

December 17, 2018

Dear Student:

The purpose of this letter is to inform you that the difficult decision has been made to close all Vatterott schools, effective immediately. Following, we provide additional information regarding the closure. Please note that all plans relating to the closure of the Vatterott schools are subject to review by the schools' regulators.

1. To our deep regret, changes in economic and regulatory conditions in recent years have had a significant, prolonged, negative impact on the Vatterott institutions. These changes also have made it difficult to secure additional financing or capital. In order to address these challenges, we entered into a Missouri state receivership and identified a buyer that was interested in purchasing Vatterott and investing the time and resources Vatterott would need to stabilize and flourish. We successfully signed a letter of intent with this buyer, and were prepared to move forward with a sale. Unfortunately, the U.S. Department of Education recently decided to significantly increase the restrictions on Vatterott's participation in the federal financial aid programs. Vatterott is unable to continue operation under these restrictions, and consequently, is unable to complete the aforementioned sale. The Department imposed these restrictions despite the presence of an interested buyer and our clear communication that such restrictions would result in the school's closure.
2. All Vatterott campuses will close completely and immediately effective today, December 17, 2018. If you are at the school, please gather any personal belongings and depart the building.
3. We are working to identify other schools that may be able to take current students on transfer, so that those who have not yet graduated will have the opportunity to complete their program or one similar to it. We will provide details regarding any transfer opportunities on our website as soon as such details become available. In the coming days, please monitor www.vatterott.edu for this information.
4. Students are not required to participate in any transfer opportunity that is arranged.
5. Students who accepted federal financial aid may be eligible to apply for a closed-school loan discharge with the U.S. Department of Education. Information relating to closed-school loan discharge, including eligibility requirements and application processes, is located on the Department's website at the following address:

<https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/closed-school>
6. We are making arrangements for permanent student records to be stored. Information regarding where these records will be stored and how students should make records requests also will be posted to Vatterott's website.
7. If you have questions regarding the closure process, they may be submitted via email to closure@vatterott.edu.

Sincerely,

Vatterott Educational Centers, Inc.