Employee Handbook

EDMC
Education Management Corporation

Revised May, 2011
# Table of Contents

<table>
<thead>
<tr>
<th>Topic</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Welcome</td>
<td>5-6</td>
</tr>
<tr>
<td>• Welcome</td>
<td></td>
</tr>
<tr>
<td>• Introduction</td>
<td></td>
</tr>
<tr>
<td>General Information</td>
<td>7-8</td>
</tr>
<tr>
<td>• About EDMC</td>
<td></td>
</tr>
<tr>
<td>• The Art Institutes</td>
<td></td>
</tr>
<tr>
<td>• Argosy University</td>
<td></td>
</tr>
<tr>
<td>• South University</td>
<td></td>
</tr>
<tr>
<td>• Brown Mackie College</td>
<td></td>
</tr>
<tr>
<td>• EDMC Values Statement</td>
<td></td>
</tr>
<tr>
<td>• EDMC Vision Statement</td>
<td></td>
</tr>
<tr>
<td>• EDMC Mission Statement</td>
<td></td>
</tr>
<tr>
<td>General Policies</td>
<td>9-19</td>
</tr>
<tr>
<td>• Code of Business Ethics and Conduct</td>
<td></td>
</tr>
<tr>
<td>• Confidentiality</td>
<td></td>
</tr>
<tr>
<td>• Reporting Violations of the Code of Conduct or Corporate Fraud</td>
<td></td>
</tr>
<tr>
<td>• Equal Employment Opportunity</td>
<td></td>
</tr>
<tr>
<td>• No Harassment</td>
<td></td>
</tr>
<tr>
<td>• Definition of Sexual Harassment</td>
<td></td>
</tr>
<tr>
<td>• Other Forms of Harassment</td>
<td></td>
</tr>
<tr>
<td>• Complaint Procedure</td>
<td></td>
</tr>
<tr>
<td>• Non-Fraternization and Consensual Relationships</td>
<td></td>
</tr>
<tr>
<td>• Drug Prevention Policy</td>
<td></td>
</tr>
<tr>
<td>• Workplace Violence</td>
<td></td>
</tr>
<tr>
<td>• Crime Awareness and Campus Security</td>
<td></td>
</tr>
<tr>
<td>• Employee Information</td>
<td></td>
</tr>
<tr>
<td>• Dress Guidelines</td>
<td></td>
</tr>
<tr>
<td>• Promotion from Within</td>
<td></td>
</tr>
<tr>
<td>• Problem-Solving Procedure</td>
<td></td>
</tr>
<tr>
<td>Compensation</td>
<td>19-22</td>
</tr>
<tr>
<td>• Pay Practices</td>
<td></td>
</tr>
<tr>
<td>• Working Hours</td>
<td></td>
</tr>
<tr>
<td>• Overtime Pay</td>
<td></td>
</tr>
<tr>
<td>• Authorization for Overtime</td>
<td></td>
</tr>
<tr>
<td>• Recording Time Worked</td>
<td></td>
</tr>
<tr>
<td>• Payroll Deductions</td>
<td></td>
</tr>
<tr>
<td>• Procedure to Report Concerns</td>
<td></td>
</tr>
<tr>
<td>Topic</td>
<td>Pages</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------</td>
</tr>
<tr>
<td><strong>Leaves of Absence</strong></td>
<td>22-29</td>
</tr>
<tr>
<td>• Leave of Absence Introduction</td>
<td></td>
</tr>
<tr>
<td>• Family and Medical Leave</td>
<td></td>
</tr>
<tr>
<td>• Military Family Leaves</td>
<td></td>
</tr>
<tr>
<td>• Personal Leave</td>
<td></td>
</tr>
<tr>
<td>• Military Leave</td>
<td></td>
</tr>
<tr>
<td>• Bereavement Leave</td>
<td></td>
</tr>
<tr>
<td>• Jury Duty Leave</td>
<td></td>
</tr>
<tr>
<td><strong>Employee Benefits</strong></td>
<td>29-30</td>
</tr>
<tr>
<td>• Employee Benefits Introduction</td>
<td></td>
</tr>
<tr>
<td>• Benefits During Disability Leaves from Work</td>
<td></td>
</tr>
<tr>
<td>• Benefits Upon Re-Employment</td>
<td></td>
</tr>
<tr>
<td><strong>Notice of COBRA Continuation Coverage Rights</strong></td>
<td>30-33</td>
</tr>
<tr>
<td>• COBRA Continuation Coverage</td>
<td></td>
</tr>
<tr>
<td>• Disability Extension of 18 Month Period</td>
<td></td>
</tr>
<tr>
<td>• Second Qualifying Event Extension of 18 Month Period</td>
<td></td>
</tr>
<tr>
<td>• If You Have Questions</td>
<td></td>
</tr>
<tr>
<td>• Keep Your Plan Informed of Address Changes</td>
<td></td>
</tr>
<tr>
<td>• HIPPA Portability Notice</td>
<td></td>
</tr>
<tr>
<td>• HIPPA Privacy Notice</td>
<td></td>
</tr>
<tr>
<td><strong>Other Benefits</strong></td>
<td>34-36</td>
</tr>
<tr>
<td>• Workers' Compensation</td>
<td></td>
</tr>
<tr>
<td>• Sick Days and Personal Days</td>
<td></td>
</tr>
<tr>
<td>• Vacation</td>
<td></td>
</tr>
<tr>
<td>• Holidays</td>
<td></td>
</tr>
<tr>
<td><strong>Rules and Regulations</strong></td>
<td>36-41</td>
</tr>
<tr>
<td>• Standards of Conduct</td>
<td></td>
</tr>
<tr>
<td>• Communication and Computer Systems</td>
<td></td>
</tr>
<tr>
<td>• Safety</td>
<td></td>
</tr>
<tr>
<td>• Searches</td>
<td></td>
</tr>
<tr>
<td>• Personal Mail and Faxes</td>
<td></td>
</tr>
<tr>
<td>• Cellular Phone Usage When Driving</td>
<td></td>
</tr>
<tr>
<td>• References</td>
<td></td>
</tr>
<tr>
<td>• Driving Records</td>
<td></td>
</tr>
<tr>
<td>• Bulletin Boards</td>
<td></td>
</tr>
<tr>
<td>• Smoking</td>
<td></td>
</tr>
<tr>
<td>• Inspections</td>
<td></td>
</tr>
<tr>
<td>• Copyright</td>
<td></td>
</tr>
<tr>
<td>Topic</td>
<td>Pages</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-------</td>
</tr>
<tr>
<td>Separation</td>
<td>41</td>
</tr>
<tr>
<td>- Resignation</td>
<td></td>
</tr>
<tr>
<td>- Exit Interviews</td>
<td></td>
</tr>
<tr>
<td>- Return of Company Property</td>
<td></td>
</tr>
<tr>
<td>- Severance Pay</td>
<td></td>
</tr>
<tr>
<td>A Few Closing Words</td>
<td>41</td>
</tr>
<tr>
<td>- A Few Closing Words</td>
<td></td>
</tr>
<tr>
<td>Policy Supplements</td>
<td>42-48</td>
</tr>
<tr>
<td>- Overtime Policy Supplement  - California</td>
<td></td>
</tr>
<tr>
<td>- Personal Days Policy Supplement - California</td>
<td></td>
</tr>
<tr>
<td>- Vacation Policy Supplement - California</td>
<td></td>
</tr>
<tr>
<td>- Meal and Rest Periods Supplement - California</td>
<td></td>
</tr>
<tr>
<td>- School Attendance Leave Supplement - California</td>
<td></td>
</tr>
<tr>
<td>- Pregnancy Disability Leave Supplement - California</td>
<td></td>
</tr>
<tr>
<td>- Rehabilitation Leave Supplement - California</td>
<td></td>
</tr>
<tr>
<td>- Domestic Leave Supplement - California</td>
<td></td>
</tr>
<tr>
<td>- Domestic Leave Supplement - Colorado</td>
<td></td>
</tr>
<tr>
<td>- School Attendance Leave Supplement - Illinois</td>
<td></td>
</tr>
<tr>
<td>- Sexual Harassment Policy Supplement - Massachusetts</td>
<td></td>
</tr>
<tr>
<td>- Maternity Leave Supplement - Massachusetts</td>
<td></td>
</tr>
<tr>
<td>- Small Necessities Leave Supplement - Massachusetts</td>
<td></td>
</tr>
<tr>
<td>- School Attendance Leave Supplement - Minnesota</td>
<td></td>
</tr>
<tr>
<td>- Bone Marrow Donation Leave Supplement - Minnesota</td>
<td></td>
</tr>
<tr>
<td>- Voting Leave Supplement - Minnesota</td>
<td></td>
</tr>
<tr>
<td>- Witness Leave Supplement - Minnesota</td>
<td></td>
</tr>
<tr>
<td>- Parenting Leave Supplement - Minnesota</td>
<td></td>
</tr>
<tr>
<td>- Nursing Mothers Supplement - Minnesota</td>
<td></td>
</tr>
<tr>
<td>- School Attendance Leave Supplement - North Carolina</td>
<td></td>
</tr>
<tr>
<td>- Other State or Local Requirements</td>
<td></td>
</tr>
<tr>
<td>Employee Acknowledgement</td>
<td>49</td>
</tr>
</tbody>
</table>
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,

Todd Nelson
CEO
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 call HR One Connect, the employee resource center, at 1-888-471-3362 (1-888-HR1-EDMC). 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.
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.
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. 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 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 (Manager’s Manager, Campus President or Other Senior Leader at Your Facility)

If you are not satisfied with the guidance or direction provided by your direct manager, you should take your concern to your manager's next-level manager. 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 Human Resources 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 local HR representative. If your campus does not have a local dedicated HR representative, you may contact the Regional HR Vice President.
Step 4: Speak with your VP of Human Resources for Your Education System

If you are unsure who this is, please call HR One Connect at 1-888-471-3362 (1-888-HR1-EDMC).

Contact the EDMC Human Resources Department

If you have escalated your concern to your Local, Regional and/or Ed System HR contacts and still believe a violation of the Code has occurred, you may contact the EDMC HR Department:

Roberta Troike  
SVP, Human Resources  
Education Management Corporation  
210 Sixth Avenue  
33rd Floor  
Pittsburgh, PA 15222-2603  
412-995-7645  
Confidential Fax: 412-918-2596  
roberta.troike@edmc.edu

Lou Pisano  
VP, Employee and Labor Relations  
Education Management Corporation  
210 Sixth Avenue  
33rd Floor  
Pittsburgh, PA 15222-2603  
412-918-2515  
Confidential Fax: 412-918-2543  
louis.pisano@edmc.edu

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.

Devitt Kramer  
SVP and General Counsel  
Education Management Corporation  
210 Sixth Avenue  
33rd Floor Pittsburgh, PA 15222-2603  
412-995-7315  
Confidential Fax: 412-995-7322  
devitt.kramer@edmc.edu
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:

Shelley Bias  
VP, Internal Audit  
Education Management Corporation  
210 Sixth Avenue  
33rd Floor Pittsburgh, PA 15222-2603  
Phone: 412-995-7803  
Fax: 412-918-5535  
shbias@edmc.edu

Contact the 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, human resources, legal 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 local, regional or Ed System level for investigative purposes if the local, regional or Ed System level was bypassed in the escalation process and the investigatory team members were not alleged to have engaged in wrongdoing as stated in the Code. You will not face retaliation for making a report through any of the means outlined.

Compliance Hotline:  
Voice Mail: 1-866-439-6805  
Email: edmc@openboard.info  
Web Form: www.openboard.info/edmc

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, 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 Human Resources of their specific limitations and, if known, their specific requested accommodations. 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.

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 Human Resources 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 Human Resources. 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, 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, 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 Human Resources. When you cannot report to your local Human Resources Department, you should report to Corporate Human Resources at 412-562-0900.

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 Prevention Policy**

EDMC has adopted and implemented a drug prevention 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.

If you are the recipient of a threat made by an outside party, please follow the steps detailed in this section. It is important for the Company to be aware of any potential danger in the workplace. Indeed, the Company wants to take effective measures to protect everyone from the threat of a violent act by an employee or by anyone else.

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
- Women – dress shoes, loafers, flats, sandals
- Men – dress shoes, loafers, casual closed toed shoes
- Collared shirts and blouses
- Sweaters
- Dresses, skorts, skirts, jumpers

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
- Men – sandals, all flip flops
- 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.

**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.

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.

**Problem-Solving Procedure**

If there is something about your job that is bothering you or you feel that you have not been treated according to the Company’s policies, there is an established problem-solving procedure that should be used. The Company is eager to learn of any condition that may be causing problems for you on the job, and will make every effort to resolve your problems.

**First Step:** Talk with your manager as soon as you become aware of the problem. Your manager is in the best position to address your concerns. The Company strongly believes that person to person communication is the best way to resolve any issues.

**Second Step:** If you feel that the problem is not solved to your satisfaction with your immediate manager, you may involve your department head, or the appropriate member of the Executive Committee, by meeting in person or by submitting a written statement.
**Third Step:** If you still feel that the problem is not resolved to your satisfaction, you can request a meeting with your Department Head or the appropriate member of the Management Committee. Any decision rendered at this step should be regarded as final.

Remember, Human Resources at the Campus or the Corporate office will be more than willing to meet with you at any time through the Three-Step Process to listen to your concerns and to give you advice on how to proceed or resolve the situation. The Corporate Human Resources Department can be reached at 412-562-0900.

Because there are separate procedures for advising management of issues pertaining to equal employment opportunity, harassment, workplace violence, ethics violations and corporate fraud, this procedure is not applicable to these issues.

**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 information is available on Employee Self Service (ESS). You may elect to have your pay deposited into several accounts, if you so desire. 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 due to an illness, excluding vacation, must 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, vacation days, and sick days 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 may 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 "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 vacation, personal or other 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 salaries of overtime exempt employees:

- Full day absences for personal reasons.
- Full day absences for sickness or disability in accordance with the Company's sick day and disability policies.
- 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.
- 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 accrued vacation, personal or other forms of paid time off 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.

**Leave Of Absence Introduction**

If you would like to request a leave of absence, please notify your supervisor and Human Resources in writing. The Company will consider your request in accordance with applicable law and the Company's leave policies, and the Company will let you know if your leave request is approved or denied. Unless specifically provided in the applicable leave of absence policy, all leaves of absence are unpaid. Misrepresenting the reasons for applying for a leave of absence may result in disciplinary action.

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, the employee will be considered to have resigned.

**Family and Medical Leave**

**Eligibility:** You may be eligible for FMLA-protected leave if you meet all of the following conditions: (1) work at a location where at least 50 employees are employed by the Company within a 75-mile radius; (2) have worked for the Company for at least 12 months (which may include months worked in prior employment periods for the Company during the prior seven years); (3) have worked 1,250 hours over the previous 12 months: (4) have not used all available FMLA leave in the 12 months looking back from the date the requested leave will begin: and, (5) have a qualifying event.

**Basic Qualifying Events:** You may seek up to 12 weeks of leave for the following reasons: (1) for incapacity due to pregnancy, prenatal medical care or child birth; (2) to care for your child after birth, or placement for adoption or foster care; (3) to care for your spouse, son or daughter, or parent who has a serious health condition; (4) for a serious health condition that makes you unable to perform your job.
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. Eight examples of Qualifying Exigencies for FMLA leave and the lengths of those leaves are:

1. Short-notice deployment (up to seven calendar days, and beginning with the date the service member is notified of a call or order to active duty and ending with the date of deployment).

2. Military events and related activities related to call to active duty.

3. To arrange for alternative childcare and school activities.

4. Financial and legal arrangements (such as preparing and executing financial and healthcare powers of attorney, transferring bank account signature authority, enrolling in military benefit plans, obtaining military identification cards and updating wills/trusts).

5. Counseling that arises from the active duty call or call to active duty status of a covered military member as is provided by someone other than a health care provider.

6. Rest and recuperation (up to five days for each occurrence to spend time with a covered military member who is on short-term, temporary, rest and recuperation leave).

7. Post deployment activities sponsored by the military and to address issues that arise from the death of a covered military member (must be within 90 days of termination of active duty status).

8. Additional activities as agreed to by the employee and Company.

A copy of the covered military member’s active duty orders or other military documentation to support the Qualified Exigency must be submitted at the time of the request.

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. A covered service member is a current member of the Armed Forces, including a member of the National Guard or reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the service member medically unfit to perform his or her duties for which the service member is undergoing medical treatment, recuperation, or therapy or is in outpatient status; or is on the temporary disability retired list. It does not include former members of the Armed Forces, former members of the National Guard or Reserves or service members on the permanent disability retired list.
**Amount and Timing of Leave.** If you are eligible, you may take up to 12 weeks of leave (up to 26 weeks for service member caregiver family leave) under this policy during a 12-month period. The Company will measure the 12-month period as a rolling 12-month period measured backward from the date you use FMLA leave. Each time you take leave, the Company will compute the amount of leave that you have taken under this policy and subtract it from the available leave. The balance remaining is the amount that you are entitled to take at that time. Note that for Military Caregiver Leave, you may take up to 26 weeks of leave in a single 12 month period which begins on the first day that you take FMLA leave to care for a covered service member and ends 12 months after that date.

If you and your spouse both work for the Company, you are jointly entitled to a combined total of 12 work weeks of family leave for the birth or placement of a child for adoption or foster care, or to care for a parent who has a serious health condition. Each spouse is entitled to 12 weeks of leave in the event of his or her own serious health condition or to care for a child with a serious health condition. For example, if each spouse took 6 weeks of leave to care for a parent, each could use an additional 6 weeks of leave due to his or her own serious health condition or to care for a child with a serious health condition. Also, spouses who both work for the Company are jointly entitled to a combined 26 work weeks of family leave if the leave is for the care of a military service member.

**Leave Scheduling.** You must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days notice is not possible, you must provide notice as soon as practicable and generally must comply with the Company's normal call-in procedures. You are responsible for completing the Leave of Absence Request Form and submitting it along with substantiating documentation to your Human Resources representative.

Leave for the birth of a child or placement of a child for adoption or foster care is to be taken within the first 12 months of the birth or placement.

Intermittent and reduced schedule leave are available for serious health conditions when such leave is medically necessary. Intermittent and reduced schedule leave may also be taken for Qualifying Exigencies without proving medical necessity; however, intermittent and reduced schedule leaves are not generally available for the care of a healthy child after the birth of the child or placement of the child for adoption or foster care.

You must attempt to schedule such leaves so as to not disrupt normal operations.

If you request intermittent leave or a reduced leave schedule, you may be temporarily transferred to an alternative position for which you must be qualified. You must make reasonable efforts to schedule leave for planned medical treatments so as not to unduly disrupt the Company's operation.

**Paid Leave vs. Unpaid Leave.** FMLA leave is generally unpaid, although you may be eligible for statutory or Company short-term disability payments, Company benefits (sick, personal and vacation time), Company-sponsored long-term disability payments 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.
You are required to take paid leave concurrently with FMLA when paid leave is available. 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. Rather the paid time runs at the same time as the FMLA time off.

In most cases, where you are eligible for a paid disability leave, such as short term disability or worker's 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.

**Your Responsibilities.** A Certification of Physician or Practitioner is required in order to take FMLA leave for all reasons except military Qualifying Exigency leave (which requires a different certification form). It is your responsibility to (1) provide notice to the Company of the potential need for leave including sufficient information for the Company to determine that you might be requesting FMLA leave and the anticipated timing of the leave 30 days in advance of the leave or as soon as practicable given the circumstances; (2) to return completed Certification forms within 15 days after you are provided with the form and (3) to provide complete documentation within 7 days of the Company's notice that the certification form was incomplete or lacked clarity. If the FMLA leave is for your own serious health condition, the approval of your short-term disability claim normally will fulfill the medical certification requirement.

It is also your responsibility to follow the regular call off procedures in your department.

Certification forms must be completed by the treating health care provider when leave is requested for a medical reason. It is your responsibility to follow up with your health care providers to ensure timely completion of certification forms.

The Company may request a second opinion, and third opinions, in the case of some conflicting opinions at the Company's expense. The Company may require (at your expense) recertification at reasonable intervals.

You are responsible for keeping the Company informed regarding your status and intent to return to work.

For Military Caregiver Leave requests, the Company requires appropriate certification completed by you, the service member and the service member's authorized health care provider. If you are taking military caregiver leave, you are also responsible for providing proof of familial relationship. If you are the service member's designated "next of kin", you should provide a copy of the documentation from the service member designating you as his/her "next of kin" for purposes of this leave.

For Qualifying Exigency leaves, the Company requires you to provide a copy of the covered military member's active duty orders or other military documentation which indicates the appropriate military status and the dates of the active duty status. A copy of new active duty orders or other documentation shall be provided to the Company if the need for leave because of a Qualifying Exigency arises out of a different active duty or call to active duty status of the same or different covered military member. In each case, it is also your responsibility to provide the Company with a Certification Form completed by you and to
supply supporting documentation. Leave should be requested at least 30 days in advance or as soon as practicable under the circumstances and supporting certification documentation should be provided within 15 days of the request. Failure to provide documentation in a timely manner may result in denial of leave and any absence from work may be considered unauthorized and may subject you to discipline.

**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 Human Resources with at least two weeks notice of the return date and medical certification of fitness to return to work. Pursuant to EDMC's Equal Employment Opportunity Policy, the Company will make 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.

If you are absent longer than your FMLA leave is approved, the Company cannot guarantee reinstatement to the prior position.

**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.

**Special Rules for "Key" Employees.** The Company may refuse to reinstate certain highly-compensated "key" employees after taking a FMLA leave. Before doing so, the Company will: (1) notify you of your status as a "key" employee in response to your request to take FMLA; (2) notify you as soon as the Company decides to deny job restoration and explain the reasons for the decision; and, (3) offer you a reasonable opportunity to return to work from FMLA after giving this notice. A "key" employee is a salaried, eligible employee who is among the highest paid ten percent of the employees within 75 miles of the worksite.

**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 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.

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 the Company benefits department the employee paid portion of the premiums by the fifteenth day of the month for which the premium is due.

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 accrued paid time off may be used during FMLA leave.

Vacation 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.** You should not work while on approved leave. Being employed at another job while on FMLA leave or any other authorized leave of absence is grounds for discipline, up to and including termination, unless otherwise approved in advance or such discipline is prohibited by law.

**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, 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 directed to Human Resources. 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, etc.) must exhaust that leave before they will be granted a Personal Leave of Absence. Likewise, employees must use their vacation time, if any, before using Personal Leave.
Military Leave

If you are called into active military service or you enlist in the uniformed services, you will be eligible to receive an unpaid military leave of absence, as required by law. To be eligible for military leave, you must provide management 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. Please ask management for further information about your eligibility for military leave.

If you are required to attend yearly Reserves or National Guard duty, you can apply for a temporary military leave of absence not to exceed the number of days allowed by law (including travel). You should give management as much advance notice of your need for military leave as possible so that the Company can maintain proper coverage while you are away.

Employees who are required as members of the National Guard of a Reserve Unit to attend military training will be paid the difference between their normal compensation and the pay (less travel allowance) they receive while on military training for a period not to exceed two weeks plus required travel time. Employees who enlist, or are inducted or ordered to active duty to fulfill their reserve activities or for periods in excess of their annual training are not eligible for the leave with pay as outlined above. EDMC may provide additional paid leave to employees serving in the military during certain military actions or on a case by case basis.

Bereavement Leave

In the event of the death of an immediate family member, a full-time employee will be granted 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 may be 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 vacation, personal and/or sick days for income replacement during this extended leave.
Jury Duty Leave

Employees called to jury duty will be 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 will be paid their regular salary during the jury duty leave. All other employees will be 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 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, sick time, short term disability, long term disability a retirement plan, tuition assistance, a qualified transportation plan, vacation and personal days, 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 request copies of individual benefit booklets provided by each carrier from Human Resources or call HR One Connect at 1-888-471-3362 (1-888-HR1-EDMC).

While the Company intends to maintain these employee benefits, it 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 Human Resources or call 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 Human Resources.

Benefits during Disability Leaves from Work

For up to one year from the date of disability during authorized and documented disability leaves of any type (including Family/Medical Leave, short-term disability, long-term disability and worker's compensation), the Company will continue 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. 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.

Automatic Termination of Employment after Approved Leave. Employment will automatically terminate after an employee has been out for six full months, with the following exceptions. An employee who is out on Military Leave or Worker's Compensation Leave will not be automatically terminated. An employee out on leave due to the employee's own disability will be terminated upon one year after the initial date of disability. 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.

**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 (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 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 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 60th day of COBRA continuation coverage 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. 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. This notice must be sent to: The Plan Administrator, 210 Sixth Avenue, 33rd Floor, Pittsburgh, PA 15222.

**Second Qualifying Event Extension of 18 Month 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 first contact local Human Resources, or you may contact 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/](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).

HIPPA 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 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 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 requested from 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).

HIPPA Privacy Notice

A federal law, the Health Insurance Portability and Accountability Act of 1996 (HIPAA), 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 privacy notice, which was distributed to you upon enrollment and is available from the Benefits Department, 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, or as permitted or required by law. By law, each of your health plans has required all of its business associates to also observe HIPAA's privacy rules. In particular, your health plans will not, without authorization, use or disclose protected health information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of EDMC.
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 your Benefits 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.

**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.

**Sick Days and Personal Days**

The Company provides protection 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. No attempt should be made to use sick days for other purposes.

Full-time and part-time, non-student employees are eligible to use sick and personal time on the first day of the month following 30 days of employment. Full time employees receive 48 hours of paid sick time and 16 hours of personal time at the beginning of each fiscal year. Part time employees receive 24 hours of sick time and 8 hours of personal time at the beginning of each fiscal year. Newly hired employees will receive sick and personal time prorated based on hire date. Faculty time off may vary from non-faculty paid time off. The amount of faculty paid time-off-campus is determined by each education system.

Sick and personal days may not be carried over from one fiscal year to the next, unless otherwise required by law. The use of your personal days will require the approval of your
manager. The Company reserves the right to request a doctor's note to verify all paid sick time.

Generally, absences in excess of your sick and personal day allotment will be considered excessive. Unless otherwise required by law, unused sick and personal days are not paid out at separation.

**Vacation**

The Company provides vacation benefits for eligible employees to promote rest and relaxation away from work. Full-time and part-time, non-faculty, non-student employees, begin to accrue vacation benefits from their date of hire and are eligible to use vacation time beginning on the first day of the month following 30 days of employment.

The Company's vacation year is the same as the fiscal year, July 1 through June 30. Vacation time is accrued during a vacation year on a bi-weekly basis during any pay period in which you have paid time.

The amount of vacation accrued is determined based on your organizational level and total continuous years of service. When you reach a milestone service anniversary, you will begin accruing vacation at a higher vacation accrual rate in the bi-weekly pay period during which your anniversary date falls.

**Potential Vacation Entitlement Based on Continuous Service:**

<table>
<thead>
<tr>
<th></th>
<th>Full Time Employee Vacation Amount</th>
<th>Part Time Employee Vacation Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>During first fiscal year of service</td>
<td>Pro-rata share of 80 hours</td>
<td>Pro-rata share of 20 hours</td>
</tr>
<tr>
<td>Through five full years of service</td>
<td>80 hours</td>
<td>20 hours</td>
</tr>
<tr>
<td>After completion of 5 full years of service</td>
<td>120 hours</td>
<td>30 hours</td>
</tr>
<tr>
<td>After completion of 10 full years of service</td>
<td>160 hours</td>
<td>40 hours</td>
</tr>
</tbody>
</table>

If an employee terminates employment with EDMC and is rehired within one year, the employee is credited with his/her prior continuous service for vacation accrual purposes.

Whenever possible, you should schedule vacation time at least 30 days in advance via the Company's timekeeping system. In all cases, the use of vacation time should be approved by your manager a minimum of 24 hours in advance, and the scheduling of any vacation time is subject to the approval of your manager. Employees may be denied the use of vacation time during certain periods or may be asked to take vacation times at certain times due to business need. Managers may limit the number of employees on a work team who may schedule vacation at the same time. You are encouraged not to make vacation plans until your vacation request has been approved.
Employees who meet the minimum service requirement may take vacation time prior to accruing the time as long as the employee does not exceed the annualized allotment for that vacation year. Any vacation time taken but not yet accrued is considered advanced.

Accrued vacation is to be taken in the vacation year during which it was accrued. No payment in lieu of vacation time is permitted. Unless required otherwise by state law, you will forfeit accrued vacation time if it is not used by the end of the vacation year. Carry over of vacation from one vacation year to the next is not permitted.

If an EDMC observed holiday occurs during your scheduled vacation, and you are eligible for holiday pay, the time will be paid as a holiday. If you become sick during a scheduled vacation, you cannot substitute sick time for vacation time.

At termination, the employee is eligible to receive payment for the balance of earned unused accrued time through the date of termination only. Terminating employees are not paid the entire annual allotment balance unless the time is fully accrued at the time of separation. Employees are required to reimburse EDMC for any advanced vacation time at separation (vacation time taken beyond the accrued/earned amount) through payroll deduction or other form of repayment to the extent permitted by state law. Employees may not use vacation time in lieu of a notice of resignation.

For more information about your vacation benefits, refer to the Company's Vacation 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.

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 will be 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 will be paid overtime for all 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.

**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 exists), theft/unauthorized possession of Company property, use or possession of illegal drugs or
other violations of the Company's Drug Prevention policy, intoxication, unsafe acts, carelessness or negligence, harassment, including sexual harassment, failure to comply with a lawful management directive, 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 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.

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.

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. 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. Salary information will be provided only with proper authorization from the employee.
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 will 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.

Inspections

In order to ensure EDMC's premises are safe and secure for persons and property, unless otherwise required by law, the Company reserves the right to require employees while on Company property to agree to the inspection of their person, personal possessions and property, personal vehicles parked on Company property, and work areas. This includes lockers, vehicles, desks, cabinets, work stations, packages, handbags, briefcases and other personal possessions or places of concealment, as well as personal mail sent to or by employees. Employees are expected to cooperate in the conduct of any search or inspection.

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.

Faculty are expected to adhere to the terms of EDMC's Copyright policy.

**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.

**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 and, should you have questions or wish to learn more details, 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 at any time in its sole discretion.
**Policy Supplements**

**Overtime Policy Supplement - California**

Non-exempt employees generally will be paid overtime at the rate of time and one-half (1 1/2) their normal hourly wage for all hours worked in excess of eight (8) hours in one day or forty (40) hours in one week, or for the first eight (8) hours on the seventh day in the same workweek.

Non-exempt employees generally will be paid double-time for hours worked in excess of twelve (12) in any workday or in excess of eight (8) on the seventh day of the workweek.

**Personal Days Policy Supplement - California**

Unused personal days are paid out at separation. Carryover of personal time up to the equivalent of one and three-quarter (1.75) times the one year granted amount is allowed. To the extent an employee would accumulate more than 1.75 times the annual amount, they will not be granted additional personal time until they use some and reduce their personal time to less than the 1.75 times the annual amount.

**Vacation Policy Supplement - California**

Accrued, unused vacation time is paid out at separation. Carryover of accrued vacation time up to the equivalent of one and three-quarter (1.75) times the one year accrual amount is allowed. To the extent an employee would accrue more than 1.75 times the annual amount, they will not earn additional vacation time until they use some and reduce their vacation time accrual to less than 1.75 the annual amount.

**Meal and Rest Periods Supplement - California**

Full time employees are entitled to two ten-minute rest breaks each day. You will be paid for these rest breaks. Normally one rest break will be scheduled in the morning and one in the afternoon. Your Supervisor will advise you of the time of your breaks. You are expected to return to work promptly at the end of any break.

If you work longer than five hours, you will be given an unpaid meal period of 30 minutes. Your manager or Supervisor will schedule your meal period. You must not perform any work during your meal period.

**School Attendance Leave Supplement - California**

Parents, guardians or grandparents having custody of school children from kindergarten through Grade 12 are provided up to 40 hours per year of time off to participate in school activities. The Company may require proof that the employee participated in the school activities. Employees may use accrued vacation time or take unpaid time off for this purpose. Reasonable notice must be given to the Supervisor or manager before taking any time off for school children. Parents or guardians of school children who have been
suspended are also allowed to take unpaid time off to appear in the school of the pupil pursuant to a request from the school.

**Pregnancy Disability Leave Supplement - California**

If you are disabled by pregnancy, childbirth or related medical conditions, you are eligible to take a pregnancy disability leave (PDL). If you are affected by pregnancy or a related medical condition, you are also eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, if such a transfer is medically advisable and can be reasonably accommodated. In addition, if it is medically advisable for you to take intermittent leave or work a reduced schedule, the Company may require you to transfer temporarily to an alternative position with equivalent pay and benefits that can better accommodate recurring periods of leave.

- The PDL is for any period(s) of actual disability caused by your pregnancy, childbirth or related medical condition up to four months (or 88 work days for a full-time employee) per pregnancy.
- The PDL does not need to be taken in one continuous period of time, but can be taken on an as-needed basis.
- Time off needed for prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth, and recovery from childbirth is covered by your PDL.
- Generally, the Company treats your pregnancy disability the same as other disabilities of similarly-situated employees. This affects whether your leave will be paid or unpaid.
- You are required to obtain a certification from your health care provider of your pregnancy disability or the medical advisability for a transfer. The certification should include:
  1. the date on which you became disabled due to pregnancy or the date of the medical advisability for a transfer;
  2. the probable duration of the period(s) of disability or the period(s) for the advisability of a transfer; and,
  3. a statement that, due to the disability, you are either unable to work at all or to perform any one or more of the essential functions of your position without undue risk to yourself or to other persons; or a statement that, due to your pregnancy, a transfer to a less strenuous or hazardous position or duties is medically advisable.
- As a condition of your return from pregnancy disability leave, or transfer, the Company requires you to obtain a release to return to work from your health care provider stating that you are able to resume your original job duties **with or without reasonable accommodation**.
- At your option, you can use any accrued vacation time or other accrued paid time off as part of your PDL before taking the remainder of your leave on an unpaid basis.
The Company requires, however, that you use any available sick time during your PDL. The substitution of any paid leave will not extend the duration of your PDL.

- The Company encourages you to contact the Employment Development Department regarding your eligibility for state disability insurance for the unpaid portion of your leave.

- If you do not return to work on the originally scheduled return date nor request in advance an extension of the agreed upon leave with appropriate medical documentation, you will be deemed to have voluntarily terminated your employment with the Company. Failure to notify the Company of your ability to return to work when it occurs, or your continued absence from work because your leave must extend beyond the maximum time allowed, may be deemed a voluntary termination of your employment with the Company, unless you are entitled to Family Leave.

- Upon your return from a covered PDL, you will be reinstated to your same position in most instances.

- Taking a PDL may impact certain of your benefits and your seniority date. If you want more information regarding your eligibility for a leave and the impact of the leave on your seniority and benefits, please contact your Human Resources representative or call HR One Connect at 1-888-471-3362 (1-888-HR1-EDMC).

Any request for leave after your disability has ended will be treated as a request for family care leave under the California Family Rights Act and the Federal Family Medical Leave Act, if you are eligible for that type of leave. Please refer to the Family and Medical Leave Policy.

**Rehabilitation Leave Supplement - California**

The Company is committed to providing assistance to employees to overcome substance abuse problems. The Company will reasonably accommodate any employee who wishes to voluntarily enter and participate in an alcohol or drug rehabilitation program. This accommodation may include time off without pay or an adjusted work schedule, provided the accommodation does not impose an undue hardship on the company. You may also use accumulated sick days, if applicable, for this purpose.

You should notify your local Human Resources representative if you need such accommodation. The Company will take reasonable steps to safeguard your privacy with respect to the fact that you are enrolled in an alcohol or drug rehabilitation program.

**Domestic Leave Supplement - California**

The Company is committed to providing assistance to employees who are victims of domestic violence. The Company will provide such employees with reasonable time off related to such issues.

You should notify your local Human Resources representative if you need such accommodation.
Domestic Leave Supplement - Colorado

The Company is committed to providing assistance to employees who are victims of domestic violence. The Company will provide such employees with up to three days of unpaid leave in any 12 month period in order to protect themselves from such abuse.

You should notify your local Human Resources representative if you need such accommodation.

School Attendance Leave Supplement - Illinois

Parents and guardians having custody of school children from kindergarten through Grade 12 are provided up to 8 hours per year of unpaid time off (not to exceed 4 hours in any single day) to attend school conferences or classroom activities related to the child if the conference or classroom activities cannot be scheduled during nonworking hours. The Company may require proof that the employee attended school conferences or classroom activities related to the child. Employees first must exhaust all accrued paid time off, and then they may take unpaid time off for this purpose. However, employees will be given the opportunity to make up any lost work time. Seven days written notice (except in emergency situations when 24 hours notice is sufficient) must be given to the Supervisor or manager before taking any time off for school children. Employees must consult with the Company to schedule their leave so as not to unduly disrupt operations.

Sexual Harassment Policy Supplement - Massachusetts

While employees are encouraged to report claims internally, if an employee believes that he or she has been subjected to sexual harassment, he or she may file a formal complaint with either or both of the government agencies set forth below. Using the Company’s complaint process does not prohibit an employee from filing a complaint with these agencies.

The United States Equal Employment Opportunity Commission ("EEOC")
JFK Federal Building, Room 475
Boston, Massachusetts 02203
(617) 565-3200

The Massachusetts Commission Against Discrimination ("MCAD")
Boston Office:
One Ashburton Place, Room 601
Boston, Massachusetts 02108
(617) 727-3990

Springfield Office:
436 Dwight Street, Room 220
Springfield, Massachusetts 01103
(413) 739-2145
**Maternity Leave Supplement - Massachusetts**

EDMC provides maternity leave for eligible employees in accordance with state law.

Regular full-time female employees generally are eligible for eight weeks of unpaid maternity leave for the purpose of giving birth. Regular full-time employees generally are eligible for eight weeks of unpaid state maternity leave for the purpose of adopting a child under the age of 18 or a person under the age of 23 if that person is physically or mentally disabled.

Employees must provide at least two weeks' notice of the intended departure date for leave, and notice of the intention to return to work. State maternity leave runs concurrently with Family and Medical Leave (if applicable) unless otherwise required by law.

State maternity leave runs concurrently with Family and Medical Leave (if applicable) unless otherwise required by law.

**Small Necessities Leave Supplement – Massachusetts**

The Company will grant employees who have worked for the Company for at least 12 months and have provided at least 1,250 hours of service in the preceding 12-month period and have provided seven days advance notice of their need for leave (if the need was not foreseeable, the employee must provide the employer with as much notice as possible) with up to 24 hours of unpaid leave during any 12-month period, in addition to any FMLA leave, to participate in school activities directly related to the educational advancement of a son or daughter, such as attending a parent-teacher conference, accompanying a son or daughter to routine medical appointments or accompanying an elderly relative, related by blood or marriage, to routine medical or dental appointments or appointments for other professional services related to the relatives care, such as interviewing at nursing homes. An eligible employee first must substitute any accrued paid time off for this leave.

**School Attendance Leave Supplement - Minnesota**

The Company will provide eligible employees with up to 16 hours of leave during any school year to attend school conferences or classroom activities related to the employee’s child, including conferences related to a pre-kindergarten program or child care services. Employees are eligible if they have worked an average of at least half the full-time equivalent position for the employee's job.

When leave cannot be scheduled during non-work hours and the need for leave is foreseeable, the employee must provide at least one week’s prior notice of the leave and make a reasonable effort to schedule the leave so as not to unduly disrupt the Company’s operations. Leave under this policy is unpaid. However, an employee may substitute accrued paid time off for leave under this policy.
Bone Marrow Donation Leave Supplement - Minnesota

An employee who works 20 or more hours per week may take a paid leave of absence (not to exceed a total of 40 hours) in connection with a bone marrow donation. To apply for such leave, the employee should bring a physician's verification regarding the purpose and length of leave needed to the Human Resources department.

Voting Leave Supplement - Minnesota

Any employee entitled to vote may be absent from work in order to vote while the polls are open during the morning of the day on which the polling is taking place. The employee will be paid for all reasonable time spent away from work in order to vote.

Witness Leave Supplement - Minnesota

Absences for appearances in court are excused when the employee promptly provides Human Resources written documentation from the court such as a subpoena, prosecutor's request or court order.

Parenting Leave Supplement - Minnesota

The Company provides unpaid parenting leave of up to 6 weeks for eligible employees who are natural or adoptive parents. An eligible employee is one who has been employed for (1) the previous 12 consecutive months and (2) at least one-half the full-time equivalent position in the employee's job classification during those 12 months.

An eligible employee may take an unpaid leave of absence of up to 6 weeks in conjunction with the birth or adoption of the employee's child. A leave for the birth of the employee's child may begin not more than 6 weeks after the birth; except that, if the child must remain in the hospital longer than the mother, the leave may begin not more than 6 weeks after the child leaves the hospital. The leave for the adoption of a child must begin either before or at the time of the child's placement, at the employee's choice.

If an employee also is eligible for leave under the Family and Medical Leave Act (FMLA), the 6 weeks of Parenting Leave under this policy will run concurrently with FMLA leave and parenting leave will not be used to extend FMLA leave.

Parenting leave is generally unpaid, but employees with accrued vacation or personal time will be required to use that time concurrently with parenting leave.

If the employee had health insurance coverage prior to the leave, EDMC will continue to make health care coverage available to the employee while he or she is on leave, under the same terms and conditions as health insurance coverage is provided to employees who are not on leave. The employee must continue to pay his or her own share of the premiums for such coverage while on leave.

An employee will be returned to his or her former position (or a position of comparable duties, number of hours, and pay), unless the employee's employment has been terminated during the leave for reasons unrelated to the leave. An employee returning from a Parenting
Leave longer than one (1) month must notify the Human Resources department at least two (2) weeks prior to returning from leave.

To apply for Parenting Leave, please contact the Human Resources department.

**Nursing Mothers Supplement - Minnesota**

Nursing mothers may take reasonable unpaid breaks to express breast milk. Please contact Human Resources to discuss the appropriate times and locations to minimize workplace disruptions.

**School Attendance Leave Supplement – North Carolina**

The Company will grant employees who provide 48 hours advance notice with up to 4 hours of unpaid leave during any 12-month period to participate in the activities of their children's school. The Company may require verification of the employee's participation in the school activities. Employees must first use accrued paid time off for this purpose.

**Other State or Local Requirements**

The supplements included in this Handbook are 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.
EMPLOYEE ACKNOWLEDGMENT


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.