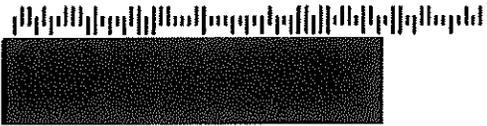


Return mail will be processed by: IBC
PO Box 1122
Charlotte, NC 28201-1122
PO #122001A

2 00000007



April 13, 2016

Dear [REDACTED]:

We are writing to inform you about a security incident involving your personal information and to let you know the steps that the Academy of Art University (the "Academy") is taking to address it.

What Happened?

On March 4, 2016, an employee of the Academy was targeted by an e-mail scam, called "spoofing." The spoofed e-mail appeared to come from a member of the Academy's executive team and asked for employees' W-2 information. Because the recipient/employee wrongly believed the e-mail to contain a valid request from a senior executive, the employee replied by attaching the federal Form W-2 for you and other Academy employees. We later learned the reply e-mail was sent to an unknown individual.

What Information Was Involved?

Your federal Form W-2 includes your name, residential address and Social Security number.

What We Are Doing?

Because the spoofed e-mail tricked the recipient employee, the Academy did not have any indication until April 5, 2016, that your information might have been e-mailed to an unauthorized person. At that point, the Academy immediately commenced a thorough investigation. Within forty-eight hours, we took the steps necessary to provide you with an identity protection product offered by Experian, one of the national credit bureaus, and to deliver this notice to you with additional information on how to protect your personal information from misuse. We also have contacted law enforcement and will cooperate in any investigation.

Out of an abundance of caution, the Academy is offering you two years of identity protection at no cost to you. To activate your two-year membership in Experian's ProtectMyID™ Alert product, follow the instructions below:

1. VISIT The ProtectMyID Alert Web Site: www.protectmyid.com/protect or call 877-297-7780 to enroll
2. PROVIDE Your Personal Activation Code: [REDACTED]
3. ENROLL BY: July 31, 2016

If you have any questions concerning ProtectMyID Alert or prefer to enroll by phone for delivery of your membership by U.S. mail, please call Experian at 877-297-7780 and provide the Academy's Engagement [REDACTED]

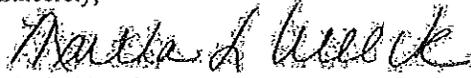
What You Can Do?

We have included with this letter additional information on steps you can take to protect the security of your personal information. We urge you to review this information carefully.

Please know that we are taking steps to prevent a recurrence, including a comprehensive review of our policies and procedures for safeguarding employees' personal information and additional training for employees with access to that data.

We deeply regret any inconvenience this incident might cause you. If you have any questions, please contact our dedicated call center at 866-870-0474.

Sincerely,



Martha Weeck
Executive Vice President of Finance



Chris Visslailli
Vice President of Human Resource

Steps to Protect the Security of Your Personal Information

By taking the following steps, you can help reduce the risk that your personal information may be misused.



1. Enroll in ProtectMyID Alert. Your two-year membership will help you to detect possible misuse of your personal information and will provide identity protection services focused on identification and resolution of possible identity theft. Once you activate your ProtectMyID Alert membership, your credit report will be monitored daily for 50 leading indicators of identity theft. You will receive timely credit alerts from ProtectMyID Alert on any key changes in your credit report. To receive this protection, you must personally activate credit monitoring. The notice letter contains instructions and information on how to do so. Enrolling in ProtectMyID Alert will not affect your credit score. Experian's ProtectMyID Alert product will provide the following:

- **Credit Report:** A free copy of your Experian credit report.
- **Daily Credit Monitoring:** Alerts you of suspicious activity including new inquiries, newly opened accounts, delinquencies, or medical collections.
- **Identity Theft Resolution:** If you have been a victim of identity theft, you will be assigned a dedicated, U.S.-based Experian Identity Theft Resolution Agent who will walk you through the fraud resolution process.
- **\$1 Million Identity Theft Insurance*:** As a ProtectMyID Alert member, you are immediately covered by a \$1 Million insurance policy that can help you cover certain costs, including lost wages, private investigator fees, and unauthorized electronic fund transfers.

2. Tax-Related Fraud. To reduce the risk of tax-related fraud, you may contact the IRS Identity Protection Specialized Unit at (800) 908-4490 (Monday - Friday, 7 am - 7 pm local time); <https://www.irs.gov/uac/Newsroom/Tips-for-Taxpayers.-Victims-about-Identity-Theft-and-Tax>Returns-2014>. You may be asked to fill out an IRS Identity Theft Affidavit, Form 14039, after the call.

3. Review your credit reports. You can receive free credit reports by placing a fraud alert. Under federal law, you also are entitled every 12 months to one free copy of your credit report from each of the three national credit bureaus. To obtain a free annual credit report, go to www.annualcreditreport.com or call 1-877-322-8228. You may wish to stagger your requests so that you receive a free report from one of the three credit bureaus every four months.

4. Review your account statements. You should carefully review for suspicious activity the statements that you receive from credit card companies, banks, utilities and other service providers.

5. Remain vigilant and respond to suspicious activity. If you receive an e-mail or mail alert from Experian, contact a ProtectMyID Alert fraud resolution representative toll-free at 877-297-7780 or www.protectmyid.com. If you notice suspicious activity on an account statement, report it to your credit card company or service provider and consider closing the account. You also should consider reporting such activity to your local police department, your state's attorney general, and the Federal Trade Commission.

6. Consider placing a fraud alert with one of the three national credit bureaus. You can place an initial fraud alert by contacting one of the three national credit bureaus listed below. For 90 days, an initial fraud alert tells creditors to follow certain procedures, including contacting you, before they open any new accounts or change your existing accounts. For that reason, placing a fraud alert can protect you but also may delay you when you seek to obtain credit. If you decide to enroll in ProtectMyID Alert, you should place the fraud alert after enrolling. The contact information for all three bureaus is as follows:

Equifax
P.O. Box 740241
Atlanta, Georgia 30374
1-888-766-0008
www.equifax.com

Experian
P.O. Box 2104
Allen, TX 75013
1-888-397-3742
www.experian.com

TransUnion
P.O. Box 2000
Chester, PA 19022
1-800-680-7289
www.transunion.com

7. Additional Information. You can obtain additional information about steps you can take to avoid identity theft from the following: Identity Theft Clearinghouse, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580; <http://www.ftc.gov/bcp/edu/microsites/idtheft/>; (877) IDTHEFT (438-4338) / TDD: (866) 653-4261.

* Identity theft insurance is underwritten by insurance company subsidiaries or affiliates of American International Group, Inc. (AIG). The description herein is a summary and intended for informational purposes only and does not include all terms, conditions and exclusions of the policies described. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.

If you live in Connecticut, Maryland, Massachusetts, or North Carolina, please read the additional notice below that applies to you:



For Residents of Connecticut:

Security Freeze:

You have the right to place a security freeze on your credit report. To do so, you need to send a request to a consumer reporting agency by certified mail or such other secure method as authorized by the consumer reporting agency. The consumer reporting agency must place a security freeze on your credit report within five business days after receipt of your request. Within ten business days of placing the freeze, the consumer reporting agency must send you a written confirmation of the security freeze along with a unique personal identification number or password you can use when providing authorization for the release of your credit report. The consumer reporting agency must maintain the security freeze until you request that it be removed. You may obtain a security freeze by contacting any one or more of the following national consumer reporting agencies:

For Residents of Massachusetts:

Police Report:

State law requires us to inform you of your right to report this incident to the police in the county where you reside and to receive a police incident report within 24 hours of filing.

Security Freeze:

You have the right to place a security/credit freeze on your credit report. A security freeze is intended to prevent credit, loans and services from being approved in your name without your consent.

To place a security freeze on your credit report, you need to send a request to a consumer reporting agency by certified mail, overnight mail, or regular stamped mail. The following information must be included when requesting a security freeze: (1) full name, with middle initial and any suffixes; (2) Social Security number; (3) date of birth; (4) current address and any previous addresses for the past five years; and (5) any applicable incident report or complaint with a law enforcement agency or the Registry of Motor Vehicles. The request must also include a copy of a government-issued identification card and a copy of a recent utility bill or bank or insurance statement which displays your name and current mailing address. It is essential that each copy be legible, display your name and current mailing address, and the date of issue. The consumer reporting agency may charge a fee of up to \$5.00 to place a freeze or lift or remove a freeze. The security freeze is free if you are a victim of identity theft or the spouse of a victim of identity theft, and you have submitted a valid police report relating to the identity theft incident to the consumer reporting agency. You may obtain a security freeze by contacting any one or more of the following national consumer reporting agencies:

TransUnion (FVAD)

P.O. Box 2000

Chester, PA 19022-2000

<http://www.transunion.com/securityfreeze>

1-800-680-7289

Equifax Security Freeze

P.O. Box 105788

Atlanta, Georgia 30348

www.freeze.equifax.com

1-800-349-9960

Experian Security Freeze

P.O. Box 9554

Allen, TX 75013

www.experian.com/freeze

1-888-397-3742

For Residents of Maryland:

You can obtain information from your state's Attorney General office about steps you can take to prevent identity theft.

Maryland Office of the Attorney General

Consumer Protection Division

200 St. Paul Place

Baltimore, MD 21202

1-888-743-0023 (within Maryland)

1-410-576-6491 (outside of Maryland)

<http://www.oag.state.md.us/idtheft/databreech.htm>

For Residents of North Carolina:

You can obtain information from your state's Attorney General office about steps you can take to prevent identity theft.

North Carolina Office of the Attorney General
Consumer Protection Division
9001 Mail Service Center
Raleigh, NC 27699-9001
1-877-566-7226 (within North Carolina)
1-919-716-6000 (outside of North Carolina)
www.ncdoj.com