

EDMCSM

Education Management Corporation

Education that Builds Careers

Code of Business Ethics and Conduct

October 2007

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This Code is a general reference for EDMC directors and employees. It does not describe all applicable laws or all EDMC policies, nor does it give full details of any individual law or policy. This document is not a contract for employment. All employment remains at will, meaning both the employee and the Company may choose to terminate the employment relationship at any time.

The EDMC Board of Directors reserves the right to amend and revise this Code in its sole discretion. Employees will be notified of any changes to the policies, procedures and obligations set forth herein. Any amendments or revisions to this Code will be promptly disclosed as required by law.

This Code is for the sole and exclusive benefit of EDMC and may not be used or relied upon by any other party.

Important Contact Information and Resources

EDMC Corporate Human Resources Department

Roberta Troike
SVP, Human Resources
Education Management Corporation
210 Sixth Avenue, 33rd Floor
Pittsburgh, PA 15222-2603
Phone: 412-995-7645
Email: rtroike@edmc.edu

EDMC Corporate Compliance Hotline

Phone: 1-866-439-6805
Email: edmc@openboard.info
Web: www.openboard.info/edmc

EDMC Law Department

Devitt Kramer
SVP, Corporate Counsel and Compliance
Education Management Corporation
210 Sixth Avenue, 33rd Floor
Pittsburgh, PA 15222-2603
Phone: 412-995-7315
Confidential Fax: 412-471-2954
Email: dkramer@edmc.edu

EDMC Internal Audit

Gary C. Grysiak
Vice President, Internal Audit
Phone: 412-380-1405
Fax: 412-380-1405
Cell: 412-916-3095
Email: ggrysiak@edmc.edu

EDMC Code of Business Ethics and Conduct Website

<http://intranet.ait.edu/Css/Hr/Policies/COE>

EDMC Values, Vision, and Mission

EDMC VALUES STATEMENT

Education Management Corporation's value system is the foundation of our enterprise. From these values emerge our vision and, ultimately, the Company's mission:

- We believe that excellence in education is measured by practical outcomes that enhance the lives of students who contribute positively to the workplace.
- We believe in education environments that are learner-centered and foster a culture of learning.
- We believe that the education we provide has its seeds in the expressed needs of the business community.
- We believe that our success is founded in our choice to empower stakeholders to be actively involved in the Company's decision-making process and ultimate goal achievement.
- We choose the collaborative process in decision-making.
- We are committed to operating our Company in an ethical and prudent manner.

EDMC VISION STATEMENT

Education Management Corporation is an international leader in postsecondary, career-focused education, dedicated to meeting employers' needs through qualified graduates. The organization is committed to continuous improvement and profitable growth through collaborative partnerships with all stakeholders. We fulfill our mission in a culture of learning that values responsibility, participation, and personal and professional development. We are dedicated to excellence in education through a learner-centered approach that fulfills the evolving needs of the marketplace.

EDMC MISSION STATEMENT

The mission of Education Management Corporation is to:

- Ensure student success by providing market-driven, competency-based education.
- Deliver learner-centered instruction through faculty who exhibit excellence in teaching, possess appropriate academic credentials, and have industry-related experience;
- Champion a culture of learning by continuous personal and professional development of students, alumni, and employees;
- Cultivate partnerships to meet the needs of employers, students, alumni, and the system's employees;
- Enhance institutional effectiveness and profitability by improving processes and operations, promoting teamwork and effective communications, and obtaining appropriate accreditations;
- Drive national and international growth by reaching new markets, expanding existing markets, developing new products, revising existing curricula, and supporting acquisitions and start-ups; and
- Elevate the profile of the Company on community, state, and national levels

Code of Business Ethics and Conduct: Introduction

Education Management Corporation (together with its subsidiaries, "EDMC") is committed to being a responsible member of the various communities in which we do business. We strive 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 Program was developed to guide our business practices with regards to compliance with law and maintenance of the highest moral, legal, ethical and financial reporting standards. Our Code of Business Ethics and Conduct (the "Code") 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 of you to act with integrity, to use good judgment and to act appropriately in any given situation. Nevertheless, we believe that this Code can help focus our Board of Directors (the "Board") and management on areas of ethical risk, provide guidance to our personnel to help you to recognize and deal with ethical issues and help to foster a culture of honesty and accountability.

Upon your review of this Code, we encourage 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. We 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. Please see the sections entitled "How to Report a Possible Violation" and "Our Commitment to You."

Your Responsibilities

Know and Understand this Code of Business Ethics and Conduct

You are expected to read and understand the information contained in the Code. If you have any questions about the Code or about how it applies to you, please contact the Human Resources Department or the Law Department. Refer to the Contact information section of this booklet.

Acknowledge Your Understanding

This booklet contains an acknowledgement form that must be completed and returned to Human Resources at your location. By submitting the form, you acknowledge that you have read, understand, and will comply with the requirements of this Code.

Know the Law

Although you are not expected to be a legal expert, you have a responsibility to become familiar with the laws that apply to your specific job function and level. If you are unsure of the application of a law or standard, ask your supervisor or a member of the Human Resources or Law Departments.

Apply the Code Every Day

Beyond understanding this Code, you are expected to apply its principles to your everyday actions in connection with EDMC.

Report Violations

If you suspect a possible violation of the Code, or of applicable laws, rules or regulations, you are expected to report it immediately. See "How to Report a Possible Violation." Your reports will be handled confidentially, to the extent practicable. There may be situations, however, when this information must be disclosed as part of an investigation. We 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. You are also responsible for cooperating with EDMC representatives in internal investigations of possible Code violations.

Do Not Feel Pressured

You are never expected to violate any law, policy, or ethical standard, and should never feel pressured to do so. You are expected to act with integrity and report any pressure received.

Do Not Make Assumptions

Do not assume that:

"Management already knows."

"Management doesn't care."

"Nothing will be done about this."

EDMC management is committed to legal and ethical conduct.

Help Improve the Process

If you have any suggestions for improving the policies and procedures described in the Code, please let us know.

Understand Waivers of This Code

Any waiver of this Code for an executive officer or director of EDMC may be made only by the Board of Directors, or a committee appointed by the Board, and will be promptly disclosed as required by law.

Consequences of Non-Compliance

An EDMC director or employee who violates or attempts to violate the Code of Business Ethics and Conduct, or any other formal policy, may be subject to disciplinary action, up to and including termination.

Some possible consequences of non-compliance with the Code are outlined below. You will see that non-compliance affects not only you, but EDMC and students in our schools.

Please remember that these possible consequences are not exhaustive.

Consequences for You	Consequences for EDMC
<ul style="list-style-type: none"> • Criminal prosecution, fines, and imprisonment • Civil monetary and other penalties • Termination of employment, or other forms of disciplinary action determined by EDMC • Damage to your reputation and inability to find similar employment elsewhere 	<ul style="list-style-type: none"> • Criminal prosecution and fines • Civil monetary and other penalties • Loss of business • Damage to EDMC's reputation and business opportunities

Consequences for Our Students
<ul style="list-style-type: none"> • Loss of confidence in EDMC-owned schools • Reduced access to higher education • Reduced quality of education • Higher cost of education

How to Report a Possible Violation

EDMC encourages employees to discuss their concerns about possible violation of EDMC's Code of Business Ethics and Conduct with their supervisors. If after such discussion, you believe that the Company has violated this Code, you are expected to report it immediately. Below are methods you should utilize for making a report, voicing a concern, or asking a question about the Code.

- **Speak With Your Location's Human Resources Department**

If your concern involves your supervisor, if you are uncomfortable sharing your concern with your supervisor, or if you have already spoken with your supervisor and are dissatisfied with his/her response, please contact your location's Human Resources Department.

- **Speak With the EDMC Corporate Human Resources Department**

If you are uncomfortable sharing your concern with your Human Resources department, if your concern involves your HR department, or if your location does not have an HR representative, please contact EDMC Human Resources Department.

Roberta Troike
SVP, Human Resources
Education Management Corporation
210 Sixth Avenue, 33rd Floor
Pittsburgh, PA 15222-2603
Phone: 412-995-7645
Email: rtroike@edmc.edu

- **Contact EDMC's Law Department**

If your concern involves legal issues other than matters relating to employment, please contact EDMC's Law Department.

Devitt Kramer
SVP, Corporate Counsel and Compliance
Education Management Corporation
210 Sixth Avenue, 33rd Floor
Pittsburgh, PA 15222-2603
Phone: 412-995-7315
Confidential Fax: 412-471-2954
Email: dkramer@edmc.edu

- **Contact the Compliance Hotline**

You may make an anonymous report by contacting the EDMC Corporate Compliance Hotline, which is available 24 hours a day, 365 days a year:

Phone: 1-866-439-6805
Email: edmc@openboard.info
Web: www.openboard.info/edmc

Please note that the Compliance Hotline is **not** intended to be a replacement for management and Human Resources involvement in Code compliance issues. It is simply another tool for you to utilize when addressing a possible Code violation. We encourage you to speak with your supervisor and/or Human Resources prior to calling the Compliance Hotline, whenever possible.

Our Commitment to You

Investigations of Reported Violations

EDMC welcomes and appreciates the efforts of individuals who report suspected violations of the Code. Your reports will be handled confidentially to the extent practicable under the circumstances and in accordance with the EDMC's legal obligations.

All investigations will be under the direction of the Senior Vice President, Corporate Counsel and Compliance, with involvement by other members of management and/or under the direction of the Audit Committee as appropriate. If the result of the investigation indicates that corrective action is required, EDMC will promptly determine what steps it should take to address the problem and prevent its recurrence. The Audit Committee or the Chairman of the Audit Committee, in consultation with the EDMC's internal auditors, will review complaints involving EDMC's accounting, internal accounting controls, or audit matters, or allegations of questionable accounting or audit practices.

Non-Retaliation

We will not tolerate any form of retaliation against anyone who (i) in good faith reports possible violations even if, upon investigation, suspicions prove to be unwarranted or (ii) provides information to the federal government or a supervisor or testifies about any matter that he or she reasonably believes constitutes a violation of federal laws. Any such retaliation is itself a violation of this Code, and any EDMC employee responsible will be subject to disciplinary action, up to and including termination.

Code of Business Ethics and Conduct

Our Business

Conflicts of Interest

EDMC's directors and employees must be free of conflicting interests that might influence, or be perceived to influence, their decisions when representing EDMC. Consequently, you must not maintain any interest that conflicts with the interests of EDMC, and should make every effort to avoid even the appearance of any such conflict.

A "conflict of interest" occurs when your private interest interferes in any way, or even appears to interfere, with EDMC's interests as a whole. A conflict of interest can arise when:

- a. you take actions or have interests that may make it difficult to perform your work on behalf of EDMC objectively and effectively;
- b. you, or a member of your family, receive any improper personal benefits as a result of your position with EDMC.

Employees who believe that they may have a potential conflict of interest must report their concerns to the SVP, Corporate Counsel and Compliance immediately. Directors or executive officers who believe that they may have a potential conflict of interest must report their concerns to the Chairman of the Board.

Following are guidelines that will help you recognize and avoid potential conflicts of interest. Please remember that conflicts of interest are not restricted to these guidelines.

- a. Your dealings with students, employers of our graduates, suppliers, contractors and others should be based solely on what is in EDMC's best interest, without favor or preference to any third party, including close relatives.
- b. If you deal with, or influence decisions of, individuals or organizations seeking to do business with EDMC, you must not own interests in, or have other personal stakes in, those organizations that might affect your decision-making process and/or objectivity.
- c. You must not do business with close relatives on behalf of EDMC unless you have disclosed the relationship and received written authorization.
- d. Personal loans, or any guarantee of such loans, by EDMC to you or to members of your families are strictly prohibited.
- e. Unless you have received approval in writing from your supervisor, you must not accept or attempt to accept costly entertainment or gifts from third parties with whom EDMC directly or indirectly does, has, or is seeking to do business. The following direct and indirect forms of compensation are strictly prohibited:
 - separate individual payment or commission arrangements;
 - personal loans or services;
 - excessive entertainment and travel;
 - gifts of more than nominal value.

If such a gift is unavoidable because of local custom, you must report the gift to the SVP, Corporate Counsel and Compliance, who may consult with the Nominating and Corporate

Governance Committee, for a determination whether, or the extent to which, the gift may properly be considered your personal property.

Compliance with Laws and Regulations

EDMC will comply with all laws and regulations applicable to its business, including but not limited to, the following:

- a. Antitrust - This specifically includes antitrust and related laws designed to protect against illegal restraint of competition. EDMC will not engage or attempt to engage in agreements with competitors or suppliers to fix or illegally discriminate in pricing, or participate or attempt to participate in any form of bid rigging.
- b. Applicability of United States Laws and Ethical Standards to Foreign Activities - In instances where U.S. laws, regulations and standards relating to ethical conduct are more restrictive than those of a particular locality outside the U.S., conduct should be governed by U.S. standards.

Illegal or Unethical Payments

EDMC does not permit illegal, improper, corrupt, or unethical payments of cash, property, or services to be made by, or on behalf of, EDMC in order to secure or retain, or attempt to secure or retain, business or other advantages. This policy applies to, but is not limited to, payments to any employee of an EDMC customer or supplier in order to influence that employee's actions with respect to his employer's business. Such payments constitute a crime in most U.S. and foreign jurisdictions. Even if not considered criminal in some jurisdictions, they are regarded by EDMC as unethical payments, and are not permitted.

Following are guidelines that will help you recognize and avoid illegal or unethical payments, and clarify acceptable forms of payment. Please remember that illegal or unethical payments are not restricted to these guidelines.

- a. Public Officials - Reasonable business entertainment, such as lunch, dinner, or occasional athletic or cultural events may be extended to government officials, but only where permitted by local law. Please consult with the SVP, Corporate Counsel and Compliance regarding local law.
- b. Others - Business entertainment that is reasonable in nature, frequency, and cost is permitted, as is the presentation of modest gifts in instances where such are customary. Because no clear guidelines define the point at which social courtesies may be regarded as improper or unethical payments, extreme care must be taken in this regard. Please consult with the SVP, Corporate Counsel and Compliance if you are unsure of whether a specific type of payment is acceptable in a given situation.
- c. Form of Payments of Amounts Due Agents, Representatives, and Others - All payments for commissions or other similar obligations are to be paid by a corporate check or draft, bank wire transfer, or other authorized means, and must be made payable to the order of the recipient or his authorized agent. The use of currency or other forms of "cash" payments is not acceptable.

Fair Dealing

Although your compliance with applicable laws and regulations has been addressed elsewhere in this Code, as a general matter, EDMC requires that you endeavor under all circumstances to deal fairly with our students, employers of our graduates, suppliers, competitors and other employees. You must not take unfair advantage, in the context of your position with EDMC, of any other person or entity through manipulation, concealment, abuse of privileged information, misrepresentation of material fact or any other unfair-dealing practice.

Political Activities

EDMC reserves the right to communicate its position on important issues to elected representatives and other government officials. It is our policy to comply with all local, state, federal, foreign and other applicable laws, rules and regulations regarding political contributions. EDMC funds or assets may not be used for, or be contributed to, political campaigns or political practices without the prior approval of our Chief Executive Officer and Chief Financial Officer. If employees engage in personal political activity on their own time, they must take particular care not to imply that they are acting on behalf of EDMC. EDMC will not reimburse employees for such activities.

Our Company, Assets, and Future

Corporate Opportunities

Each of our directors and employees holds a personal duty to EDMC to advance EDMC's legitimate business interests when presented with the opportunity to do so. Therefore, you are not permitted under any circumstances to:

- a. take opportunities for yourself, whether for economic gain or otherwise, that you discover through the use of EDMC's corporate property or information, or through your position with EDMC;
- b. use any of EDMC's corporate property, information, or your position with EDMC for personal gain; or
- c. compete with EDMC in any manner.

Confidentiality/Insider Information

It is imperative that our directors and employees safeguard EDMC's confidential information. Confidential information includes, but is not limited to, information regarding unannounced earnings and operating results, potential acquisitions or divestitures, EDMC's finances, business, computer files, employees, present and prospective students and suppliers. You should consider all information gained through your work at EDMC to be confidential EDMC information.

As explained under "Corporate Opportunities" (above), no EDMC director or employee may use his or her position with EDMC, or any information obtained in connection with EDMC, for his or her personal gain. Your obligations to EDMC with respect to its non-public information require your particular attention.

If you leave EDMC, you are prohibited from copying or retaining any documents or other material containing confidential information. Former employees continue to be bound to maintain confidentiality of EDMC confidential information.

Protection and Proper Use of Other Corporate Assets

All of our directors and employees are responsible for protecting EDMC's assets and ensuring their efficient use. Theft, carelessness and waste have a direct impact on our profitability. It is critical that you use corporate assets responsibly, only for legitimate business purposes, with the highest reasonable level of efficiency.

Accounting and Financial Reporting Standards

EDMC has implemented and will comply with generally accepted accounting principles (GAAP) for entries on our books and records. Entries will be properly authorized, complete, and accurate and will reflect the transactions to which they relate. No false, artificial, misleading or deceptive entries will be made for any reason. You are prohibited from providing false information to, or otherwise misleading or improperly influencing, our internal and external auditors. You must also cooperate in any audits or investigations.

Bank or other accounts must be fully accounted for and accurately described in our records.

In addition to this Code, EDMC has adopted a Code of Ethics for Senior Financial Executives which supplements this Code. It is intended to promote:

- a. honest and ethical conduct among our senior financial executives, including ethical handling of any apparent conflicts of interest between personal and business relationships;
- b. full, fair, accurate, timely and understandable disclosure in EDMC's periodic reports; and
- c. compliance by senior financial executives with all applicable governmental rules and regulations.

To obtain a copy of the Code of Ethics for Senior Financial Executives, please contact the SVP, Corporate Counsel and Compliance.

It is imperative to remember that accounting and financial reporting standards are not only applicable to employees who assume accounting and financial reporting duties on a daily basis, but to all EDMC directors and employees. If you suspect a violation, please report your concerns by contacting the EDMC Corporate Compliance Hotline:

Phone: 1-866-439-6805; Email: edmc@openboard.info; Web: www.openboard.info/edmc

SEC and Other Governmental Reports and Public Communications

EDMC directors and employees must act to ensure full, fair, accurate, timely and understandable disclosures in reports and documents that the Company files with or submits to the Securities and Exchange Commission, other governmental agencies and in other public communications.

It is a violation of this Code to make or cause to be made a false statement to a governmental official or auditor, or to conceal or cause to be concealed a material fact called for in a government report or other filing.

Media Inquiries

Occasionally, you may receive an inquiry from a media representative requesting information or comment on some aspect of EDMC's affairs. Such questions must be referred to the Vice President, Public Relations. At the time of this booklet's printing, the VP, Public Relations is:

Jacquelyn Muller
VP, Public Relations
Education Management Corporation
210 Sixth Avenue, 33rd Floor
Pittsburgh, PA 15222-2603
Phone: 412-995-7262
Email: jpmuller@edmc.edu

Our Environment

No Harassment

EDMC is committed to providing workplaces and learning environments that are free from 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, 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 suggestible 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, 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 put up with 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 the Human Resources Department. 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.

Equal Employment Opportunity and Discrimination

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, marital status, veteran status or on any other basis protected by law. To ensure our 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 in the handbook, are encouraged to discuss the issue with their supervisors 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. We will not allow any form of retaliation against individuals who raise issues of equal employment opportunity in good faith.

Diversity

EDMC is committed to promoting the value that can be added to the range and diversity of the educational experience of our students by developing and utilizing the various talents and energies of all our employees. We strive to create an inclusive environment where all employees – regardless of race, gender, color, religion, sexual orientation, age, national origin, disability, medical condition, marital status, veteran status or on any other basis protected by law - are appreciated, and treated with dignity. Our actions and behaviors must demonstrate and confirm our respect for the differences and similarities of others.

All EDMC directors and employees are expected to commit to workforce diversity, to promote the spirit of Equal Employment Opportunity (EEO), and to assure that our workplace is free of discrimination (please see the section of the Code entitled "Equal Opportunity and Discrimination"). Please contact Human Resources regarding any diversity concerns.

Treatment of Students

In order for EDMC to continue to thrive and grow, we must maintain our strong reputation for delivering high quality academic programs in our educational institutions. Each EDMC director and employee plays an important role in the success of our students, which directly affects the success of our Company. When all participants in the educational process at EDMC understand and uphold the standards of appropriate treatment of students, the environment enhances teaching, learning and professional development, to the benefit of all.

Key elements that reflect appropriate treatment of students include, but are not limited to:

- a. assuring equitable, non-biased treatment of all students;
- b. protecting the confidentiality of students' personal information and records;
- c. maintaining a learning environment that assures physical safety and is emotionally non-threatening; and
- d. assuring a receptive learning environment that treats students' opinions with respect and consideration, and allows them to voice opposing points of view.

In addition to the student-specific ethical standards above, please remember that EDMC's harassment, discrimination, and diversity policies within this booklet also relate to treatment of, and interaction with, students.

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.

Consensual romantic and/or sexual relationships between a supervisor and any subordinate will also compromise the schools ability to enforce its policy against sexual harassment. The Company encourages employees interested in dating first to request a transfer to a different department or location such that one employee is not supervising the other directly or indirectly.

Romantic relationships between faculty/staff and students are strictly prohibited under all circumstances, except where the student is the spouse of the faculty/staff member. It is important to realize that such relationships are a violation of Company policy and subject employees to discipline even if the parties to the relationship consent to the relationship. The appearance of impropriety simply cannot be permitted.

Violation of this policy is considered a serious violation of Company principles and may result in discipline, up to and including discharge.

Illegal Drugs and Alcohol

EDMC has adopted and implemented a drug prevention policy which is designed to prevent the unlawful possession or distribution of illegal drugs and alcohol by employees. 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. All employees will receive a copy of our drug prevention policy at hire and will be expected to comply. If you have misplaced your copy, please contact Human Resources to request another. Here we merely restate and summarize 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 EDMC business (whether or not on Company premises) or while representing EDMC. In addition, the policy prohibits employees and other individuals who work for EDMC from working while they are using any controlled substances. The only exception occurs when such use is at the instruction of a licensed medical practitioner, and that practitioner has authorized the employee or individual to report to work.

Workplace Safety

We are all responsible for the maintenance of safety for our students, faculty, staff, and visitors while on EDMC premises. Assurance of safety can be accomplished when all directors and employees adhere to the following principles:

- Accept responsibility to ensure that only individuals with a legitimate purpose are permitted to enter our schools, offices, and housing facilities.
- Maintain a workplace free of violence and unauthorized weapons. No unauthorized weapons or firearms may be brought onto any EDMC property. Please refer to your Faculty or Employee Handbook for our policy on "Workplace Violence."
- Dispose of waste and other hazardous materials according to all applicable laws and regulations, with special care given to computer dispositions and any related media they may contain.
- Immediately report to Human Resources any accidents involving employees, students, or visitors.
- Become familiar with all safety and emergency plans. Information on fire, disaster, evacuation, emergency and safety regulations will be available at each facility. You are expected to be familiar with these plans.

Please notify your supervisor immediately if you become aware of any potential risk areas. Additionally, for the sake of workplace safety, employees must remember that work areas (desks, offices, cubicles, etc.) and all Company assets (computers, email accounts, etc.) are the property of EDMC, and as such, are subject to search by management at any time.

Code of Business Ethics and Conduct Acknowledgement

As an employee of Education Management Corporation (EDMC), you are a trustee of our reputation as a legally and ethically responsible member of the community in which we conduct our business. Our Code of Business Ethics and Conduct details policies that must be adhered to in order to maintain this reputation. Please carefully read the Code, ask any questions you may have about its content and/or applicability to you, and complete the form below.

My signature on this form acknowledges that I have received, read, understood, and in all respects will comply with the EDMC Code of Business Ethics and Conduct (June 2006). In addition, I understand that:

- The contents presented in the Code are a supplement to the EDMC Faculty and Employee Handbooks, do not describe all applicable laws or all EDMC policies, nor give full details of any individual law or policy.
- The Code contains information regarding my obligations and privileges as an EDMC employee. Nothing in the Code creates any employment contract between EDMC and any of its employees, or prevents EDMC from taking any disciplinary action on any matter pertaining to employee conduct not specifically discussed in the Code. My employment at EDMC remains "at will."

Employee Signature _____

Employee Name (please print) _____

Date _____

Please return a signed copy of this acknowledgment to your Human Resources department.