paid leave eligibility, you will be permitted to take unpaid FMLA leave for the remainder of your FMLA leave. You may not extend your FMLA leave eligibility by adding on paid time off. Rather, any paid time off runs concurrently with approved FMLA time off.

In most cases, where you are eligible for a paid disability leave, such as short term disability, long term disability or workers' compensation leave, your time away from work is also concurrently designated as FMLA leave (if you are also eligible for FMLA leave) and the time out of the office will be counted as FMLA leave.

Returning from Leave. In general, if you are taking FMLA leave, you are eligible to return to your pre-leave job or an equivalent position. You are responsible for communicating your expected return to work date to HR One Connect with at least two weeks notice (or as soon as known) of the return date and medical certification of fitness to return to work, if applicable. Pursuant to EDMC's Equal Employment Opportunity Policy, the Company makes reasonable accommodations to allow employees with disabilities to perform their essential job functions upon their return to work. If you are requesting accommodations, you are responsible for providing medical documentation to support the requested accommodations. Please be aware that the Company may not have knowledge of any medical documentation that you and/or your health care providers may have provided to a disability insurance carrier or worker's compensation. Therefore, requests for accommodation must be supported by medical documentation sent directly to HR One Connect or Employee Relations.

If you are absent longer than your FMLA leave is approved, the Company cannot guarantee reinstatement to your prior position. If FMLA time is exhausted, you may be required to re-apply for open positions to regain employment.

State and Local Laws. Where State or Local leave laws offer more protection or benefits, the protection or benefits provided by such laws will apply. Please contact Human Resources to obtain more details about any applicable state leave law.

Benefits During Leave: You are given the same benefit options as active employees, i.e., changing health plans during open enrollment. FMLA leave is considered a "life status change", which entitles you to change certain benefit elections (consistent with your employment change) outside the open enrollment period. Any benefits which were discontinued during an FMLA leave may begin following your return from leave if you so elect. You are subject to the 30 day enrollment period following any life status change.

During an approved FMLA leave, health benefits are maintained as they would during active employment, provided you continue to pay for your portion of premiums. If paid leave is substituted for unpaid FMLA leave, your paid portion of plan premiums is paid through regular payroll deduction. If you are on unpaid leave, you are responsible for remitting to HR One Connect the employee paid portion of the premiums by the deadline provided on the invoice mailed to you by HR One Connect.

If you do not return to work at the end of the leave period (12 weeks or 26 weeks, whichever is applicable), you may be required to reimburse the Company for the cost of the health benefit premiums paid by the Company during the leave. Upon termination of benefit coverage, you will be offered the opportunity to pay for COBRA continuation coverage at your own expense for medical, dental, vision, and health care spending benefits, if any. In addition, portability will be offered for life insurance in force at that time.

Life and long term disability coverage may be continued during FMLA leave to the extent permitted by the insurance carrier.

No loss of benefits accrued prior to taking the leave will occur except that available paid time off may be used during FMLA leave.

Paid time off will be granted and eligibility for short term disability benefits will continue to accrue during paid FMLA leave in the same manner as during active employment. Where State or Local leave laws offer more protection or benefits, the protection or benefits provided by such laws will apply.

Paid leave hours are credited for Retirement Plan purposes. During weeks in which you are paid any amount, 401(k) and 401(k) loan repayment contributions will continue. When you are not paid any amount, 401(k) contributions will be suspended. Subject to plan documents, if you are on paid leave, you may also elect to make changes to your 401(k) contributions, including reducing or suspending your contributions when out on paid leave. Pursuant to plan documents, you may suspend 401(k) loan repayments for up to one year while you are on an unpaid leave of absence.

You and eligible family members can continue to access the resources available to all active employees under the Employee Assistance Program.

Working While on Leave. Unless you are approved by your physician to work intermittently during leave, you are not permitted to work for EDMC or any other employer while on approved leave from EDMC. One exception would be if you worked for another employer before going on leave and sought approval from EDMC consistent with medical documentation to continue to work for the other employer while on leave from EDMC. Working for other employers and/or intermittently for EDMC during leave must be

authorized in advance by your manager and supported by written documentation from your physician.

Personal Leave

Unpaid Personal Leaves of Absence, if approved in advance, are available to employees who need unpaid time off from work for reasons not addressed by other types of Company-approved leaves. All employees who have been employed for at least 90 days are eligible to apply for a Personal Leave of Absence of up to 30 days during a rolling 12 month period, provided they intend to return to work at the end of a proposed leave. Requests for Personal Leaves of Absence must be made in writing detailing the purpose and the expected beginning and ending dates of the requested leave. All requests should be submitted to your manager and Human Resources for acknowledgement, and then forwarded to HR One Connect for a final decision. In considering a request for leave, the Company may consider any and all lawful factors, including, but not limited to, the requesting employee's performance and attendance history and the Company's business needs.

Employees who are eligible for any other type of Company-approved leave (e.g. Family/ Medical Leave, Military Leave, Short Term Disability, etc.) must exhaust that leave before a Personal Leave of Absence will be considered.

Military Leave

If you are called into active military service or you enlist in the uniformed services, you will be eligible to receive a military leave of absence, as required by law. To be eligible for military leave, you must provide HR One Connect with advance notice of your service obligations unless you are prevented from providing such notice by military necessity or it is otherwise impossible or unreasonable for you to provide such notice.

Provided your absence does not exceed applicable statutory limitations, you will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws.

If you are a member of the Uniformed Services and are required to attend military training or called to active military duty, you will be paid the difference between your regular base pay and your military pay for a period not to exceed one year. You also have the option of maintaining your EDMC benefits for up to one year from the date your military leave begins.

EDMC reserves the right to provide additional paid leave to employees serving in the military during certain military actions or on a case by case basis. Additional information can be found in the Military Leave Policy or contact HR One Connect for further information.

Bereavement Leave

In the event of the death of an immediate family member, a full-time employee is eligible for a leave with pay. Bereavement Leave includes time lost from regularly scheduled work on the day of the death and the days following including the day of the funeral and related travel time. Bereavement Leave can also be taken non-consecutively as long as the leave days are related to the immediate family member's death (i.e. to attend a memorial service at a later date). Bereavement Leave is not to exceed five (5) days per death.

Proof of death and proof of travel is required in order to receive both the authorized time off from work and pay pursuant to the policy.

For purposes of this policy, immediate family members include spouse; domestic partner; natural, adopted, step or foster child; parent; step-parent; grandparent; grandchild; sibling; father- and mother-in-law, son- and daughter-in-law, and brother- and sister-in-law. Parents, children and siblings of domestic partners are also considered immediate family members under this policy.

In extraordinary circumstances, the Company may grant an eligible employee unpaid extended bereavement leave. Employees may use paid time off for income replacement during this extended leave.

Jury Duty Leave

Employees called to jury duty are provided with time off to fulfill their civic obligation. Employees should notify their manager immediately upon receiving notice from the court. Full-time employees generally are paid their regular salary during the jury duty leave. All other employees are paid in accordance with state law. The employee is responsible for keeping his/her manager informed of the status of his/her continued need for time off for jury duty leave on a daily or otherwise mutually agreed to basis.

EMPLOYEE BENEFITS

Employee Benefits Introduction

The Company allows eligible employees to purchase medical, dental and other supplemental benefits through Company-sponsored plans. The Company's benefits currently include medical, dental, vision, flexible spending accounts, life insurance, accidental death and dismemberment insurance, short term disability, long term disability a retirement plan, tuition assistance, a qualified transportation plan, paid time off, adoption assistance and an employee assistance program. The terms of the specific plan documents control eligibility, benefits determinations and other conditions. Eligible employees are provided with a Benefits Enrollment Guide that includes plan descriptions at the time of their initial eligibility. Employees may view detailed benefit information, including benefit booklets provided by each carrier, on the HR One Connect Employee Resource or by calling HR One Connect at 1-888-471-3362 (1-888-HR1-EDMC).

The Company reserves the absolute right to modify, amend or terminate these benefits at any time and for any reason. If you have any questions regarding your benefits, please contact HR One Connect at 1-888-471-3362 (1-888-HR1-EDMC).

Pursuant to regulations, for many benefit programs, employees cannot change their elections until the annual enrollment period, unless they have a change in status such as marriage, divorce or childbirth. Any change in coverage must be consistent with the change in status and any request must be properly and timely submitted to HR One Connect.

Benefits During Disability Leaves from Work

During authorized, documented and approved disability leaves of any type (including Family/Medical Leave, short-term disability, long-term disability and worker's compensation), the Company continues to pay premiums on all medical, dental, disability and life insurance benefit plans to the same extent the Company continues to pay for such benefits for employees actively at work. The maximum amount of time an employee can remain on benefits is one year from the date of disability, unless an additional amount of time is requested and approved as a reasonable accommodation (typically when the additional time will allow the employee to resume performance of essential job functions at a date certain in the near future). In order to continue benefits, employees on unpaid leaves are expected to maintain the employee portion of the premiums. Employees who do not return to work at the end of the leave may be required to reimburse the Company for the cost of premiums paid on their behalf.

Termination Of Employment After Approved Leave. Typically, employment terminates after an employee has exhausted all Company approved leave and does not return to work. If applicable, at that time the employee will be given the opportunity to continue medical and dental benefits pursuant to COBRA continuation coverage, which requires the employee to pay the full premium plus an administrative fee. More details about COBRA are set forth in the COBRA notice below. Requests for extensions of leave will be considered on a case-by-case basis and include employees on Military Leave, employees on Worker's Compensation Leave and employees who request reasonable accommodation for a disability (typically involves an extension of employment to allow employee to resume essential job functions with or without reasonable accommodation at a date certain in the near future).

Benefits Upon Re-Employment

If an employee leaves the Company and is re-employed, the returning employee is treated like a new employee and is eligible for benefits after the waiting period required for new employees at that time. This rule applies regardless of the length of time the employee left employment.

COBRA Continuation Coverage

This notice contains important information for employees covered under the group health plan(s) (the Plan). COBRA continuation coverage is a temporary extension of coverage under the Plan. The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget, Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you and to other members of your family who are covered under the Plan when you would otherwise lose your group health coverage. This notice generally explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect the right to receive it. This notice

gives only a summary of your COBRA continuation coverage rights. For more information about your rights and obligations under the Plan and under federal law, you should either review the Plan's Summary Plan Description or get a copy of the Plan Document from the Plan Administrator, 210 Sixth Avenue, Pittsburgh, PA 15222, or call HR One Connect at 1-888-471-3362 (1-888-HR1-EDMC).

COBRA continuation coverage is a continuation of Plan coverage when coverage would otherwise end because of a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." Depending on the type of qualifying event, qualified beneficiaries can include employees, spouses of covered employees, and dependent children of covered employees. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you are a covered employee, you will become a qualified beneficiary if you lose coverage under the Plan because either one of the following qualifying events happens:

1. Your hours of employment are reduced, or
2. Your employment ends for any reason other than your gross misconduct.

If you are the spouse of a covered employee, you will become a qualified beneficiary if you lose coverage under the Plan because any of the following qualifying events happens:

1. Your spouse dies;
2. Your spouse's hours of employment are reduced;
3. Your spouse's employment ends for any reason other than his or her gross misconduct;
4. Your spouse becomes entitled to Medicare (Part A, Part B, or both); or
5. You become divorced or legally separated from your spouse.

Your dependent child(ren) will become qualified beneficiaries if they lose coverage under the Plan because any of the following qualifying events happens:

1. The parent-employee dies;
2. The parent-employee's hours of employment are reduced;
3. The parent-employee's employment ends for any reason other than his or her gross misconduct;
4. The parent-employee becomes entitled to Medicare (Part A, Part B, or both);
5. The parents become divorced or legally separated; or
6. The child stops being eligible for coverage under the Plan as a "dependent child."

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. When the qualifying event is the end of employment or reduction of hours of employment, death of the

employee, or the employee becomes entitled to Medicare (Part A, Part B or both), the employee must notify the Plan Administrator of the qualifying event within 30 days after the qualifying event occurs.

For the other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), the employee, and/or the dependent or spouse who will lose coverage due to a qualifying event must notify the local Human Resources Representative, who then notifies the Plan Administrator. The Plan requires the Plan Administrator to be notified within 60 days after the qualifying event occurs. If notification is not received within the 60-day period, the dependent or spouse will not be entitled to continuation of coverage. Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. For each qualified beneficiary who elects COBRA continuation coverage, COBRA continuation coverage will begin on the date that Plan coverage would otherwise have been lost.

COBRA continuation coverage is a temporary continuation of coverage. When the qualifying event is the death of the employee, the employee is entitled to Medicare (Part A, Part B or both), divorce or legal separation, or a dependent child losing eligibility as a dependent child, COBRA continuation coverage lasts for up to 36 months.

When the qualifying event is the end of employment, reduction of the employee's hours of employment and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA continuation coverage for qualified beneficiaries other than the employee lasts 36 months after the date of Medicare entitlement. For example, if a covered employee becomes entitled to Medicare 8 months before the date on which employment terminates, COBRA continuation coverage for his spouse and children can last up to 36 months after the date of Medicare entitlement, which is equal to 28 months after the date of the qualifying event (36 months minus 8 months).

Otherwise, when the qualifying event is the end of employment or reduction of the employee's hours of employment, COBRA continuation coverage lasts for up to 18 months. There are two ways in which this 18-month period of COBRA continuation coverage can be extended.

Disability Extension of 18 Month COBRA Period

An 11-month extension of coverage may be available if any of the qualified beneficiaries is determined by the Social Security Administration (SSA) to be disabled. The disability has to have started at some time before the 61st day after the employee's termination or reduction of hours and must last at least until the end of the 18-month period of continuation coverage. Each qualified beneficiary who has elected continuation coverage will be entitled to the 11-month disability extension, for a total maximum of 29 months, if one of them qualifies. **The disability extension is available only if you notify The Plan Administrator, 210 Sixth Avenue, 33rd Floor, Pittsburgh, PA 15222 in writing of the Social Security Administration's determination of disability within 60 days after the latest of:**

- The date of the Social Security Administration's disability determination;
- The date of the employee's termination of employment or reduction of hours; and
- The date on which the qualified beneficiary loses (or would lose) coverage under the terms of the Plan as a result of the employee's termination of employment or reduction of hours.

You must also provide this notice within 18 months after the covered employee's termination of employment or reduction of hours in order to be entitled to a disability extension. If the qualified beneficiary is determined by SSA to no longer be disabled, you must notify the Plan of that fact within 30 days after SSA's determination. **The Plan Administrator can be contacted at 210 Sixth Avenue, 33rd Floor, Pittsburgh, PA 15222.**

Second Qualifying Event Extension of 18 Month COBRA Period

An 18-month extension of coverage will be available to spouses and dependent children who elect continuation coverage if a second qualifying event occurs during the first 18 months of continuation coverage. The maximum amount of continuation coverage available when a second qualifying event occurs is 36 months. Such second qualifying events may include the death of a covered employee, divorce or separation from the covered employee, or a dependent child's ceasing to be eligible for coverage as a dependent under the Plan. These events can be a second qualifying event only if they would have caused the qualified beneficiary to lose coverage under the Plan if the first qualifying event had not occurred. You must notify the Plan within 60 days after a second qualifying event occurs if you want to extend your continuation coverage. This notice must be sent to: The Plan Administrator, EDMC, 210 Sixth Avenue, 33rd Floor, Pittsburgh, PA 15222.

If You Have Questions

If you have questions about your COBRA continuation coverage, you should contact Human Resources, The Plan Administrator, EDMC, 210 Sixth Avenue, 33rd Floor, Pittsburgh, PA 15222 or call HR One Connect at 1-888-471-3362 (1-888-HR1-EDMC). Or you may contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA). Address and phone numbers of Regional and District EBSA Offices are available through EBSA's website at:

<http://www.dol.gov/ebsa/>

Keep Your Plan Informed of Address Changes

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator. To contact the Plan Administrator, please write to The Plan Administrator, EDMC, 210 Sixth Avenue, 33rd Floor, Pittsburgh, PA 15222 or call HR One Connect at 1-888-471-3362 (1-888-HR1-EDMC).

HIPAA Portability Notice

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) helps employees by restricting the extent to which group health plans may impose pre-existing condition limitations. HIPAA coordinates COBRA's other coverage cut-off rule with these new limits as follows: if you become covered by another group health plan and that plan contains a pre-existing condition limitation that affects you, your COBRA coverage cannot be prematurely terminated before its expiration. However, if the other plan's pre-existing condition rule does not apply to you by reason of HIPAA's restrictions on pre-existing condition clauses, your COBRA coverage may be terminated.

HIPAA also limits the circumstances under which coverage may be excluded for medical conditions present before you enroll in a medical plan. Under the law, a pre-existing condition limitation generally may not be imposed for more than 12 months (or 18 months for a late enrollee). The 12-month (or 18-month) exclusion period is reduced by your prior creditable coverage. You are entitled to a certificate from the company that shows your prior health coverage under the company's plans. If you buy health insurance other than through an employer group health plan, a certificate of prior insurance may help you obtain coverage without a pre-existing condition exclusion. Requests for certificates should be made to the Plan Administrator, EDMC, 210 Sixth Avenue, 33rd Floor, Pittsburgh, PA 15222 or call HR One Connect at 1-888-471-3362 (1-888-HR1-EDMC).

HIPAA Privacy Notice

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) also requires that health plans protect the confidentiality of your private health information. A complete description of your rights under HIPAA can be found in the HIPAA policy or Privacy Notice, which was distributed to you upon enrollment and can be found in the Benefits Enrollment Guide. Requests for copies of the Privacy Notice should be made to the Plan Administrator, EDMC, 210 Sixth Avenue, 33rd Floor, Pittsburgh, PA 15222 or call HR One Connect at 1-888-471-3362 (1-888-HR1-EDMC). EDMC has designated as Privacy Official the Senior Vice President of Human Resources.

Your health plans, and EDMC as Plan Sponsor, will not use or further disclose information that is protected by HIPAA ("protected health information") except as necessary for treatment, payment, health plan operations and plan administration, as permitted or required by law or as allowed by our Privacy Notice. By law, each of your health plans has required all of its business associates to also observe HIPAA's privacy and security rules. In particular, your health plans will not, without authorization, use or disclose protected health information for employment-related actions and decisions.

Under HIPAA, you have certain rights with respect to your protected health information, including certain rights to see and copy the information, receive an accounting of certain disclosures of the information and, under certain circumstances, amend the information. You also have the right to file a complaint with the Plan or with the Secretary of the U.S. Department of Health and Human Services if you believe your rights under HIPAA have been violated. EDMC will not retaliate against any employee who exercises his or her rights under HIPAA. EDMC will not require current employees to waive their HIPAA rights.

Each of your health plans maintains a privacy notice, which provides a complete description of your rights under HIPAA's privacy rules. For a copy of the notice, please see the Benefit Enrollment Guide or contact the current insurance carriers. If you have questions about the privacy of your health information, or to file a complaint, please contact the Senior Vice President of Human Resources, EDMC, 210 Sixth Avenue, 33rd Floor, Pittsburgh, PA 15222.

OTHER BENEFITS

Workers' Compensation

The Company carries workers' compensation insurance and will assist employees to obtain all monetary benefits to which they are entitled for workplace injuries. Please promptly report all workplace injuries to Human Resources.

Note that in addition to receiving statutory workers' compensation and statutory short-term disability insurance where required by law, eligible employees may receive additional monies through the Company's Short-Term Disability policy. In no event will employees ever get replacement income totaling more than the salary they would have received had they continued working.

Failure to report accidents promptly can result in a violation of the Company's legal requirements, and can lead to difficulties in processing claims for monetary workers' compensation benefits. In certain cases, failure to treat with the panel health care providers for the required statutory period may result in loss of benefits.

Paid Time Off

The Company grants Paid Time Off (PTO) to eligible employees to promote rest and relaxation away from work and to protect against loss of income during incidental absences due to illness or injury of the employee or a member of the employee's immediate family, or absences due to pressing personal business, including sincere religious beliefs.

Full-time and grandfathered part-time* non-student employees, and some faculty members are eligible for PTO. Pending manager approval and subject to the common practice of the location and/or Education System for which they are employed, PTO-eligible employees may use PTO in the manner deemed appropriate.

Based on your organizational level and total continuous years of service, you will be eligible for an annualized allotment of PTO. Each pay period throughout the calendar year, you accrue – or “earn” – a portion of your annualized PTO allotment.

Employees may utilize PTO before it is accrued and carry a negative PTO balance from pay-period-to-pay-period. But unless otherwise required by state law, carryover of Paid Time Off from one calendar year to the next is not permitted, so PTO must be used during the calendar year in which it was accrued, otherwise it will be forfeited.

PTO-eligible employees may have the opportunity to earn more PTO upon reaching a milestone service anniversary.

Potential PTO Entitlement Based on Continuous Service:

	Full-Time Employee	Part-Time* Employee
Through four years of service (48 months of service)	128 hours	64 hours
From five through eight years of service (49 th through 96 th month)	168 hours	72 hours
9 years and greater (97 th month and beyond)	200 hours	80 hours

** Except where required otherwise, part-time employees with hire dates prior to December 1, 2011 will retain benefits eligibility in a grandfathered status through December 31, 2013. Part-time employees hired on or after December 1, 2011 are not eligible for PTO.*

For PTO purposes, if an employee terminates employment with EDMC and is rehired within one year, the employee will have their original hire date restored and they will begin accruing PTO at the rate commensurate with their level within the organization and years of service. If the employee is re-hired more than one year (12 months) following their termination date, they are considered new hires, and any prior PTO years-of-service will be reset to "0" [zero]. They will be eligible for PTO at the rate commensurate with their level within the organization.

Whenever possible, you should schedule PTO at least 30 days in advance via the Company's timekeeping system. In all cases, the use of PTO should be approved by your manager a minimum of 24 hours in advance, and the scheduling of PTO is subject to your manager's approval. Employees may be denied PTO during certain periods or may be asked to take it at certain times due to business need. Managers may limit the number of employees on a work team who may schedule PTO at the same time. You are encouraged not to make plans for your time off until your PTO request has been approved.

If you need PTO to address a sudden personal need or illness, you should notify your manager as soon as possible.

Unless otherwise required by law, unused, accrued PTO is not paid out at termination. If an employee has a negative PTO balance at the time of termination, EDMC reserves the right to seek reimbursement for that time. Employees may not use PTO in lieu of a notice of resignation.

Generally, unapproved absences in excess of PTO will be unpaid, considered excessive and may result in disciplinary action.

For more information about your PTO benefits, refer to the Company's PTO Policy or call HR One Connect at 1-888-471-3362 (1-888-HR1-EDMC).

Holidays

Full-time employees are eligible for holiday pay. The Company observes twelve paid holidays each year.

If a Company observed holiday occurs during your scheduled paid time off, and you are eligible for holiday pay, the time will be paid as a holiday.

Depending on the nature of your specific responsibilities, you may be asked to work on some of the Company's recognized holidays. If you are a non-exempt employee, and the Company requests that you work during a Company holiday, you are paid for all regular hours worked on that day plus you will receive holiday pay for that day. If you work more than 40 hours that week, exclusive of the holiday, you are paid overtime for all actual hours worked in excess of 40. Additionally, you may take another day off without pay as the holiday, within a 30-day period of the holiday, as designated by your manager.

RULES AND REGULATIONS

Standards of Conduct

Because the proper working relationship of all employees depends upon each of us, the Company has established certain minimum standards of personal conduct. These "common sense" guidelines are included here for those who, through lack of understanding or experience, could experience difficulties. Examples of impermissible conduct that may lead to disciplinary action up to and including termination are identified below to promote an understanding of what is considered unacceptable conduct and to encourage consistent action by the Company. The following list contains some examples of conduct that may lead to the imposition of discipline, up to and including termination: excessive or unexcused absenteeism and tardiness (where no bona-fide family/medical leave or other approved leave exists), theft/unauthorized possession of Company property, use or possession of illegal drugs or other violations of the Company's Drug-Free Workplace Policy, intoxication, unsafe acts, carelessness or negligence, harassment, including sexual harassment, failure to comply with a lawful management directive, failure to demonstrate professional conduct or maintain a professional environment, threats, intimidation, sabotage, violence, sleeping on the job, conflicts of interest and unsatisfactory performance. The preceding list is not meant to be exhaustive, but is only a representative sample of prohibited behavior. As noted previously, most employees are employed at-will. Just as the Company can terminate any at will employee at any time with or without cause or notice, any employee can resign with or without cause or notice. The Company also reserves the right to suspend employees, with or without pay, during any investigation of improper conduct or as the Company deems necessary.

Communication and Computer Systems

The Company's communication and computer systems are primarily for business purposes only. Limited personal usage which does not violate any other Company policy is permitted as long as it does not affect your ability to perform your job. This includes the telephone, voice mail, email, Intranet and Internet systems.

No Expectation of Privacy. Users have no legitimate expectations of privacy in regard to their use of these systems. The Company may access its voice mail and email systems and obtain the communications within the systems, including past voice mail and email messages, without notice to users of the system, in the ordinary course of business when the Company deems it appropriate to do so. The reasons for which the Company may obtain such access include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that the Company's operations continue appropriately during an employee's absence.

Further, the Company may review Intranet and Internet usage to ensure that such use of the Company's property, or communications sent via the Intranet and/or Internet with the Company's property, are for business purposes only. The reasons for which the Company may review employees' use of the Intranet and/or Internet with the Company's property include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws;

complying with legal and regulatory requests for information; and ensuring that the Company's operations continue appropriately during an employee's absence.

The Company may store electronic communications for a period of time after the communication is created. From time to time, copies of communications may be deleted. Employees should be aware that the computer equipment and network are the property of the company. Any information contained in or on the system or a computer is the property of the company and must be relinquished upon termination of employment. Employees may not copy files or programs for non-company use to or from the server. Employees can not back-up large folders or any drives without opening a work order through the EDMC IT Service Center to obtain the express permission of the System Administration Team who will seek executive approval.

The Company's policy prohibiting harassment, in its entirety, applies to the use of the Company's communication and computer systems. No one may use any communication and computer system in a manner that may be construed by others as harassing or offensive based on race, national origin, sex, sexual orientation, age, disability, religious beliefs or any other characteristic protected by federal, state or local law.

Employees must not forward personal student information (such as Social Security numbers) via email unless encrypted or password protected.

Because the Company's communication systems are primarily for business use only, these systems may not be used to solicit for religious or political causes, outside organizations or other personal matters unrelated to the Company's business.

Employees are requested to keep all personal phone calls to a minimum. Limited personal usage which does not violate any other Company policy is permitted as long as it does not affect your ability to perform your job. Friends and relatives should be discouraged from calling during working hours unless there is an emergency. Under no circumstances should you make or charge a long distance call to the Company unless it is work-related.

All employees, upon request, must inform management of any private access codes or passwords to EDMC-issued equipment. No employee may access, or attempt to obtain access to, another employee's computer systems without appropriate authorization. Violators of this policy may be subject to disciplinary action, up to and including discharge.

Employees should refer to related Company policies for more information on the use of technology, devices or social media forums.

Safety

Every employee is responsible for safety, and must be safety conscious. Please report any unsafe or hazardous condition directly to your manager or to the security department immediately.

In case of an accident involving a personal injury, regardless of how serious, please notify your manager or Human Resources immediately and fill out an Incident Report Form as soon as practical. Failure to report accidents promptly can result in a violation of the

Company's legal requirements, and can lead to difficulties in processing medical and insurance claims, including claims for monetary workers' compensation benefits.

The Company cannot be responsible for personal property brought onto the premises. Employees are encouraged to keep personal possessions of value with them at all times or locked in areas provided for that purpose. Common sense in not leaving valuables unattended is a good rule to follow in safeguarding valuable possessions.

Employees will be monetarily responsible for equipment issued to them or borrowed by them if the equipment is lost, stolen, or damaged through carelessness or negligence while in their possession.

Employees who are issued identification cards or key cards must wear their identification cards and use them to access the facilities. Employees should not hold open or prop open doors so that others can enter.

Searches

The Company reserves the right to require employees while on Company property to agree to the inspection of their person, personal possessions and property and work areas. This includes, but is not limited to, lockers, desks, cabinets, workstations, packages, handbags, briefcases and other personal possessions or places of concealment, as well as mail sent to or by employees. The Company likewise reserves the right to search all Company property, including computer files, devices, voice mail tapes, computers, offices, etc. The Company reserves the right to inspect property without advance notice to the employee and may remove locks to do so. Employees are expected to cooperate in the conduct of any search or inspection. Refusal to consent to such an inspection may result in disciplinary action up to and including termination.

Personal Mail and Faxes

Personal mail and faxes should not come to the Company. Since the Company receives a high volume of communications, it is not possible to process personal mail and other communications for employees. Please have all correspondence of a personal nature sent to your home address.

Cellular Phone Usage When Driving

Employees with Company-provided cell phones must refrain from using their phone while driving. Safety must come before all other concerns. Regardless of the circumstances, including slow or stopped traffic, employees should proceed to a safe location off the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is absolutely necessary while the employee is driving, the employee must use a hands-free option and advise the caller that he/she is unable to speak at that time and will return the call shortly.

Under no circumstances should employees feel that they need to place themselves at risk to fulfill business needs.

References

All requests for employment verification and references must be directed to The Work Number at 1-800-367-5690 or:
www.theworknumber.com

In accordance with Company policy, only The Work Number or the Human Resources Department are authorized to release any information regarding requests for employment verification or inquiries regarding employees. Other employees must NOT attempt to provide any such information. Generally, the only information provided will be positions held and dates of service. No additional information, including salary information, will be provided absent proper authorization from the employee for the release of such information or an enforceable subpoena.

In addition, the Company, in its sole discretion, may supply a more complete reference only where the requesting employee or former employee has consented to a substantive reference in writing signed by the employee and has released the Company from liability in connection with the reference.

Driving Records

Individuals may seek or hold positions that involve driving responsibilities for which the Company may have direct or indirect legal responsibility. The Company is committed to making certain that employees who have driving responsibilities do not place the employer, employees, or members of the general public at risk.

In keeping with this policy, the Company requires that employees with driving responsibilities maintain safe driving records as a condition of employment and continued employment. Individuals who fail to maintain such driving records may become unsuitable for their positions. In such situations, the Company reserves the right to discipline or terminate employees with driving responsibilities whose driving records become unsatisfactory, in the sole discretion of the Company. Individuals in driving positions are required to provide the Company with access to their driving records at all times.

Bulletin Boards

Information of special interest to all employees may be posted regularly on bulletin boards and/or the Intranet. There you will find notices of state and federal laws, as well as general communications, and other information regarding any changes in policies. All items posted on the bulletin boards should be in accordance with Company policy and approved by Human Resources.

Smoking

Smoking is prohibited on Company premises.

Copyright

EDMC complies with the copyright laws as applied to proprietary schools. The use of and/or photocopying of copyrighted material in violation of the copyright laws by faculty, students, alumni and staff is prohibited. Faculty are required to instruct students in the proper use of licensed materials in their works. Faculty are charged with the responsibility of monitoring the work of students to ensure that they use only licensed materials in their projects. This standard applies to printed, software, audio and video materials.

When in doubt as to whether using material is a copyright infringement, consult with your school's librarian or the Law Department, or obtain written permission from the copyright holder.

All employees are expected to adhere to the terms of EDMC's Intellectual Property Policy. Please refer to this Policy as well as the Higher Education Opportunity Act Copyright Policy for additional information.

SEPARATION

Resignation

If you find it necessary to resign, you are requested to give a two-week notice of your resignation in writing, specifying the last day you will be at work. This date will be considered your effective resignation date. Notice of resignation should be provided to your immediate manager, with a copy to Human Resources for your personnel file.

Exit Interviews

The Company endeavors to conduct exit interviews with separating employees to discuss the employee's experience with the Company and the effect of separation on benefits.

Return of Company Property

All documents and materials pertaining to the business or operations of the Company that were prepared by employees or that came into employees' possession during employment are the property of the Company. Upon termination of employment, or upon earlier request of the Company, employees must return to the Company all such documents, materials, records, equipment, keys, and all other property in their possession or control, including all forms of confidential information.

Severance Pay

No employee shall be entitled to severance pay upon leaving the Company simply as a reward for service. The company, at its sole discretion, may pay severance to a departing employee only when the departing employee has signed a severance agreement generally releasing the company from all claims that the employee may have against the company. If the Company chooses to pay an employee in lieu of notice, the employee will remain an employee until their termination date and thereby is subject to all Company policies and guidelines.

OTHER STATE OR LOCAL REQUIREMENTS

The information included in this Handbook is not intended to be all inclusive. Where other state or local requirements vary from those listed in the Handbook, the Company will comply with more favorable state or local requirements where applicable.

A FEW CLOSING WORDS

This Handbook is intended to give you a broad summary of the Company's policies and procedures. The information in this Handbook is general in nature. Detailed Company policies can be found on the Policy Procedures and Standards (PPS) site on the Company Intranet (<https://intranet.edmc.edu/pps/webpages/splash.aspx>). Employment policies can also be found on the HR One Connect Employee Resource (<http://ess.edmc.edu>). Should you have questions or wish to learn more information, you should consult with your manager or Human Resources or call HR One Connect at 1-888-471-3362 (1-888-HR1-EDMC). The Company may modify the matters set forth in this Handbook or in Company policies at any time in its sole discretion.

EMPLOYEE ACKNOWLEDGMENT

I hereby acknowledge receipt of the Education Management Employee Handbook dated December, 2012.

I understand that the Handbook is for informational purposes only and communicates Company policies as of the date of the Handbook. I understand that the Company's policies will change from time to time, at the company's discretion, to reflect the Company's changing needs and that these changes may not always be reflected in the Handbook. Therefore, nothing in the Handbook is a contract or a promise that the Company will act in any given manner.

I understand that the contents of this Handbook (and any subsequent modifications to the policies contained within the Handbook) are CONFIDENTIAL Company information and remain Company property at all times. I will not copy any portion of the Handbook or share it with any person outside of the company without the written permission of my manager.

I further understand that this Handbook supersedes all prior oral or written statements by the Company concerning employment policies and is applicable to all employees regardless of length of service.

I understand it is my obligation to read and comply with all policies and that I should direct any questions to Human Resources.

I further understand that this Handbook does not alter the at will status of any employment relationship.

Employee's Printed Name: _____

Position: _____

Employee's Signature: _____

Date: _____

The signed original copy of this acknowledgment should be given to management - it will be filed in your personnel file.