

EDUCATION MANAGEMENT II LLC SIGNATURE BENEFIT PLAN

**NOTICE OF MATERIAL MODIFICATIONS AND
MATERIAL REDUCTION OF BENEFITS**

Plan Name: Education Management II LLC Signature Benefits Plan (the “Plan”)

Plan Number: 503

Plan Sponsor: Education Management II LLC
210 Sixth Avenue, 33rd Floor
Pittsburgh, PA 15222

EIN: 47-2042661

This is a Notice of Material Modifications and Material Reduction of Benefits (“Notice”) regarding the termination of the Plan. This Notice should be kept with the Summary Plan Description (the “SPD”) and Summary of Benefits and Coverage (“SBC”) previously provided to you. This Notice replaces the descriptions contained in the SPD and SBC to the extent modified by this document and describes the termination of the Plan and all benefits provided thereunder. Accordingly, the SPD and SBC must be read together with this Summary.

1. The “Overview” Section in Article I of the SPD (“Introduction”) is revised to add the following language regarding the termination of the Plan at the end thereof:

In connection with a series of corporate transactions collectively involving the sale of substantially all of the assets of the Company, Education Management Corporation, and certain of their affiliates to Dream Center Education Holdings, LLC and certain of its affiliates (the “Transaction”), the Plan is terminated in its entirety effective as of, and contingent upon, the final closing date for such Transaction (presumed to be January 12, 2018). On and after such date, no additional benefits shall be payable under the Plan or any of the individual Features of the Plan.

2. The SBC is updated to reflect the termination of the Plan and all medical benefits provided thereunder.

Please consult the Plan for further details.

Dear EDMC Employee and COBRA enrollees,

You are receiving this notice to inform you that the EDMC Signature Benefit Plan has recently been amended. All benefit plans will terminate effective on the closing date completing the transaction between EDMC and Dream Center Education Holdings LLC, (presumed to be 1/12/2018). As of the closing date, all benefits will end for active participants as well as those enrolled through COBRA continuation coverage. Employees losing coverage will not be eligible for COBRA benefits.

Included with this letter is a Notice of Material Modifications and Material Reduction of Benefits that explains the recent action in more detail. If you have any questions concerning this notice, please reach out to HR1 Connect.