

LAUREATE EDUCATION, INC.
Form PRE 14C
June 20, 2017

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14C

SCHEDULE 14C INFORMATION

Information Statement Pursuant to Section 14(c) of
the Securities Exchange Act of 1934 (Amendment No.)

Check the appropriate box:

- Preliminary Information Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14c-5(d)(2))
- Definitive Information Statement

LAUREATE EDUCATION, INC.

(Name of Registrant As Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

- No fee required
- Fee computed on table below per Exchange Act Rules 14c-5(g) and 0-11
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
 - (4) Proposed maximum aggregate value of transaction:
 - (5) Total fee paid:
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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**650 S. EXETER STREET
BALTIMORE, MD 21202**

**NOTICE OF STOCKHOLDER ACTION BY WRITTEN CONSENT
DATE FIRST MAILED TO STOCKHOLDERS: [JUNE •], 2017**

To our Stockholders:

This Notice and the accompanying Information Statement are being furnished to the stockholders of Laureate Education, Inc., a public benefit corporation formed under the laws of Delaware ("*Laureate*," the "*Company*," "*we*," "*us*," or "*our*"), to notify stockholders of the actions taken by Laureate's Board of Directors (the "*Board*") dated June 19, 2017, and by the holder (the "*Majority Holder*") of a majority of the voting power of the issued and outstanding shares of Class A common stock, par value \$0.004 per share ("*Class A common stock*"), of the Company, and Class B common stock, par value \$0.004 per share ("*Class B common stock*"), of the Company, voting together as a single class, by written consent dated June 19, 2017 (i) approving a one-time stock option repricing (the "*Option Repricing*") and (ii) adopting the Laureate Education, Inc. Amended and Restated 2013 Long-Term Incentive Plan (the "*Amended Plan*"), an amendment and restatement of the Company's 2013 Long-Term Incentive Plan (the "*2013 Plan*").

Pursuant to the Option Repricing, the exercise price of each Relevant Option (as defined below) will be amended to reduce such exercise price to the average closing price of a share of the Company's Class A common stock as reported on the Nasdaq Global Select Market over the twenty (20) calendar days preceding the date on which the Option Repricing becomes effective. "*Relevant Options*" are all outstanding stock options as of June 19, 2017 (vested or unvested) to acquire shares of Class B common stock granted under the 2013 Plan during calendar years 2013 through 2016. We expect that the Option Repricing will become effective on or about [July •], 2017, which is the 20th calendar day after the mailing of this Notice and Information Statement to our stockholders (and in no event will the Option Repricing become effective before that time). The Board believes that the Option Repricing is in the best interest of stockholders and the Company, as the amended stock options will provide added incentives to retain and motivate key contributors of the Company, which is necessary for the Company's future success and growth in the value of its shares.

The 2013 Plan was revised and updated in the form of the Amended Plan to include the following material changes, which were specifically approved by the Majority Holder: (i) an increase in the number of shares of Class A common stock that may be issued pursuant to awards under the Amended Plan from 12,170,918 to 14,713,960; (ii) the addition of performance metrics, the ability to grant cash awards, and annual limits on grants, intended to qualify awards as performance-based awards that are not subject to certain limits on tax deductibility of compensation payable to certain executives; and (iii) an extension of the term of the 2013 Plan so that it will expire on June 18, 2027, the day before the tenth anniversary of the date the Board adopted the Amended Plan.

As the matters set forth in this Information Statement have been duly authorized and approved by the Majority Holder, your vote or consent is not requested or required to approve these matters. The accompanying Information Statement is provided solely for your information, and also serves the purpose of informing stockholders of the matters described herein pursuant to Section 14(c) of the Securities Exchange Act of 1934, as amended, and the rules and regulations prescribed thereunder, including Regulation 14C, and serves as the notice required by Section 228 of the Delaware General Corporation Law of the taking of a corporate action without a meeting by less than unanimous written consent of our stockholders. You do not need to do anything in response to this Notice and the accompanying Information Statement.

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY.

Sincerely,

Douglas L. Becker

Chairman and Chief Executive Officer

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LAUREATE EDUCATION, INC.

650 S. Exeter Street
BALTIMORE, MD 21202

(410) 843-6100

**INFORMATION STATEMENT
WE ARE NOT ASKING YOU FOR A PROXY AND
YOU ARE REQUESTED NOT TO SEND US A PROXY**

ABOUT THIS INFORMATION STATEMENT

General

Laureate Education, Inc., a public benefit corporation formed under the laws of Delaware ("*Laureate*," the "*Company*," "*we*," "*us*," or "*our*"), is sending you this Information Statement solely for purposes of informing our stockholders of record as of June 19, 2017 (the "*Action Date*") of actions taken by our stockholders by less than unanimous written consent in lieu of a special meeting of stockholders. No action is requested or required on your part.

This Information Statement is being mailed on or about [June •], 2017. The Company's principal executive offices are located at 650 S Exeter Street, Baltimore, Maryland 21202, and the Company's telephone number is (410) 843-6100.

Summary of the Corporate Actions

The Board of Directors (the "*Board*") of the Company has approved, and the holder (the "*Majority Holder*") of a majority of the voting power of the issued and outstanding shares Class A common stock, par value \$0.004 per share ("*Class A common stock*"), and Class B common stock, par value \$0.004 per share ("*Class B common stock*"), voting together as a single class, by written consent dated June 19, 2017 (i) approved a one-time stock option repricing (the "*Option Repricing*") as described in more detail below and (ii) approved and adopted the Laureate Education, Inc. Amended and Restated 2013 Long-Term Incentive Plan (the "*Amended Plan*"), an amendment and restatement of the Company's 2013 Long-Term Incentive Plan (the "*2013 Plan*").

Under the Option Repricing, the exercise price of each Relevant Option (as defined below) will be amended to reduce such exercise price to the average closing price of a share of the Company's Class A common stock as reported on the Nasdaq Global Select Market over the twenty (20) calendar days preceding the date on which the Option Repricing becomes effective. "*Relevant Options*" are all outstanding stock options as of June 19, 2017 (vested or unvested) to acquire shares of Class B common stock granted under the 2013 Plan during calendar years 2013 through 2016. We expect that the Option Repricing will become effective on or about [July •], 2017, which is the 20th calendar day after the mailing of this Notice and Information Statement to stockholders (and in no event will the Option Repricing become effective before that time). All Relevant Options are eligible for the repricing and accordingly, the exercise price of each such stock option will be automatically amended, without any action required by the holder thereof. Stockholder approval is required for the Option Repricing under the listing rules of the Nasdaq Stock Market (the "*Nasdaq Listing Rules*") and the terms of the 2013 Plan. Such approval has been received by the Company from the Majority Holder by written consent dated June 19, 2017.

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The 2013 Plan was revised and updated to include the following material changes which were specifically approved by the Majority Holder in the form of the Amended Plan: (i) an increase in the number of shares of Class A common stock that may be issued pursuant to awards under the Amended Plan from 12,170,918 to 14,713,960; (ii) the addition of performance metrics, the ability to grant cash awards, and annual limits on grants, intended to qualify awards as performance-based awards that are not subject to certain limits on tax deductibility of compensation payable to certain executives; and (iii) an extension of the term of the 2013 Plan so that it will expire on June 18, 2027, the day before the tenth anniversary of the date the Board adopted the Amended Plan.

Our Class A common stock has traded on the Nasdaq Global Select Market under the symbol "LAUR" since February 1, 2017. Prior to that date, there was no public trading market for our Class A common stock. There is currently no established public trading market for our Class B common stock. Each share of Class B common stock is convertible at any time at the option of the holder into one share of Class A common stock. In addition, each share of Class B common stock will convert automatically into one share of Class A common stock upon any transfer, whether or not for value, except for certain transfers described in our amended and restated certificate of incorporation, including transfers for tax and estate planning purposes, including to trusts, corporations and partnerships controlled by a holder of Class B common stock.

Voting and Vote Required

The Company is not seeking consent, authorizations or proxies from you. Under the Delaware General Corporation Law (the "**DGCL**"), the Company's amended and restated certificate of incorporation, the Company's amended and restated bylaws and the Nasdaq Listing Rules, the Option Repricing may be approved, without a meeting of stockholders, by a resolution of our Board, followed by the written consent of stockholders representing a majority of the voting power of the issued and outstanding shares of Class A common stock and Class B common stock, voting together as a single class. As of June 9, 2017, the Company had 35,410,140 shares of Class A common stock outstanding and entitled to vote and 133,153,249 shares of Class B common stock outstanding and entitled to vote. Each share of Class A common stock is entitled to one (1) vote and each share of Class B common stock is entitled to ten (10) votes. The written consent was executed by stockholders holding zero shares of Class A common stock and 126,189,616 shares of Class B common stock, representing a majority of the voting power majority of the issued and outstanding shares of Class A common stock and Class B common stock voting together as a single class. Accordingly, the written consent was executed by stockholders holding sufficient voting power to approve the Option Repricing and Amended Plan by written consent and no further stockholder action is required.

Dissenters' Rights of Appraisal

The DGCL does not provide dissenters' rights of appraisal to the Company's stockholders in connection with the matters approved by the written consent.

Notice Pursuant to the Company's Bylaws and Delaware General Corporation Law

Pursuant to Article VII, Section F of our amended and restated certificate of incorporation and Section 228(e) of the DGCL, the Company is required to provide prompt notice of the taking of a corporate action by written consent to the Company's stockholders who have not consented in writing to such action. This Information Statement serves as the notice required by Article VII, Section F of our amended and restated certificate of incorporation and Section 228(e) of the DGCL.

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY

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APPROVAL OF A ONE-TIME OPTION REPRICING PROGRAM

On June 19, 2017, the Board approved, and the Majority Holder approved by written consent, the Option Repricing, under which all Relevant Options will be amended to reduce their exercise price as described below.

Introduction

The Company maintains the 2013 Plan (now the Amended Plan) for the benefit of certain directors, officers, and employees of the Company and its subsidiaries, as well as for others performing consulting or advisory services for the Company. The purpose of the plan is to provide incentives that will attract, retain and motivate high performing officers, directors, employees and consultants by providing them with appropriate incentives to maximize shareholder value and contribute to the long-term success of the Company. The Company has granted stock options under the 2013 Plan consistent with the view that stock-based incentive compensation opportunities play a key role in the Company being able to recruit, motivate and retain qualified individuals. While the Company's compensation packages generally include a number of different components, the Company believes that equity compensation is key to linking pay to performance as it encourages employees to work toward the Company's success and aligns their interests with those of the Company's stockholders by providing them with a means by which they can benefit from increasing the value of the Company's stock.

Since our initial public offering on February 1, 2017, our Class A common stock has traded on the Nasdaq Global Select Market under the symbol "LAUR". Prior to that date, there was no public trading market for our Class A common stock. There is currently no established public trading market for our Class B common stock. Each share of Class B common stock is convertible at any time at the option of the holder into one share of Class A common stock. In addition, each share of Class B common stock will convert automatically into one share of Class A common stock upon any transfer, whether or not for value, except for certain transfers described in our amended and restated certificate of incorporation, including transfers for tax and estate planning purposes, including to trusts, corporations and partnerships controlled by a holder of Class B common stock. Since October 25, 2016, when our share price was determined by the Compensation Committee of the Board of Directors (the "*Compensation Committee*") based on several factors, including an independent third party valuation, our share price has declined and, as of June 19, 2017, 100% of the Relevant Options have exercise prices at or above the recent closing prices of our Class A common stock. As of June 9, 2017, the closing price of our Class A common stock was \$17.61 per share, whereas the weighted average exercise price of all 5,273,388 outstanding stock options under the 2013 Plan as of that date was \$23.21. Although the Company continues to believe that stock options are an important component of the Company's compensation program, the underwater stock options may be perceived by their holders as having a reduced incentive and retention effect due to the difference between the exercise prices and the current price of our Class A common stock.

The Board believes that the Option Repricing, as designed, is in the best interest of stockholders and the Company, as the repriced stock options will reverse the condition of lost incentive and value, restore the retentive benefit of the affected stock options, and reduce or eliminate the need to grant replacement equity incentives, which would deplete the available share reserve under the plan, or to grant replacement cash incentives, which could put an undue strain on the Company's cash resources.

Board and Stockholder Approval

On June 19, 2017, the Board authorized the Option Repricing, which was approved by the Majority Holder by written consent dated June 19, 2017. Stockholder approval of the Option Repricing was required under the Nasdaq Listing Rules and the terms of the 2013 Plan.

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Summary of Material Terms of Option Repricing

Pursuant to the approved Option Repricing, the exercise price of each Relevant Option will be amended to reduce such exercise price to the average closing price of a share of the Company's Class A common stock as reported on the Nasdaq Global Select Market over the twenty (20) calendar days preceding the date on which the Option Repricing becomes effective. We expect that the Option Repricing will become effective on or about [July •], 2017, which is the 20th calendar day after the mailing of this Notice and Information Statement to stockholders (and in no event will the Option Repricing become effective before that time). Participation in the Option Repricing is not voluntary or discretionary; all Relevant Options will be eligible for the repricing and accordingly, the exercise price of each such Relevant Option will be automatically amended as described above, without any action required by the holder thereof. As of June 9, 2017, an aggregate of 5,273,388 Relevant Options with a weighted average exercise price of \$23.21 were outstanding under the 2013 Plan and held by 212 individuals. All of the Relevant Options, with a weighted average exercise price of \$23.21, were eligible for amendment pursuant to the Option Repricing. Under the Option Repricing, the exercise price of an eligible Relevant Option will not be amended in a manner that increases the exercise price above that in effect as of the date hereof. No additional stock options will be granted by the Company in connection with the Option Repricing.

Except for the reduction in the exercise price of the Relevant Options described above, all outstanding stock options under the 2013 Plan will continue to remain outstanding in accordance with all of the current terms and conditions set forth in the 2013 Plan and the applicable award agreements. As of the date of this Information Statement, the 2013 Plan and the Company's 2007 Stock Incentive Plan for Key Employees of Laureate Education, Inc. and its Subsidiaries (the "**2007 Plan**") are the only equity plans under which the Company has stock options outstanding.

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APPROVAL OF AMENDED AND RESTATED 2013 LONG-TERM INCENTIVE PLAN

On June 19, 2017, the Board approved, and the Majority Holder approved by written consent, the Amended Plan.

Introduction

Share Reserve Increase

The Company operates in a challenging marketplace in which the Company's success depends to a great extent on the Company's ability to attract and retain employees, directors and other service providers of the highest caliber. One of the tools the Board regards as essential in addressing these human resource challenges is a competitive equity incentive program. The Company's employee stock incentive program provides a range of incentive tools and sufficient flexibility to permit the Compensation Committee to implement it in ways that will make the most effective use of the shares the Company's stockholders authorize for incentive purposes. The Board determined that increasing the shares reserved for issuance under the 2013 Plan was necessary for the Company to continue to offer a competitive equity incentive program. The Board and Majority Holder approved the Amended Plan which includes an increase in the number of shares of Class A common stock that may be issued pursuant to awards under the Amended Plan from 12,170,918 to 14,713,960.

Approval of Performance Measures and Share Limits

In addition, the Board and the Majority Holder also approved the addition of certain provisions in the Amended Plan for the purpose of preserving the Company's ability to deduct for federal income tax purposes the compensation recognized by certain of the Company's executive officers in connection with certain awards that may be granted in the future under the Amended Plan.

Section 162(m) of the Internal Revenue Code of 1986, as amended (the "*Code*") limits a corporation's income tax deduction for compensation paid to certain executive officers who are "covered employees" within the meaning of Section 162(m) to \$1,000,000 per person per year unless the compensation qualifies as "performance-based compensation." In general, for compensation under the 2013 Plan to qualify as "performance-based compensation," certain material terms of the Amended Plan must have been approved by our stockholders in a separate vote. Therefore, the Amended Plan was revised to include the following annual limit provisions and performance metrics which were approved by the Majority Holder:

Limits. Subject to adjustment pursuant to the Amended Plan:

(i) the maximum number of shares that may be made subject to awards granted under the Amended Plan during a calendar year to any one person in the form of stock options or stock appreciation rights is, in the aggregate, 2,500,000 shares;

(ii) the maximum number of shares that may be made subject to awards granted under the plan during a calendar year to any one person in the form of performance awards is, in the aggregate, 1,500,000 shares;

(iii) in connection with awards granted under the plan during a calendar year to any one person in the form of performance shares or other stock-based or cash awards, the maximum cash amount payable thereunder is the amount equal to the number of shares made subject to an award, as limited by subsection (ii) above, multiplied by the fair market value of the shares as determined as of the payment date; and

(iv) in connection with awards granted under the plan during a calendar year to any one person in the form of performance units or other stock-based or cash awards, the maximum cash

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amount payable under such performance units or other stock-based or cash awards is, in the aggregate, \$10,000,000;

provided, however, that each of the limitations set forth above in clauses (i), (ii) and (iii) above will be multiplied by two when applied to awards granted to any individual during the calendar year in which such individual first commences service with the Company or an affiliate; and provided, further, that the limitations set forth in clauses (ii) and (iii) above will be multiplied by the number of calendar years over which the applicable performance period spans (in whole or in part), if the performance period is longer than 12 months' duration, when applied to performance awards. If an award is terminated, surrendered or cancelled in the same year in which it was granted, such award nevertheless will continue to be counted against the limitations set forth above for the calendar year in which it was granted.

Metrics. The vesting and/or settlement of certain awards intended to qualify as "performance-based" may be made subject to the attainment of performance goals established in writing by the Compensation Committee.

"Performance Goals" for purposes of the Amended Plan will be based on the attainment of specified levels of one or more Performance Metrics, as defined below. Where applicable, the Performance Goals may be expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the Company or any affiliate, or a division or strategic business unit of the Company, or may be applied to the performance of the Company relative to a market index, a group of other companies, or a combination thereof, all as determined by the Compensation Committee. The Performance Goals may include a threshold level of performance below which no payment will be made (or no vesting will occur), levels of performance at which specified payments will be made (or specified vesting will occur), and a maximum level of performance above which no additional payment will be made (or at which full vesting will occur). Each of the foregoing Performance Goals will be determined, to the extent applicable, in accordance with generally accepted accounting principles and shall be subject to certification by the Compensation Committee; provided, that the Compensation Committee shall have the authority to make equitable adjustments to the Performance Goals in recognition of unusual or infrequently occurring events or transactions affecting the Company or any affiliate or the financial statements of the Company or any affiliate, in response to changes in applicable laws or regulations, or to account for items of gain, loss, or expense determined to be extraordinary or unusual in nature or infrequent in occurrence or related to the disposal of a segment of business or related to a change in accounting principles provided that the Compensation Committee's decision as to whether such adjustments will be made with respect to any "covered employee," within the meaning of Section 162(m) of the Code, is determined when the Performance Goals and targets are established for the applicable performance period.

"Performance Metrics" means criteria established by the Compensation Committee relating to any of the following, as it may apply to an individual, one or more business units, divisions, or affiliates, or on a company-wide basis, and in absolute terms, relative to a base period, or relative to the performance of one or more comparable companies, peer groups, or an index covering multiple companies: revenue; sales; expenses; operating income; gross margin; EBIT; EBITDA; operating margin; earnings before any one or more of: stock-based compensation expense, interest, taxes, depreciation and amortization; pre-tax profit; net operating income; net income; economic value added; free cash flow; operating cash flow; balance of cash, cash equivalents and marketable securities; stock price; earnings per share; return on stockholder equity; return on capital; return on assets; return on investment; total stockholder return; employee satisfaction; employee retention; market share; total enrollment; new enrollment; customer satisfaction; product development; research and development expenses; completion of an identified special project; and completion of a joint venture or other corporate transaction.

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While the Company believes that compensation provided by such awards under the Amended Plan generally will be deductible by the Company for federal income tax purposes if intended, under certain circumstances, such as a change in control of the Company, compensation paid in settlement of certain awards may not qualify as performance-based.

Approval of Extension of the Amended Plan

The Majority Holder also approved an extension of the term of the 2013 Plan so that it will now expire on June 18, 2027, the day before the tenth anniversary of the date the Board adopted the Amended Plan.

Stockholder Approval

On June 19, 2017, the Board approved and adopted the Amended Plan, which was approved by the Majority Holder by written consent dated June 19, 2017. Stockholder approval of the Amended Plan was required under the Nasdaq Listing Rules and the terms of the Amended Plan.

Description of the Amended Plan

The 2013 Plan (now the Amended Plan) is a successor plan to the 2007 Plan. After the 2013 Plan became effective, we did not make any further grants under the 2007 Plan. The Amended Plan is designed to promote the long-term financial interests and growth of the Company and its subsidiaries by attracting and retaining management and other personnel and key service providers with the training, experience and ability to enable them to make a substantial contribution to the success of the Company's business; to motivate management personnel by means of growth-related incentives to achieve long-range goals; and to further the alignment of interests of recipients with those of stockholders of the Company through opportunities for increased stock or stock-based ownership in the Company. The Amended Plan provides for grants of stock options, stock appreciation rights, stock awards, stock units, performance shares, performance units, and other stock-based awards. In this "Description of the Amended Plan" section, references to "Common Stock" means shares of Class A common stock and any capital securities into which they are converted, unless otherwise specified as Class B common stock. Set forth below is a summary of the material terms of the Amended Plan. This summary of the Amended Plan is qualified by reference to the full text of the Amended Plan, which has been included as Appendix A and is herein incorporated by reference.

Administration

The Compensation Committee has ultimate authority to administer the Amended Plan. The Compensation Committee may delegate portions of this authority to others, as described below. Consequently, references to the "**Administrator**" within the Amended Plan or any award agreement may mean either the Compensation Committee or the committee(s) or officer(s) to whom administrative authority has been delegated by the Compensation Committee. In addition, at any time the Board may serve as the Administrator in lieu of or in addition to the Compensation Committee or such other committee(s) or officer(s) to whom administrative authority has been delegated. Except as otherwise provided in the Amended Plan, the Administrator has plenary authority, in its sole and absolute discretion, to grant awards pursuant to the terms of the Amended Plan to eligible individuals and to take all other actions necessary or desirable to carry out the purpose and intent of the Amended Plan. Among other things, the Administrator has the authority, in its sole and absolute discretion, subject to the terms and conditions of the Amended Plan to (i) determine the eligible individuals to whom, and the time or times at which, awards are granted; (ii) determine the types of awards to be granted any eligible individual; (iii) determine the number shares to be covered by or used for reference purposes for each award or the value to be transferred pursuant to any award; (iv) determine the terms, conditions and restrictions applicable to each award (which need not be identical) and any shares

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acquired pursuant thereto; (v) subject to certain limitations described in the Amended Plan, modify, amend or adjust the terms and conditions of any award; (vi) accelerate or otherwise change the time at or during which an award may be exercised or becomes payable and waive or accelerate the lapse, in whole or in part, of any restriction, condition or risk of forfeiture with respect to such award; (vii) determine the fair market value of shares or other property for any purpose under the Amended Plan or any award; (viii) administer, construe and interpret the Amended Plan, award agreements and all other documents relevant to the Amended Plan and awards issued under the Amended Plan, and decide all other matters to be determined in connection with an award; (ix) establish, amend, rescind and interpret such administrative rules, regulations, agreements, guidelines, instruments and practices for the administration of the Amended Plan and for the conduct of its business as the Administrator deems necessary or advisable; and (x) correct any defect, supply any omission or reconcile any inconsistency in the Amended Plan or in any award or award agreement in the manner and to the extent the Administrator shall deem it desirable to carry it into effect.

Available Shares

Before the Board and Majority Holder approved the Amended Plan, 2,129,392 shares of our Class A common stock were reserved for issuance pursuant to future awards and 9,427,712 shares of our Class A common stock were issuable upon conversion of shares of our Class B common stock underlying equity awards outstanding under the 2013 Plan. The Board and Majority Holder approved an increase in the shares of Class A common stock reserved for issuance under the Plan by 2,543,042 shares so that the aggregate share reserve is 14,713,960 shares of Class A common stock, subject to adjustment as provided in the Amended Plan.

If awards are cancelled, forfeited, expired, terminated unearned or settled in cash, withheld, surrendered or not issued upon settlement due to net settlement or otherwise, the shares underlying those awards under the 2007 Plan or Amended Plan will become available for grant under the Amended Plan. The number of shares available for issuance under the Amended Plan is subject to adjustment in the event of a reorganization, stock split, merger or similar change in the corporate structure or the outstanding shares of our Common Stock. In the event of any of these occurrences, the Company may make any adjustments it considers appropriate to, among other things, the number and kind of shares, options or other property available for issuance under the Amended Plan or covered by grants previously made under the Amended Plan. The shares that are available for issuance under the Amended Plan may be, in whole or in part, either authorized and unissued, or issued and reacquired, including without limitation shares purchased in the open market or in private transactions.

Eligibility for Participation

Officers and employees of the Company or any of the Company's subsidiaries are eligible to participate in the Amended Plan. We may extend participation to other individuals, including non-employee directors, who are natural persons providing bona fide services to us (provided that such services are not in connection with the offer or sale of securities in a capital-raising transaction and do not directly or indirectly promote or maintain a market for the Company's securities). Prospective officers, employees and service providers who have accepted offers of employment or another service relationship from the Company may also participate in the Amended Plan but any awards that they receive may not become vested or exercisable, and no shares may be issued to any such individual, prior to the date the individual first commences performance of services with us. As of June 9, 2017, approximately 236 employees, 9 executive officers and 12 non-employee directors would have been eligible to receive awards under the Amended Plan.

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Award Agreements

Awards granted under the Amended Plan are evidenced by award agreements, which need not be identical, that provide additional terms, conditions, restrictions and/or limitations covering the grant of the award, including, without limitation, additional terms providing for the acceleration of exercisability or vesting of awards in the event of a change of control or conditions regarding the recipient's employment, as determined by the Compensation Committee.

Stock Options

The Compensation Committee may grant nonqualified stock options to eligible individuals and incentive stock options only to employees of the Company or its subsidiaries and any other eligible individuals who are eligible to receive incentive stock options under the provisions of Section 422 of the Code. No stock option will be an incentive stock option unless so designated by the Administrator at the time of grant or in the applicable award agreement. The Compensation Committee will determine the number of shares of Common Stock subject to each option, the term of each option (which may not exceed 10 years), the exercise price, the vesting schedule, if any, and the other material terms of each option. No incentive stock option or nonqualified stock option may have an exercise price less than the fair market value of a share of the Company's Common Stock at the time of grant or except as provided under applicable law or with respect to stock options that are granted in substitution of similar types of awards of an entity acquired by the Company or any of its subsidiaries or with which the Company or any of its subsidiaries combines (whether in connection with a corporate transaction, such as a merger, combination, consolidation or acquisition of property or stock, or otherwise) to preserve the intrinsic value of such awards. Options will be exercisable at such time or times and subject to such terms and conditions as determined by the Compensation Committee at grant and the exercisability of such options may be accelerated by the Compensation Committee.

Except as provided in the applicable award agreement or otherwise determined by the Administrator, to the extent stock options are not vested and exercisable, a recipient's stock options will be forfeited upon his or her termination of employment or service to the Company.

Stock Appreciation Rights

The Compensation Committee may grant stock appreciation rights (each, a "**SAR**"). A SAR entitles the recipient to receive a payment having an aggregate value equal to the product of (i) the excess of (A) the fair market value on the exercise date of one share of Common Stock over (B) the base price per share specified in the award agreement, times (ii) the number of shares specified by the SAR, or portion thereof, which is exercised. The base price per share specified in the award agreement will not be less than the lower of the fair market value on the date of grant or the exercise price of any tandem stock option to which the SAR is related, or with respect to SARs that are granted in substitution of similar types of awards of a company acquired by the Company or any of its subsidiaries or with which the Company or any of its subsidiaries combines (whether in connection with a corporate transaction, such as a merger, combination, consolidation or acquisition of property or stock, or otherwise) such base price as is necessary to preserve the intrinsic value of such awards. The term of each SAR may not exceed 10 years.

The applicable award agreement will specify whether payment by the Company of the amount receivable upon any exercise of a SAR is to be made in cash or shares of Common Stock or a combination of both, or will reserve to the Administrator or the recipient the right to make that determination prior to or upon the exercise of the SAR. If upon the exercise of a SAR a recipient is to receive a portion of such payment in shares of Common Stock, the number of shares will be determined by dividing such portion by the fair market value of a share of Common Stock on the exercise date. No fractional shares will be used for such payment and the Administrator will determine

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whether cash will be given in lieu of such fractional shares or whether such fractional shares will be eliminated. Except as provided in the applicable award agreement or otherwise determined by the Administrator, to the extent stock appreciation rights are not vested and exercisable, a recipient's stock appreciation rights will be forfeited upon his or her termination of employment or service to the Company.

Restricted Stock

The Compensation Committee may award shares of restricted stock on such terms and conditions, and for such consideration, including no consideration or such minimum consideration as may be required by law, as the Compensation Committee will determine. Restricted stock will be subject to such vesting, restrictions on transferability and other restrictions, if any, and/or risk of forfeiture as the Compensation Committee may impose at the date of grant or thereafter. The restriction period to which such vesting, restrictions and/or risk of forfeiture apply may lapse under such circumstances, including without limitation upon the attainment of certain applicable performance goals, in such installments, or otherwise, as the Compensation Committee may determine. Subject to the provisions of the Amended Plan and the applicable award agreement, during the restriction period, the recipient shall not be permitted to sell, assign, transfer, pledge or otherwise encumber shares of restricted stock.

Except to the extent restricted under the applicable award agreement relating to the restricted stock, a recipient granted restricted stock will have all of the rights of a stockholder of Common Stock including, without limitation, the right to vote restricted stock. Regular cash dividends declared payable on Common Stock will be paid, with respect to outstanding restricted stock, either as soon as practicable following the dividend payment date or deferred for payment to such later date as determined by the Administrator, and will either be paid in cash or as unrestricted shares of Common Stock having a fair market value equal to the amount of such dividends or reinvested in additional shares of restricted stock as determined by the Administrator; provided, however, that dividends declared payable on restricted stock that was granted as a performance-based award will be held by the Company and made subject to forfeiture at least until achievement of the applicable performance goal related to such shares of restricted stock.

Except as provided otherwise in the applicable award agreement, upon termination of the recipient's employment or service with the Company during the applicable restriction period, restricted stock and any accrued but unpaid dividends that are at that time subject to restrictions will be forfeited; provided, that the Administrator may provide, by rule or regulation or in any award agreement, or may determine in any individual case, that restrictions or forfeiture conditions relating to restricted stock will be waived in whole or in part in the event of terminations resulting from specified causes, and the Administrator may in other cases waive in whole or in part the forfeiture of restricted stock.

Stock Units

The Compensation Committee may from time to time grant awards of unrestricted stock units or restricted stock units on such terms and conditions, and for such consideration, including no consideration or such minimum consideration as may be required by law, as the Compensation Committee will determine. Restricted stock units represent a contractual obligation by the Company to deliver a number of shares of Common Stock, an amount in cash equal to the fair market value of the specified number of shares subject to the award, or a combination of shares of Common Stock and cash, in accordance with the terms and conditions set forth in the Amended Plan and any applicable award agreement.

Restricted stock units will be subject to such vesting, risk of forfeiture and/or payment provisions as the Compensation Committee may impose at the date of grant. The restriction period to which such

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vesting and/or risk of forfeiture apply may lapse under such circumstances, including without limitation upon the attainment of certain applicable performance goals, in such installments, or otherwise, as the Compensation Committee may determine. Shares of Common Stock, cash or a combination of shares of Common Stock and cash, as applicable, payable in settlement of restricted stock units will be delivered to the recipient as soon as administratively practicable, but no later than 30 days, after the date on which payment is due under the terms of the applicable award agreement; provided, that the recipient will have complied with all conditions for delivery of such shares or payment contained in the applicable award agreement or otherwise reasonably required by the Company, or in accordance with an election of the recipient, if the Administrator so permits, that meets the requirements of Section 409A of the Code.

Until shares of Common Stock are issued to the recipient in settlement of stock units, the recipient will not have any rights of a stockholder of the Company with respect to the stock units or the shares issuable thereunder. The Administrator may grant to the recipient the right to receive dividend equivalents on stock units, on a current, reinvested and/or restricted basis, subject to such terms as the Administrator may determine provided, however, that dividend equivalents payable on stock units that are granted as a performance-based award will, rather than be paid on a current basis, be accrued and made subject to forfeiture at least until achievement of the applicable performance goal related to such stock units.

Upon termination of the recipient's employment or service with the Company during the applicable deferral period or portion thereof to which forfeiture conditions apply, or upon failure to satisfy any other conditions precedent to the delivery of shares of Common Stock or cash to which such restricted stock units relate, all restricted stock units and any accrued but unpaid dividend equivalents with respect to such restricted stock units that are then subject to deferral or restriction will be forfeited; provided that the Administrator may provide, by rule or regulation or in any award agreement, or may determine in any individual case, that restrictions or forfeiture conditions relating to restricted stock units will be waived in whole or in part in the event of termination resulting from specified causes, and the Administrator may in other cases waive in whole or in part the forfeiture of restricted stock units.

Performance Shares and Performance Units

The Compensation Committee may from time to time grant awards in the form of performance shares and performance units. Performance shares are shares of Common Stock or units that are expressed in terms of Common Stock, the issuance, vesting, lapse of restrictions on or payment of which is contingent on performance as measured against predetermined objectives over a specified performance period. Performance units are dollar-denominated units valued by reference to designated criteria established by the Administrator, other than Common Stock, the issuance, vesting, lapse of restrictions on or payment of which is contingent on performance as measured against predetermined objectives over a specified performance period. The applicable award agreement will specify whether performance shares and units will be settled or paid in cash or shares of Common Stock or a combination of both, or will reserve to the Administrator or the recipient the right to make that determination prior to or at the payment or settlement date.

The Compensation Committee will, prior to or at the time of grant, condition the grant, vesting or payment of, or lapse of restrictions on, an award of performance shares or units upon (A) the attainment of certain applicable performance goals during a performance period or (B) the attainment of certain applicable performance goals and the continued service of the recipient. The length of the performance period, specific performance goals and achievement thereof will be conclusively determined by the Administrator in the exercise of its absolute discretion. Performance goals may include minimum, maximum and target levels of performance, with the size of the award or payout of performance shares or units or the vesting or lapse of restrictions with respect thereto based on the

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level attained. An award of performance shares or units will be settled as and when the award vests or at a later time specified in the applicable award agreement or in accordance with an election of the recipient, if the Administrator so permits, that meets the requirements of Section 409A of the Code.

As described above under "*Approval of Performance Measures and Share Limits*," the Amended Plan was revised to add certain provisions for the purpose of preserving the Company's ability to deduct in full for federal income tax purposes the compensation recognized by certain of the Company's executive officers in connection with certain performance-based awards that may be granted in the future under the Amended Plan.

Specifically, when granting an award, the Compensation Committee may designate the award as a "Qualified Performance-Based Award," based upon a determination that (A) the recipient is or may be a "covered employee" (within the meaning of Section 162(m)(3) of the Code) with respect to such award and (B) the Compensation Committee wishes such award to qualify for the Section 162(m) performance-based exemption. The Compensation Committee may retain in an award agreement the discretion to reduce (but not to increase) the amount or number of Qualified Performance-Based Awards which will be earned based on the achievement of Performance Goals (as described above). Following completion of the applicable performance period, and prior to any, as applicable, grant, vesting, lapse of restrictions on or payment of a Qualified Performance-Based Award, the Compensation Committee will determine in accordance with the terms of the Award and shall certify in writing whether the applicable Performance Goal(s) were achieved, or the level of such achievement, and the amount, if any, earned by the participant based upon such performance.

Other Stock-Based Awards

The Compensation Committee may from time to time grant awards in the form of other stock-based awards. Other stock-based awards include awards of Common Stock or any other award that is valued in whole or in part by reference to, or is otherwise based upon, shares of Common Stock, including without limitation dividend equivalents and convertible debentures. Other stock-based awards in the form of dividend equivalents may be (A) awarded on a free-standing basis or in connection with another award other than a stock option or stock appreciation right, (B) paid currently or credited to an account for the recipient, including the reinvestment of such credited amounts in Common Stock equivalents, to be paid on a deferred basis, and (C) settled in cash or Common Stock as determined by the Administrator; provided, however, that dividend equivalents payable on other stock-based awards that are granted as a performance-based award will be accrued and made subject to forfeiture until achievement of the applicable performance goal related to such other stock-based award.

The Amended Plan is now amended to include the ability to grant cash based awards including those intended to be a Qualified Performance-Based Award.

Change in Control

Upon a change in control, as defined in the Amended Plan, outstanding awards will terminate unless the continuation or assumption of such awards, or the issuance of substitute awards, is provided for in connection with the transaction by the surviving or successor entity or parent thereof. For awards that will terminate upon a change in control and except as otherwise provided in the applicable award agreement: (i) the outstanding awards of stock options and SARs, other than performance-based awards, will, to extent such awards would fully vest on or prior to the third anniversary of the change in control, become fully vested and exercisable immediately prior to the change in control; (ii) performance-based awards of stock options and SARs will, to extent such awards would have fully vested and exercisable had the Company achieved the target performance goals in the three fiscal years ending coincident with or immediately subsequent to the change in control, become fully vested and exercisable immediately prior to the change in control; (iii) the outstanding awards of restricted stock,

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other than performance-based awards, with respect to which the vesting, forfeiture risk or lapse restrictions are solely time-based will, to extent such awards would have become fully vested and free from forfeiture risk and lapse restriction on or prior to the 3rd anniversary of the change in control, become fully vested, free from forfeiture risk and lapse restrictions immediately prior to the change in control; (iv) the outstanding awards of performance-based restricted stock will, to extent such awards would have become fully vested and free from forfeiture risk and lapse restrictions had the Company achieved the target performance goals in the three fiscal years ending coincident with or immediately subsequent to the change in control, become fully vested, free from forfeiture risk and lapse restrictions immediately prior to the change in control; (v) the outstanding restricted stock units, performance shares and performance units, with respect to which the vesting or earning thereof is solely time-based and not subject to achievement of performance goals will, to extent such awards would fully vest on or prior to the 3rd anniversary of the change in control, become fully vested and earned immediately prior to the change in control and will be settled in cash or shares of Common Stock; and (vi) the outstanding restricted stock units, performance shares and performance units, with respect to which the vesting or earning thereof is then subject to achievement of performance goals will, to extent such awards would have become fully vested and free from forfeiture risk and lapse restrictions had the Company achieved the target performance goals in the three fiscal years ending coincident with or immediately subsequent to the change in control, become fully vested and earned immediately prior to the change in control and will be settled in cash or shares of Common Stock.

Unless otherwise provided in the applicable award agreement, if a change in control occurs under which provision is made in connection with the transaction for the continuation or assumption of outstanding awards by, or for the issuance of substitute awards of, the surviving or successor entity or a parent thereof, then upon the termination of service of a participant by the Company, any of its affiliates, or a successor to the Company or any such affiliate, coincident with or during the 18-month period following the change in control, other than for cause, total and permanent disability or death: (i) the outstanding awards of stock options and SARs, other than performance-based awards, and any such substitute awards, will, to extent such awards would fully vest on or prior to the 3rd anniversary of the participant's termination of service, become fully vested and exercisable immediately prior to the termination of service for a period of 90 days thereafter or as otherwise set forth in the applicable award agreement; (ii) performance-based awards of stock options and SARs, and any such substitute awards, will, to extent such awards would have fully vested and exercisable had the Company achieved the target performance goals in the three fiscal years ending coincident with or immediately subsequent to the participant's termination of service, become fully vested and exercisable immediately prior to the termination of service for a period of 90 days thereafter or as otherwise set forth in the applicable award agreement; (iii) the outstanding awards of restricted stock, other than performance-based awards, and any such substitute awards, with respect to which the vesting, forfeiture risk or lapse restrictions are solely time-based will, to extent such awards would have become fully vested and free from forfeiture risk and lapse restriction on or prior to the 3rd anniversary of the participant's termination of service, become fully vested, free from forfeiture risk and lapse restrictions immediately prior to the termination of service; (iv) the outstanding awards of performance-based restricted stock, and any such substitute awards, will, to extent such awards would have become fully vested and free from forfeiture risk and lapse restrictions had the Company achieved the target performance goals in the three fiscal years ending coincident with or immediately subsequent to the participant's termination of service, become fully vested, free from forfeiture risk and lapse restrictions immediately prior to the termination of service; (v) the outstanding restricted stock units, performance shares and performance units, and any such substitute awards, with respect to which the vesting or earning thereof is solely time-based and not subject to achievement of performance goals will, to extent such awards would fully vest on or prior to the 3rd anniversary of the participant's termination of service, become fully vested and earned immediately prior to the termination of service and will be settled in cash or shares of Common Stock; and (vi) the outstanding restricted stock units, performance shares and performance

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units, and any such substitute awards, with respect to which the vesting or earning thereof is then subject to achievement of performance goals will, to extent such awards would have become fully vested and free from forfeiture risk and lapse restrictions had the Company achieved the target performance goals in the three fiscal years ending coincident with or immediately subsequent to the participant's termination of service, become fully vested and earned immediately prior to the termination of service and will be settled in cash or shares of Common Stock.

Stockholder Rights

Except as otherwise provided in the applicable award agreement, and with respect to an award of restricted stock, a participant has no rights as a stockholder with respect to shares of the Company's Common Stock covered by any award until the participant becomes the record holder of such shares.

Amendment and Termination

Notwithstanding any other provision of the Amended Plan, the Board may at any time amend any or all of the provisions of the Amended Plan, or suspend or terminate it entirely, retroactively or otherwise, subject to stockholder approval in certain instances; provided, however, that, unless otherwise required by law or specifically provided in the Amended Plan, the rights of a participant with respect to awards granted prior to such amendment, suspension or termination may not be adversely affected without the consent of such participant.

Transferability

Awards granted under the Amended Plan generally are nontransferable, other than by will or the laws of descent and distribution, except that the Compensation Committee may provide for the transferability of nonqualified stock options at the time of grant or thereafter to certain family members.

Recoupment of Awards

The Amended Plan provides that awards granted under the Amended Plan are subject to any recoupment policy that the Company may have in place or any obligation that it may have regarding the clawback of "incentive-based compensation" under the Exchange Act or under any applicable rules and regulations promulgated by the SEC.

Accounting Treatment of the Option Repricing

The Company has adopted the provisions of Financial Accounting Standards Codification Topic 718 (formerly referred to as Statement of Financial Accounting Standard No. 123R) regarding accounting for share-based payments. Under Financial Accounting Standards Codification Topic 718, the Company will recognize any incremental compensation cost of the Relevant Options subject to the Option Repricing. The incremental compensation cost will be measured as the excess, if any, of the fair value of the Relevant Options immediately following the Option Repricing over the fair value of the Relevant Options immediately prior to the Option Repricing. The Company expects to recognize approximately \$5.0 million in incremental compensation expense in the second quarter of 2017 in connection with the Option Repricing.

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Certain U.S. Federal Income Tax Consequences

The following discussion is intended only as a general summary of the material U.S. federal income tax consequences of awards issued under the Amended Plan, based upon the provisions of the Code as of the date of this Information Statement. It is not intended as tax guidance to participants in the Amended Plan. This summary does not take into account certain circumstances that may change the income tax treatment of awards for individual participants, and it does not describe the state income tax consequences of any award or the taxation of awards in jurisdictions outside of the U.S.

Stock Options and Stock Appreciation Rights

The grant of a stock option or a SAR generally has no income tax consequences for a participant or the Company. Likewise, the exercise of an incentive stock option generally does not have income tax consequences for a participant or the Company, except that it may result in an item of adjustment for alternative minimum tax purposes for the participant. A participant usually recognizes ordinary income upon the exercise of a nonqualified stock option or a SAR equal to the fair market value of the shares or cash payable (without regard to income or employment tax withholding) minus the exercise price, if applicable. We should generally be entitled to a deduction for federal income tax purposes equal to the amount of ordinary income recognized by the participant as a result of the exercise of a nonqualified stock option or SAR.

If a participant holds the shares acquired under an incentive stock option for the time specified in the Code (at least two (2) years measured from the grant date and one (1) year measured from the exercise date), any gain or loss arising from a subsequent disposition of the shares will be taxed as long-term capital gain or loss. If the shares are disposed of before the holding period is satisfied, the participant will recognize ordinary income equal to the lesser of (i) the amount realized upon the disposition, and (ii) the fair market value of such shares on the date of exercise minus the exercise price paid for the shares. Any ordinary income recognized by the participant on the disqualifying disposition of the shares generally entitles us to a deduction by us for federal income tax purposes. Any disposition of shares acquired under a nonqualified stock option or a SAR will generally result only in capital gain or loss for the participant, which may be short- or long-term, depending upon the holding period for the shares.

Full Value Awards

Cash and the fair market value of any shares of Common Stock received by a participant under a full value award are generally includible in the participant's ordinary income. In the case of restricted stock awards, this amount is includible in the participant's income when the awards vest, unless the participant has filed an election with the Internal Revenue Service to include the fair market value of the restricted shares in income as of the date the award was granted. In the case of restricted stock units, performance shares and performance units, generally the value of any cash and the fair market value of any shares of Common Stock received by a participant are includible in income when the awards are paid. Any dividends or dividend equivalents paid on unvested full value awards are also ordinary income for participants.

Cash-Based Awards/Incentive Awards

Any cash payments an employee receives in connection with cash-based awards, including cash incentive awards, are includable in income by the participant in the year received or made available to the participant without substantial limitations or restrictions.

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Deductibility of Compensation

Except as explained below, the Company generally is entitled to a deduction equal to the amount included in the ordinary income of participants and does not receive a deduction for amounts that are taxable to participants as capital gain. The Code denies publicly held corporations a deduction for compensation that is in excess of \$1,000,000 paid to the corporation's chief executive officer and to any of its three most highly compensated executive officers (other than the chief executive officer and the chief financial officer) unless the compensation is payable solely based on the attainment of one or more performance goals and where certain statutory requirements are satisfied, but this rule does not apply to certain awards made during a transition period set forth in Treasury Reg. Section 1.162-27(f)(4)(iii) for newly public companies. The Amended Plan, however, as approved by the Majority Holder, has been updated in a manner intended to preserve the Company's ability to deduct in full for federal income tax purposes the compensation recognized by its executive officers in connection with certain types of performance awards. While we believe that compensation provided by such new awards under the Amended Plan generally will be deductible by the Company for federal income tax purposes, under certain circumstances, such as a change in control of the Company, compensation paid in settlement of certain awards may not qualify as performance-based. Further, the Compensation Committee will retain the discretion to grant awards to covered employees that are not intended to qualify for deduction in full under Section 162(m) of the Code.

Section 409A

Section 409A of the Code provides special tax rules applicable to programs that provide for a deferral of compensation. Failure to comply with those requirements will result in accelerated recognition of U.S. federal income tax purposes along with an additional tax equal to 20% of the amount included in U.S. federal income, and interest on deemed underpayments in certain circumstances. While certain awards under the Amended Plan could be subject to Section 409A, the Amended Plan and awards are intended to comply with the requirements of Section 409A, where applicable.

Table of Contents**New Plan Benefits**

The following outstanding stock options eligible for the Option Repricing have been granted under the Amended Plan to each of the executive officers named below, all current executive officers as a group, all current non-employee directors as a group, and all other employees, respectively:

Name and Position	Title	Number of Shares Underlying Options Eligible for the Option Repricing	Weighted Average Exercise Price of Options Eligible for the Option repricing
Douglas L. Becker	Chairman of the Board and Chief Executive Officer	964,478	\$ 23.23
Enderson Guimarães(1)	President and Chief Operating Officer	982,749	\$ 23.20
Eilif Serck-Hanssen	President, Chief Administrative Officer and Chief Financial Officer	254,776	\$ 23.20
Ricardo Berckemeyer	Chief Operating Officer and Chief Executive Officer, LatAm	256,249	\$ 23.20
Paula Singer	Chief Network Officer	256,249	\$ 23.20
Executive Group		3,305,197	\$ 23.21
Non-Employee Director Group		0	\$ 0
Non-Executive Officer Employee Group		1,968,191	\$ 23.20

(1)

Mr. Guimarães served as President and Chief Operating Officer until March 23, 2017.

Only Relevant Options will be amended and no additional stock options will be granted by the Company in connection with the Option Repricing. The terms and number of stock options or other awards to be granted in the future under the 2013 Plan are to be determined in the discretion of the Compensation Committee. Since no determinations regarding awards or grants to be granted in the future have yet been made, the benefits or amounts that will be received by or allocated to the Company's executive officers or other eligible employees or non-employee directors cannot be determined at this time.

Equity Compensation Plan Information

The following table provides information as of December 31, 2016, with respect to shares of our common stock that may be issued under our existing equity compensation plans:

Plan Category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted-average exercise price of outstanding options, warrants and rights	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by stockholders(1):			
2013 Plan	6,707,677	\$ 23.21	4,888,529
2007 Plan	5,504,654	\$ 20.43	
Equity compensation plans not approved by stockholders:			
None			

(1)

For a description of our equity compensation plans, see Executive Compensation.

Table of Contents**Interest of Certain Persons in Matters Acted Upon**

The following tables set forth certain information as of June 9, 2017 about the outstanding options granted under the 2013 Plan held by each listed individual who was or has been an executive officer or director of the Company since the beginning of the fiscal year ended December 31, 2016.

As of June 9, 2017, our current non-employee directors (12 persons) and executive officers (9 persons) as a group held unexercised stock options to purchase an aggregate of 5,095,546 shares of our Common Stock under the 2013 Plan, which represented approximately 63% of the shares subject to all outstanding options under the 2013 Plan. The percentages in the tables below are based on the total number of outstanding stock options to purchase our Common Stock under the 2013 Plan. We do not have any other equity compensation plans other than the Amended Plan and the 2007 Plan.

Name	Title	2013 Plan		Percentage of Total Relevant Options Outstanding
		Number of Options Outstanding	Percentage of Total Outstanding Options	
Douglas L. Becker	Chairman of the Board and Chief Executive Officer	3,737,576	46.45%	18.29%
Eilif Serck-Hanssen(1)	President, Chief Administrative Officer and Chief Financial Officer	254,776	3.17%	4.83%
Ricardo Berckemeyer(1)	Chief Operating Officer and Chief Executive Officer, LatAm	256,249	3.18%	4.86%
Timothy F. Daniels	Chief Executive Officer, Europe, Middle East, Africa and Asia Pacific	192,307	2.39%	3.65%
Jonathan A. Kaplan	President/CEO of Walden University and CEO of Laureate Online	104,135	1.29%	1.97%
Richard J. Patro	Chief Executive Officer, Global Products and Services	94,223	1.17%	1.79%
Karl D. Salnoske	Chief Information Officer	40,822	0.51%	0.77%
Paula Singer	Chief Network Officer	256,249	3.18%	4.86%
Robert W. Zentz	Senior Vice President, Secretary, General Counsel	159,209	1.98%	3.02%
Other Executive Officers as a Group		2,950,940	36.67%	55.96%
Non-Employee Directors		0	0%	0%

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**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT
AND RELATED STOCKHOLDER MATTERS**

The following table sets forth certain information with respect to the beneficial ownership of our common stock at June 9, 2017, for:

each person who we know beneficially owns more than five percent of either Class A or Class B common stock;

each of our current directors;

each of our Named Executive Officers; and

all of our current directors and executive officers as a group.

The address of each beneficial owner listed in the table unless otherwise noted is c/o Laureate Education, Inc., 650 South Exeter Street, Baltimore, Maryland 21202.

We have determined beneficial ownership in accordance with the rules of the SEC. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that the persons and entities named in the table below have sole voting and investment power with respect to all shares of common stock that they beneficially own, subject to applicable community property laws.

Applicable percentage ownership is based on 35,410,140 shares of Class A common stock and 133,153,249 shares of Class B common stock outstanding at June 9, 2017. The table below does not include any shares of Class A common stock issuable upon conversion of our Series A Preferred Stock. In computing the number of shares of common stock beneficially owned by a person and the percentage ownership of that person, we deemed outstanding shares of common stock subject to options held by that person that are currently exercisable or exercisable within 60 days of June 9, 2017.

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We did not deem these shares outstanding, however, for the purpose of computing the percentage ownership of any other person.

Name of Beneficial Owner	Shares Beneficially Owned				Percentage of Total Voting Power(2)
	Class A (includes shares of Class B that are immediately convertible to Class A)(1)		Class B		
	Number of Shares	Percentage	Number of Shares	Percentage	
5% Stockholders:					
Wengen Alberta, Limited Partnership(3)	126,189,616	78.1%	126,189,616	94.8%	92.3%
KKR Funds(3)(4)	3,571,428(3)(4)	10.1%(3)	(3)	(3)	*(3)(4)
Funds and individuals affiliated with Sterling(3)(5)	3,472,387(3)(5)	8.9%(3)	3,472,387(3)(5)	2.6%(3)(5)	2.5%(3)(5)
Melvin Capital Management(6)	2,500,000	7.1%			*
OZ Management LP(7)	1,900,000	5.4%			*
Named Executive Officers and Directors:(8)					
Douglas L. Becker(9)(10)	878,515	2.4%	878,515	*	*
Brian F. Carroll(9)(11)	16,844	*	16,844	*	*
Andrew B. Cohen (9)(12)	3,060	*	6,498	*	*
William L. Cornog (9)(13)	3,060	*			*
Pedro del Corro(9)(14)			59,578	*	*
George Muñoz(15)	45,468	*	19,698	*	*
Dr. Judith Rodin (16)	26,583	*	19,698	*	*
Ian K. Snow(9)(17)	6,656	*	6,656	*	*
Steven M. Taslitz(9)(18)	878,515	2.4%	878,515	*	*
Quentin Van Doosselaere(9)					
Robert B. Zoellick (19)	25,443	*	18,558	*	*
Michael J. Durham (20)	4,590	*	*	*	*
Kenneth W. Freeman (21)	4,590	*	*	*	*
Eilif Serck-Hanssen(22)	537,390	1.5%	537,390	*	*
Ricardo Berckemeyer(23)	655,483	1.8%	607,500	*	*
Enderson Guimarães(24)	440,678	1.2%	440,678	*	*
Paula Singer(25)	727,027	2.0%	727,027	*	*
All Current Directors and Executive Officers as a Group (22 persons)(9)(10)	5,358,921	13.1%	5,322,174	4.0%	3.9%

*
Less than one percent.

(1) The Class B common stock is convertible into shares of Class A common stock on a share-for-share basis upon the election of the holder or upon transfer, subject to the terms of our certificate of incorporation. The Class A common stock and Class B common stock will automatically convert into a single class of common stock on the date on which the number of outstanding shares of Class B common stock represents less than 15% of the aggregate combined number of outstanding shares of Class A common stock and Class B common stock.

(2) Percentage total voting power represents voting power with respect to all shares of our Class A common stock and Class B common stock, as a single class. Each holder of Class B common stock

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is entitled to ten votes per share of Class B common stock and each holder of Class A common stock is entitled to one vote per share of Class A common stock on all matters submitted to our stockholders for a vote. The Class A common stock and Class B common stock vote together as a single class on all matters submitted to a vote of our stockholders, except as may otherwise be required by law or our amended and restated certificate of incorporation.

(3)

Represents shares of Class B common stock which are directly held by Wengen Alberta, Limited Partnership, an Alberta limited partnership ("Wengen"), our controlling stockholder. The limited partnership interests in Wengen are held by certain investors including investment funds and other investors affiliated with or managed by, among others, Douglas L. Becker, our Chairman and Chief Executive Officer and founder, Steven M. Taslitz, a director of the Company, Kohlberg Kravis Roberts & Co. L.P. (together with its affiliates, "KKR"), Cohen Private Ventures, LLC (together with its affiliates, "CPV"), Bregal Investments, Inc. (together with its affiliates, "Bregal"), StepStone Group LP (together with its affiliates, "StepStone"), Sterling Fund Management, LLC (together with its affiliates and investment funds managed by it, "Sterling Partners") and Snow Phipps Group, LLC (together with its affiliates, "Snow Phipps" and, collectively, the "Wengen Investors"). The general partner of Wengen is Wengen Investments Limited, which is governed by a board of directors composed of Mr. Becker and other representatives of Sterling Partners, and representatives of KKR, CPV, Bregal, StepStone and Snow Phipps. As a result of such representation, the Wengen Investors control the voting of the shares of Class B common stock held by Wengen in the election of certain directors and may be deemed to share beneficial ownership over the securities beneficially owned by Wengen. Does not include 1,353,999 shares of Class B common stock subject to proxies given by current and former directors and employees of the Company to Wengen to vote their shares of Class B common stock (collectively, the "Wengen Proxy").

The following persons hold, through their interests in Wengen, over 5% of our Class B common stock: KKR 2006 Fund (Overseas), Limited Partnership and KKR Partners II (International), L.P.; the Sterling Parties; CPV; Bregal; Caisse de dépôt et placement du Québec; affiliates of Moore Capital Management, LP; and affiliates of Makena Capital Management, LLC. Shares of Class B common stock held by Wengen are convertible by Wengen into shares of Class A common stock, in accordance with the terms of our certificate of incorporation, at the discretion of the general partner of Wengen.

KKR 2006 Fund (Overseas), Limited Partnership and KKR Partners II (International), L.P. hold limited partnership interests in Wengen which relate to approximately 22,889,952 and 952,623 underlying shares of Class B common stock held by Wengen, respectively, and may also be deemed to have voting and investment power over such portion of the Class B common stock owned by Wengen as a result of their ability to direct Wengen with respect to certain voting and disposition of such securities. KKR PI-II GP Limited is the general partner of KKR Partners II (International), L.P. KKR Associates 2006 (Overseas), Limited Partnership is the general partner of KKR 2006 Fund (Overseas), Limited Partnership. KKR 2006 Limited is the general partner of KKR Associates 2006 (Overseas), Limited Partnership. KKR Fund Holdings L.P. is the sole shareholder of KKR 2006 Limited. KKR Fund Holdings GP Limited is a general partner of KKR Fund Holdings L.P. KKR Group Holdings L.P. is the sole shareholder of KKR Fund Holdings GP Limited and a general partner of KKR Fund Holdings L.P. KKR Group Limited is the general partner of KKR Group Holdings L.P. KKR & Co. L.P. is the sole shareholder of KKR Group Limited. KKR Management LLC is the general partner of KKR & Co. L.P. Messrs. Henry R. Kravis and George R. Roberts are the designated members of KKR Management LLC. In such capacities, each of the entities and individuals referenced in this paragraph may also be deemed to be the beneficial owners having shared voting power and shared investment power with respect to the securities as described above. The address of each of the persons and entities listed in this

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paragraph, except Mr. Roberts, is c/o Kohlberg Kravis Roberts & Co. L.P., 9 West 57th Street, New York, New York 10019. The principal business address for Mr. Roberts is c/o Kohlberg Kravis Roberts & Co. L.P., 2800 Sand Hill Road, Suite 200, Menlo Park, California 94025.

Sterling Capital Partners II, L.P., Sterling Capital Partners III, L.P., SP-L Affiliate, LLC, Sterling Laureate Executives Fund, L.P., Sterling Laureate, L.P., Sterling Laureate Rollover, L.P., Douglas L. Becker, Steven M. Taslitz and certain of their respective affiliates hold limited partnership interests in Wengen which collectively relate to approximately 9,584,825 underlying shares of Class B common stock held by Wengen, and may also be deemed to have voting and investment power over their respective pro rata shares of such portion of the Class B common stock owned by Wengen as a result of their respective abilities to direct Wengen with respect to certain voting and disposition of such securities. These underlying shares of Class B common stock do not include shares of Class B common stock allocable to limited partnership interests held by certain investment vehicles that are managed on behalf of persons not affiliated with Sterling, which investment vehicles, although managed by Sterling-related entities, pass through rights with respect to the voting and disposition of the underlying shares of the Company to the investors in such vehicles. SC Partners II, L.P. is the sole general partner of Sterling Capital Partners II, L.P., and Sterling Capital Partners II, LLC is the sole general partner of SC Partners II, L.P. SC Partners III, L.P. is the sole general partner of Sterling Capital Partners III, L.P., and Sterling Capital Partners III, LLC is the sole general partner of SC Partners III, L.P. SP-L Management III, LLC is the sole general partner of Sterling Laureate, L.P. SP-L Management IV, LLC is the sole general partner of Sterling Laureate Executives Fund, L.P. SP-L Management V, LLC is the sole general partner of Sterling Laureate Rollover, L.P. SP-L Parent, LLC is the sole general partner of each of Sterling Management III, LLC, Sterling Management IV, LLC and Sterling Management V, LLC. Sterling Capital Partners II, LLC, Sterling Capital Partners III, LLC, SP-L Affiliate, LLC and SP-L Parent, LLC are managed by Messrs. Taslitz and Becker and R. Christopher Hoehn-Saric (each of whom serves on the board of directors of the general partner of Wengen). Each of the aforementioned entities and individuals may also be deemed to be the beneficial owners having voting power and/or investment power with respect to securities of the Company owned directly by Wengen as described above, except that Mr. Becker does not exercise any voting or investment power with respect to such securities (other than any securities of the Company attributable to the limited partnership interests in Wengen held by SP-L Affiliate, LLC). The business address of each of the persons and entities listed in this footnote, except Mr. Becker, is c/o Sterling Partners, 401 N. Michigan Avenue, Suite 3300, Chicago, Illinois 60611. The business address of Mr. Becker is c/o Laureate Education, Inc., 650 S. Exeter Street, Baltimore, Maryland 21202.

CPV Holdings, LLC, Point72 Capital International, Ltd., Point72 Capital, L.P. and Point72 GDF, Ltd. hold, directly and indirectly, limited partnership interests in Wengen which collectively relate to approximately 16,087,099 underlying shares of Class B common stock held by Wengen, and may also be deemed to have voting and investment power over such portion of the Class B common stock owned by Wengen as a result of their ability to direct Wengen with respect to certain voting and disposition of such securities. Pursuant to certain investment management agreements, Point72 Asset Management, L.P. maintains voting and investment power with respect to the securities held by Point72 Capital International, Ltd., Point72 Capital, L.P. and Point72 GDF, Ltd. Point72 Capital Advisors, Inc. is the general partner of Point72 Asset Management, L.P. Steven A. Cohen is the sole shareholder of Point72 Capital Advisors, Inc. and the managing member of CPV Holdings, LLC. In such capacities, each of Point72 Asset Management, L.P., Point72 Capital Advisors, Inc. and Steven A. Cohen may also be deemed to be the beneficial owners having shared voting power and shared investment power with respect to the securities as described above. Cohen Private Ventures, LLC holds 3,060 shares of Class A common stock and 6,498 shares of Class B common stock issued pursuant to the Company's non-employee director

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compensation program. Steven A. Cohen may be deemed to have sole voting power and investment power over the securities held by Cohen Private Ventures, LLC in his capacity as its sole member. The address of each of the persons and entities listed in this paragraph, except CPV Holdings, LLC and Cohen Private Ventures, LLC, is c/o Point72, L.P. and Cohen Private Ventures, LLC, 72 Cummings Point Road, Stamford, Connecticut 06902. The address of each of CPV Holdings, LLC is 510 Madison Avenue, New York, New York 10022.

Bregal Europe Co-Investment Limited Partnership holds, directly and indirectly, limited partnership interests in Wengen which relate to approximately 11,915,410 underlying shares of Class B common stock held by Wengen, and may also be deemed to have voting and investment power over such portion of the Class B common stock owned by Wengen as a result of its ability to direct Wengen with respect to certain voting and disposition of such securities. The General Partner of Bregal Europe Co-Investment Limited Partnership is Bregal General Partner Jersey Limited. The directors of Bregal General Partner Jersey Limited are: Paul Andrew Bradshaw, John Hammill, John David Drury, Andrew Crawford, Wolter Rudolf Brenninkmeijer and Edwin Theo Niers. In such capacities, each of the entities and individuals referenced in this paragraph may also be deemed to be the beneficial owners having shared voting power and shared investment power with respect to the securities as described above. The address of Bregal Europe Co-Investment Limited Partnership is Quartermile One, 15 Lauriston Place, Edinburgh, EH3 9EP, United Kingdom. The address of Bregal General Partner Jersey Limited and the principal business address of each of Messrs. Paul Andrew Bradshaw, John Hammill, and Andrew Crawford is 2nd Floor, Windward House, La Route de la Liberation, St. Helier, JE2 3BQ, Jersey, Channel Islands. The principal business address of each of Messrs. John David Drury and Wolter Rudolf Brenninkmeijer is 81 Fulham Road, 3rd Floor, London SW3 6RD, United Kingdom. The principal business address of Mr. Ewin Niers is Grafenauweg 10, CH-6300, Zug, Switzerland.

2007 Co-Investment Portfolio L.P., StepStone Capital Partners II Onshore, L.P. and StepStone Capital Partners II Cayman Holding, L.P. (collectively, the "StepStone Funds") hold limited partnership interests in Wengen which collectively relate to approximately 3,999,535 underlying shares of Class B common stock held by Wengen, and may be deemed to have voting and investment power over their respective pro rata shares of such portion of the Class B common stock owned by Wengen as a result of their respective abilities to direct Wengen with respect to certain voting and disposition of such securities. StepStone Group Holdings LLC is the general partner of StepStone Group LP, which is the sole member of StepStone Co-Investment Funds GP, LLC, which is the sole general partner of each of the StepStone Funds. Mr. Darren M. Friedman is principally employed as a Partner of StepStone Group LP and StepStone Group Holdings LLC and is a director of Wengen. The principal business address of each of the StepStone persons is 4275 Executive Square, Suite 500, La Jolla, CA 92037.

Snow Phipps Group, L.P., SPG Co-Investment, L.P., Snow Phipps Group (B), L.P., Snow Phipps Group (Offshore), L.P., and Snow Phipps Group (RPV), L.P. hold limited partnership interests in Wengen which relate to approximately 3,231,081, 17,483, 31,040, 104,434, and 168,255 underlying shares of Class B common stock held by Wengen, respectively, for an aggregate of 3,552,293 shares, and may also be deemed to have voting and investment power over such portion of the securities Class B common stock owned by Wengen as a result of their ability to direct Wengen with respect to certain voting and disposition of such securities. SPG GP, LLC is the general partner of Snow Phipps Group (Offshore), L.P., Snow Phipps Group (B), L.P., Snow Phipps Group, L.P., Snow Phipps Group (RPV), L.P., and SPG Co-Investment, L.P. Ian Snow is the sole managing member of SGP GP, LLC. In such capacities, each of the entities and the individual referenced in this paragraph may also be deemed to be the beneficial owners having shared voting power and shared investment power with respect to the securities as described above. The address

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of each of the persons and entities listed in this paragraph is 667 Madison Avenue, 18th Floor, New York, New York, 10065.

Caisse de dépôt et placement du Québec holds, directly and indirectly, limited partnership interests in Wengen which relate to approximately 11,491,277 underlying shares of Class B common stock held by Wengen, and may be deemed to have voting and investment power over such portion of the Class B common stock owned by Wengen as a result of its ability to direct Wengen with respect to certain voting and disposition of such securities. The principal business address for Caisse de dépôt et placement du Québec is 1000, place Jean-Paul-Riopelle, Montreal (Québec) H2Z 2B3, Canada.

Kendall Family Investments, LLC, MMF Moore ET Investments, LP and MEM Moore ET Investments, LP hold, directly and indirectly, limited partnership interests in Wengen which collectively relate to approximately 11,054,982 underlying shares of the Class B common stock held by Wengen, and may be deemed to have voting and investment power over their respective pro rata shares of such portion of the Class B common stock owned by Wengen as a result of their respective abilities to direct Wengen with respect to certain voting and disposition of such securities. Louis M. Bacon is the chief executive officer and director of Moore Capital Management, LP, which serves as discretionary investment manager to MMF Moore ET Investments, LP and MEM Moore ET Investments, LP, and the majority equity holder of Kendall Family Investments, LLC. The principal business address of Moore Capital Management, LP is 11 Times Square, New York, New York 10036.

Makena Capital Holdings M, L.P. and Makena Contingent Capital Account, L.P. hold, directly and indirectly, limited partnership interests in Wengen which collectively relate to approximately 6,765,025 underlying shares of Class B common stock held by Wengen, and may be deemed to have voting and investment power over their respective pro rata shares of such portion of the Class B common stock owned by Wengen as a result of their respective abilities to direct Wengen with respect to certain voting and disposition of such securities. Makena Capital Management, LLC is the general partner of Makena Capital Holdings M, L.P. and Makena Contingent Capital Account, L.P. The principal business address of Makena Capital Management, LLC is 2755 Sand Hill Road, Suite 200, Menlo Park, California 94025.

- (4) Represents 3,532,737 and 38,691 shares of Class A common stock owned by KKR 2006 Fund (Overseas), Limited Partnership and KKR Partners II (International), L.P., respectively. Does not include the Class B common stock held by Wengen described further in footnote (3) above or an additional 4,987,395 and 54,622 shares of Class A common stock that will be received by KKR 2006 Fund (Overseas), Limited Partnership and KKR Partners II (International), L.P., respectively, upon the conversion of 59,350 and 650 shares of Series A Preferred Stock, respectively. In the aggregate the investment funds affiliated with KKR may be deemed to beneficially own 134,803,061 shares of Class A Common Stock, which represents, in the aggregate, approximately 80.9% of the outstanding shares of the Class A common stock, calculated pursuant to the rules of the SEC, or 92.6% of the total voting power.
- (5) Represents shares of Class B common stock beneficially owned by funds and individuals affiliated with Sterling. Does not include the Class B common stock held by Wengen described further in footnote (3) above. In the aggregate, such funds and individuals affiliated with Sterling may be deemed to beneficially own 129,662,003 shares of Class A Common Stock (including 3,369,027 shares of Class A Common Stock issuable upon conversion of shares of Class B Common Stock issuable upon the exercise of vested options issued to Mr. Becker), which represents, in the aggregate, approximately 78.5% of the outstanding shares of the Class A common stock, calculated pursuant to the rules of the SEC.

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- (6) Based solely on information reported by Melvin Capital Management LP on a Schedule 13G filed with the SEC on March 15, 2017. All of these shares are shares of Class A common stock. According to this Schedule 13G, Melvin Capital Management LP has sole voting power and sole dispositive power with respect to 2,500,000 shares of common stock and shared voting power and shared dispositive power with respect to no shares of common stock. The reporting person listed its address as 527 Madison Avenue, 25th Floor, New York, New York 10022.
- (7) Based solely on information reported by OZ Management LP, Och-Ziff Holding Corporation, Och-Ziff Capital Management Group LLC and Daniel S. Och on a Schedule 13G filed with the SEC on February 10, 2017. OZ Management LP indicated that it had voting and investment power over all of these shares. All of these shares are shares of Class A common stock. Each of the reporting persons listed its address as 9 West 57th Street, 39th Floor, New York, New York 10019.
- (8) No shares are pledged as security.
- (9) The director is affiliated with Wengen or an investor in Wengen. Does not include the Class B common stock held of record by Wengen and the 1,353,999 shares of Class B common stock subject to the Wengen Proxy. See footnote 3 for further information on any beneficial ownership of securities indirectly held through Wengen.
- (10) Includes Mr. Becker's allocable share of certain equity securities of the Company that are subject to the Founders' Agreement (as defined and described in "Executive Compensation-Summary Compensation Table-Arrangements with Certain Named Executive Officers"), including (i) one quarter of the shares issuable upon the exercise of options to purchase an aggregate of 3,369,027 shares of Class B common stock issued to Mr. Becker and (ii) one quarter of the 89,471 shares of Class B common stock issued to Mr. Becker. Does not include 12,490 shares of Class B common stock held by the 2002 GST Exempt Harvest Trust, a trust of which Mr. Becker is the sole beneficiary, but as to which Mr. Becker is not a trustee and does not have voting or investment power over the securities it holds. Mr. Becker disclaims beneficial ownership of these shares. Includes 13,888 shares of Class B common stock held by Sterling Fund Management, LLC, an affiliate of Sterling Partners. Mr. Becker shares voting and dispositive power with respect to the shares of Class B common stock held by this affiliate of the Sterling Founders, with Messrs. Taslitz and Hoehn-Saric.
- (11) Includes 4,611 shares of Class B common stock reserved for issuance upon distribution of Mr. Carroll's Post-2004 DCP account when he retires from the Company's board of directors.
- (12) Represents 3,060 shares of Class A common stock (25% of which are vested and 75% of which is restricted stock which will vest in three equal installments at the end of each remaining calendar quarter of 2017) issued to Cohen Private Ventures, LLC pursuant to the Company's non-employee director compensation program at the request of Mr. Andrew Cohen in lieu of issuance to Mr. Andrew Cohen and 6,498 shares of Class B common stock issued to S.A.C. Capital Advisors, L.P. pursuant to the Company's non-employee director compensation program at the request of Mr. Andrew Cohen in lieu of issuance to Mr. Andrew Cohen and subsequently transferred to Cohen Private Ventures, LLC. Mr. Andrew Cohen disclaims beneficial ownership over such securities.
- (13) Represents 3,060 shares of Class A common stock (25% of which are vested and 75% of which is restricted stock which will vest in three equal installments at the end of each remaining calendar quarter of 2017).
- (14) Includes limited partnership interests in Wengen held, directly and indirectly, by Mr. del Corro which relate to approximately 59,578 underlying shares of Class B common stock held by Wengen, over which he may be deemed to have voting and investment power as a result of his ability to direct Wengen with respect to certain voting and disposition of such securities. Shares of Class B

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common stock held by Wengen are convertible by Wengen into shares of Class A common stock of Laureate, in accordance with the terms of our certificate of incorporation, at the discretion of the general partner of Wengen.

- (15) Includes 15,442 shares of Class A common stock and an additional 10,328 shares of Class A common stock which is restricted stock that will vest in equal installments at the end of each remaining calendar quarter in 2017.
- (16) Includes 6,885 shares of Class A common stock (25% of which is vested and 75% of which will vest in three equal installments at the end of each remaining calendar quarter in 2017).
- (17) Includes 3,837 shares of Class B common stock held by Snow Phipps. Includes 2,819 shares of Class B common stock reserved for issuance upon distribution of Mr. Snow's Post-2004 DCP account when he retires from the Company's board of directors. See "Executive Compensation Director Compensation." Does not include an additional 1,148,739, 3,782, 11,036, 37,129, and 59,819 shares of Class A common stock that will be received by Snow Phipps Group, L.P., SPG Co-Investment, L.P., Snow Phipps Group (B), L.P., Snow Phipps Group (Offshore), L.P., and Snow Phipps Group (RPV), L.P., respectively, upon the conversion of the 13,700, 45, 131, 442, and 712 shares of Series A Preferred Stock, respectively. Mr. Snow disclaims beneficial ownership of the shares held, directly or indirectly, by Snow Phipps.
- (18) Includes Mr. Taslitz's allocable share of certain equity securities of the Company that are subject to the Founders' Agreement (as defined and described in "Executive Compensation Summary Compensation Table Arrangements with Certain Named Executive Officers"), including (i) one quarter of the shares issuable upon the exercise of options to purchase an aggregate of 3,369,027 shares of Class B common stock issued to Mr. Becker and (ii) one quarter of the 89,471 shares of Class B common stock issued to Mr. Becker. Includes 13,889 shares of Class B common stock held by Sterling Fund Management, LLC, an affiliate of Sterling Partners. Mr. Taslitz shares voting and dispositive power with respect to the shares of Class B common stock held by this affiliate of the Sterling Founders, with Messrs. Becker and Hoehn-Saric.
- (19) Includes 6,885 shares of Class A common stock (25% of which is vested and 75% of which will vest in three equal installments at the end of each remaining calendar quarter in 2017).
- (20) Includes 4,590 shares of Class A common stock (25% of which is vested and 75% of which is restricted stock which will vest in three equal installments at the end of each remaining calendar quarter in 2017).
- (21) Includes 4,590 shares of Class A common stock (25% of which is vested and 75% of which is restricted stock which will vest in three equal installments at the end of each remaining calendar quarter in 2017).
- (22) Includes shares issuable upon exercise of options to purchase 485,072 shares of Class B common stock that are exercisable within 60 days of the date of the above table.
- (23) Includes shares issuable upon exercise of options to purchase 607,500 shares of Class B common stock that are exercisable within 60 days of the date of the above table.
- (24) Includes shares issuable upon exercise of options to purchase 393,100 shares of Class B common stock that are exercisable within 60 days of the date of the above table. Mr. Guimarães served as President and Chief Operating Officer until March 23, 2017.
- (25) Includes shares issuable upon exercise of options to purchase 650,000 shares of Class B common stock that are exercisable within 60 days of the date of the above table.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This Compensation Discussion and Analysis provides an overview of our executive compensation philosophy, the overall objectives of our executive compensation program, and each material element of compensation for the fiscal year ended December 31, 2016 that we provided to each person who served as our principal executive officer or principal financial officer during 2016 and our three most highly compensated executive officers employed at the end of 2016 other than those persons, all of whom we refer to collectively as our Named Executive Officers. In this "Executive Compensation" section, "common stock" means shares of Class B common stock, unless otherwise indicated.

Our Named Executive Officers for the fiscal year ended December 31, 2016 were as follows:

Douglas L. Becker, Chairman and Chief Executive Officer;

Eilif Serck-Hanssen, President, Chief Administrative Officer and Chief Financial Officer;

Ricardo M. Berckemeyer, Chief Operating Officer and Chief Executive Officer, Latin America Region;

Enderson Guimarães, President and Chief Operating Officer*^{*}; and

Paula Singer, Chief Network Officer.

*

Mr. Guimarães served as President and Chief Operating Officer until March 23, 2017. On March 28, 2017, Mr. Serck-Hanssen was appointed President, Chief Administrative Officer and Chief Financial Officer, and Mr. Berckemeyer was appointed Chief Operating Officer and Chief Executive Officer, Latin America.

The Compensation Committee is responsible for establishing, implementing, and evaluating our employee compensation and benefit programs. The Compensation Committee periodically reviews and makes recommendations to the board of directors with respect to the adoption of, or amendments to, all equity-based incentive compensation plans for employees, and cash-based incentive plans for executive officers, and evaluates whether the relationship between the incentives associated with these plans and the level of risk-taking by executive officers in response to such incentives is reasonably likely to have a material adverse effect on the Company. The Compensation Committee annually evaluates the performance of our Chief Executive Officer and our other executive officers, establishes the annual salaries and annual cash incentive awards for our Chief Executive Officer and our other executive officers, and approves all equity awards. The Compensation Committee's objective is to ensure that the total compensation paid to the Named Executive Officers as well as our other senior officers is fair, reasonable, and competitive. Generally, the types of compensation and benefits provided to our Named Executive Officers are like those provided to other senior members of our management team.

Executive Compensation Philosophy

The goal of our executive compensation program is to create long-term value for our investors while at the same time rewarding our executives for superior financial and operating performance and encouraging them to remain with us for long, productive careers. We believe the most effective way to achieve this objective is to design an executive compensation program rewarding the achievement of specific annual, long-term and strategic goals and aligning executives' interests with those of our investors by further rewarding performance above established goals. We use this philosophy as the foundation for evaluating and improving the effectiveness of our executive pay program. The following are the core elements of our executive compensation philosophy:

Market Competitive: Compensation levels and programs for executives, including the Named Executive Officers, should be competitive relative to the appropriate markets in which we

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operate. We are a unique network of organizations, and we believe that competitive pay programs must be locally driven. It is important for our local organizations to leverage an understanding of what constitutes competitive pay in their markets and build unique strategies to attract the high caliber talent we require to manage and grow our fast-paced organization;

Performance Based: Most executive compensation should be performance-based pay that is "at risk," based on short-term and long-term goals, which reward both organizational and individual performance;

Investor Aligned: Incentives should be structured to create a strong alignment between executives and investors on both a short-term and a long-term basis; and

Financially Efficient: Pay programs and features should attempt to minimize the impact on our earnings and maximize our tax benefits, all other things being equal.

By incorporating these elements, we believe our executive compensation program is responsive to our investors' objectives and effective in attracting, motivating, and retaining the level of talent necessary to grow and manage our business successfully.

Process for Determining Compensation

Our compensation process for each fiscal year begins in the preceding September, when senior management meets to set the next year's budgets. Using the budgets developed during October and November, each year in December, the board of directors approves our revenue, earnings, and student enrollment goals for the following year. These goals serve as the target metrics in our Annual Incentive Plan ("AIP"), a non-equity short-term incentive plan designed to create a link between executive compensation and company performance, and our cash Long Term Incentive Plans ("LTIP") with certain Named Executive Officers, which are designed to reward superior performance over a longer period and thereby provide an incentive for these executives to remain with us. See " Elements of Laureate's 2016 Compensation Program Incentive Opportunity." In March, the Compensation Committee meets to review the Named Executive Officers' prior year's performance, set their base salary levels for the current fiscal year, approve the AIP for the current year, and approve or modify individual goals for the Named Executive Officers that were recommended by management for the discretionary portion of our AIP. In March, the Compensation Committee assesses performance and certifies the extent to which the prior year's performance goals have been achieved and authorizes the payment of any earned incentive compensation.

Prior to the March Compensation Committee meeting, the CEO and the Chief Human Resources Officer ("CHRO") review the prior year's performance of each Named Executive Officer (other than the CEO, whose performance is reviewed only by the Compensation Committee). The conclusions reached and recommendations based on these reviews, including with respect to salary adjustments and AIP cash award amounts, are presented to the Compensation Committee at its March meeting. The Compensation Committee determines salary adjustments and AIP cash awards for our Named Executive Officers, considering the CEO's recommendations. The CEO and CHRO are not members of the Compensation Committee and do not participate in deliberations regarding their own compensation.

Relationship of Compensation Practices to Risk Management

We have reviewed and considered our compensation plans and practices for all our employees and do not believe that our compensation policies and practices create risks that are reasonably likely to have a material adverse effect on the Company. We utilize many design features that mitigate the possibility of encouraging excessive risk taking behavior. Among these design features are:

reasonable goals and objectives that are well-defined and communicated;

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a strong recoupment ("clawback") policy;

balance of short-and long-term variable compensation tied to a mix of financial and operational objectives;

double-trigger severance and equity arrangements;

an independent compensation consultant for the Compensation Committee; and

the Compensation Committee's ability to exercise downward discretion in determining payouts.

Role of Independent Compensation Consultant

During 2016, the CHRO and members of his staff met several times with Frederic W. Cook & Co., Inc. ("FW Cook"), an independent executive compensation consulting firm retained by the Compensation Committee, for advice and perspective regarding market trends that could affect our decisions about our executive compensation program and practices. During this time, FW Cook assessed our compensation philosophy and the structure of our programs and reviewed our existing equity and variable pay compensation documents. FW Cook then advised management about alternatives it could consider before recommending executive compensation design and amounts to the Compensation Committee. The Compensation Committee assessed the independence of FW Cook pursuant to SEC rules and concluded that the work performed by FW Cook does not raise any conflicts of interest.

Compensation Peer Group

In its capacity as the Compensation Committee's independent compensation consultant, FW Cook has provided insight to the Compensation Committee on certain regulatory requirements and concerns of our investors, assisting with the development of conceptual designs for future equity and cash incentive compensation programs and providing the Compensation Committee with relevant market data and alternatives to consider when making compensation decisions for the CEO and other Named Executive Officers. Additionally, the Compensation Committee requested FW Cook to identify a framework of comparators that adequately reflects the unique nature of our operations. The Compensation Committee used this Compensation Peer Group, which was updated in 2014, as part of the 2016 compensation process to evaluate the competitiveness of the compensation targets for our executive team. The Compensation Peer Group includes three distinct elements, each representing a key Laureate characteristic. These business characteristics include: (1) industry, (2) size and complexity and (3) growth and profitability. The Compensation Committee has defined these characteristics and selected peer companies for each group as follows:

Industry: Companies in the S&P 1500 and the educational services industry with total revenue of at least \$1 billion, including Apollo Education Group, Career Education, DeVry Education Group, Education Management Corporation and ITT Educational Services.

Size/Complexity: Companies in the S&P 1500 with total revenue ranging from \$2.5 billion to \$5.5 billion, with at least 70% of total revenue derived from foreign sources, including Analog Devices, Inc. The Brinks Company, Cabot Corporation, FMC Technologies, Inc., First Solar, Inc., Harman International Industries, Incorporated, International Flavors & Fragrances Inc., Molson Coors Brewing Company, Nabors Industries Ltd., Nvidia Corporation, Sandisk Corp., Terex Corporation, and Universal Corporation.

High Growth/Profitability: Companies in the S&P 1500 with total revenue ranging from \$1 billion to \$10 billion, three-year total revenue CAGR of at least 15%, three-year average EBITDA margins of at least 20%, at least 30% of total revenue generated from foreign sources, including Altera Corporation, BlackRock, Inc., Celgene Corporation, Cliffs Natural Resources Inc., Discovery Communications, Inc., Equinix, Inc., FLIR Systems, Inc., Gilead

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Sciences, Inc., Global Payments Inc., Intercontinental Exchange, Inc., Mylan N.V., Newmont Mining Corporation, The Priceline Group Inc., ResMed Inc. and Visa Inc.

Since the peer group was updated in 2014, three companies (one from each sub-category), Corinthian Colleges, LSI Corporation and Life Technologies, Inc., have been removed because they have ceased to be independently operated entities.

The Compensation Committee used data derived from our Compensation Peer Group to inform its decisions about overall compensation, compensation elements, optimum pay mix and the relative competitive landscape of our executive compensation program. The Compensation Committee used multiple reference points when establishing target compensation levels. Because comparative compensation information is just one of several analytic tools the Compensation Committee uses in setting executive compensation, it has discretion in determining the nature and extent of its use. Moreover, given the limitations associated with comparative pay information for setting individual executive compensation, the Compensation Committee may elect not to use the comparative compensation information at all while making individual compensation decisions.

Considerations in Setting 2016 Compensation

In approving 2016 compensation for the Named Executive Officers, the Compensation Committee took under advisement the recommendation of the CEO and CHRO relating to the total compensation package for the Named Executive Officers and, based on company-wide operating results and the extent to which individual performance objectives were met, the Compensation Committee determined 2016 compensation for each of the Named Executive Officers. In determining whether to approve or modify management-recommended compensation for the Named Executive Officers in 2016, the Compensation Committee reviewed non-financial factors as part of the overall evaluation of performance. Such non-financial factors included judging the extent to which each Named Executive Officer identified business opportunities, maximized network synergies for Laureate, shared best practices and maximized the mix of our geographic revenues, programs, modalities and levels of study. The Compensation Committee believes non-financial measures are often "leading indicators" of financial performance and are especially important to a rapidly growing and geographically dispersed company like Laureate. The Compensation Committee believes that the total 2016 compensation opportunity for our Named Executive Officers was competitive while at the same time being responsible to our investors because a significant percentage of total compensation in 2016 was allocated to variable compensation, paid only upon achievement of both individual and Company performance objectives.

The following is a summary of key considerations that affected the development of 2016 compensation targets and 2016 compensation decisions for our Named Executive Officers (and which the Compensation Committee believes will continue to affect its compensation decisions in future years):

Market Targets. We target base salary for our Named Executive Officers generally near the 50th percentile of the Compensation Peer Group. Total cash and total direct compensation (base salary, AIP award at target and the value of equity grants) are generally near the 75th percentile of the Compensation Peer Group. Although historically a specific pay mix for our Named Executive Officers has not been set, it has been and will continue to be our policy to allocate a significantly larger portion of the Named Executive Officers' compensation in the form of variable or "at-risk" compensation than is allocated to junior members of management. By targeting our Named Executive Officers' base salaries and total cash and total direct compensation near the 50th and the 75th percentiles, respectively, most of our Named Executive Officers' pay is at risk, consistent with strategies followed by other high-growth companies and the Compensation Committee's pay-for-performance philosophy. Market targets are periodically reviewed to ensure competitiveness with other companies' executives with like responsibilities to our Named Executive Officers.

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Emphasis on Performance. Laureate's compensation program provides increased pay opportunity correlated with superior performance over the long term. When evaluating base salary, individual performance is the primary driver that determines the Named Executive Officer's annual increase, if any. In our AIP, both organizational and individual performance are key drivers in determining the Named Executive Officer's non-equity incentive award. Of the outstanding unvested options, performance share units, and restricted stock units currently held by our Named Executive Officers, approximately 50% are performance-based.

The Importance of Organizational Results. Laureate's AIP uses the achievement of specific organizational metrics in determining approximately 80% of the Named Executive Officers' target annual cash incentive award. This is because the Compensation Committee believes it is important to hold the Named Executive Officers accountable for both the results of their organization and overall company results. Our 2016 AIP was designed to emphasize and reward the Named Executive Officers for corporate performance. The Compensation Committee believes that individual contributions by the Named Executive Officers significantly affect both regional and overall corporate results. The payment of LTIP awards and the vesting of performance options and performance share units granted under our 2013 Plan are dependent on the Company achieving overall corporate financial goals.

2016 Stock Option Repricing/Retention Equity Grant

Effective June 17, 2016, upon the recommendation of the Compensation Committee, the board of directors approved a modification in the exercise price of all outstanding stock options granted under the 2013 Plan, other than options granted in 2016, to reduce the exercise price per share to \$23.20 per share, which was the estimated fair market value of the common stock on the effective date of the repricing. Stock options granted under the 2013 Plan during 2016, as well as stock options granted under the 2007 Plan were excluded from this repricing. Options granted under the 2007 Plan will maintain their original exercise prices. The stock options that were repriced had been granted with an exercise price greater than the estimated fair market value on June 17, 2016 (i.e., exercise prices ranging from \$34.52 to \$25.76 per share). Because the exercise prices of these stock options exceeded the estimated fair market value of the Company's common stock on the modification date, the Compensation Committee determined that the retentive value of these awards had substantially diminished from the time they had been granted. The Compensation Committee determined that this repricing was in the best interests of the Company and its stockholders to provide a continued incentive for highly qualified employees with substantial experience in the Company's business to remain employed during a critical period for the Company.

Effective October 25, 2016, the Compensation Committee approved incremental equity grants under the 2013 Plan to 45 senior employees, including the Named Executive Officers other than Mr. Guimarães, each of whom had previously received equity awards under the 2007 Plan and 2013 Plan in 2013 and prior years. These retention awards were the only equity awards made to any of the Named Executive Officers during 2016 and were designed to provide an additional incentive for these employees to remain with the Company. Mr. Becker received 114,790 time-based vesting stock options and 47,477 performance-based vesting stock options because the Compensation Committee wanted to provide an incentive to Mr. Becker that was tied to an increase in the overall equity value of the Company, and the other 44 senior employees received restricted stock units ("RSUs") and/or performance share units ("PSUs"). The time-based vesting stock options and RSUs granted on October 25, 2016 will become vested on June 17, 2018, if the recipient continuously remains employed by the Company through that date. 50% of the performance-based vesting stock options and PSUs granted on October 25, 2016 will become vested if the Company achieves applicable equity value targets ("Equity Value Targets") in 2016 and 50% will become vested if the Company achieves the applicable Equity Value Targets in 2017, in each case, subject to the recipient remaining continuously employed by the Company through June 17, 2018. See "Grants of Plan-Based Awards in 2016" for more information on these grants.

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Elements of Laureate's 2016 Compensation Program

There are three key components of our executive comp