

SUMMARY OF MATERIAL MODIFICATIONS TO THE ASSOCIATED UNIVERSITIES, INC. EMPLOYEE WELFARE BENEFIT PLAN

This summary of material modification (“SMM”) describes recent changes to the Associated Universities, Inc. Employee Welfare Benefit Plan (the “Plan”) effective January 1, 2008, and supplements the Plan’s Summary Plan Description (“SPD”) previously provided to you. Please retain a copy of this notice with your Plan documents.

Definition of “Dependent”

Effective as of September 1, 2013, your same-sex spouse will be considered “your lawful spouse” under the Plan if he or she is a person to whom you are legally married under the laws of the state in which the marriage was entered into.

Who is Entitled to COBRA Continuation ?

The SPD currently provides that same-sex spouses are not qualified beneficiaries for purposes of COBRA continuation. In light of the Supreme Court’s decision in *United States v. Windsor* striking down a portion of the Defense of Marriage Act (DOMA), same-sex spouses will now be considered qualified beneficiaries for purposes of COBRA continuation coverage, and they will have an independent right to elect COBRA continuation coverage under the Plan when applicable.

Health Care Reimbursement Account and Dependent Care Reimbursement Account Expenses¹

Prior to *Windsor*, expenses of same-sex spouses (and their children) were not eligible under the Plan for tax-free reimbursement under a Health Care Reimbursement Account or Dependent Care Reimbursement Account. Going forward, expenses of same-sex spouses (and their children) can be reimbursed on a tax-free basis under a Health Care Reimbursement Account or Dependent Care Reimbursement Account under the Flexible Spending Accounts Plan.

If you have received this SMM electronically, you have the right to receive a written SMM, and may request a copy at no charge by contacting the Plan Administrator.

Please refer to your SPD (as modified by this SMM) for additional information about the Plan. If you have any questions, you may contact the Plan Administrator, Associated Universities, Inc. at:

Associated Universities, Inc.
520 Edgemont Road
Charlottesville, VA 22903
(434) 296-0318

¹ This does not apply to participants in the Comprehensive Medical Insurance Plan.