

Student Loan Code of Conduct

Prohibition Against Certain Remuneration to the College

The College shall not solicit, accept, or agree to accept anything of value from any Lending Institution in exchange for any advantage or consideration provided the Lending Institution related to its student loan activity. This prohibition includes, but is not limited to:

- Any Revenue Sharing agreements
- The College's receipt from any Lending Institution or any computer hardware for which the College pays below market prices; and
- Printing costs or services.

This prohibition shall not be construed to prohibit the College from soliciting, accepting, or agreeing to accept favorable terms or conditions of a Student Loan inuring directly to Borrowers.

The College shall not solicit, accept, or agree to accept from any Lending Institution any computer software for the electronic management of student loan disbursements unless such software can manage student loan disbursements from all Lending Institutions.

Notwithstanding anything else in this Code of Conduct, the College may accept assistance as contemplated in 34 CFR 682.200(b)(definition of Lender)(50(i).

Prohibition Against Remuneration to College Employees

The College shall require and ensure that no officer, trustee, director, employee, or agent of the College accepts anything more than nominal value on his or her own behalf or on behalf of another during any 12 month period from, or on behalf of, Lending Institution.

This prohibition shall include, but not be limited to a ban on any payment or reimbursement by Lending Institutions to any College employee for lodging, meals, or travel to conferences or training seminars.

This prohibition shall not be construed to prohibit any officer, trustee, director, employee, or agent of the College from conducting non-Student loan business with any Lending Institution.

This prohibition shall not be construed to prevent the College from holding membership in any nonprofit professional association. The College may continue to have personnel representing it on current and successor state

agency boards as they may be created to promote the College's interest in all current and future state grant programs as may benefit the College's students

as well as all current and future loan processes and services necessary to perform electronic and online data exchanges with Direct Loans. These boards do not have a primary function in providing the College or any board member representation in determining any lender(s) or guarantor(s) for student borrowers.

Limitations on College Employees Participating on Lender Advisory Boards

The College shall prohibit any officer, trustee, director, employee, or agent of the College from receiving any remuneration for serving as a member or participant of an advisory board of a Lending Institution, or receiving any reimbursement of expenses for so serving provided, however, that participation on advisory boards that are unrelated in any way to student loans shall not be prohibited.

This prohibition shall not prevent any officer, trustee, director, employee, or agent of the College, who is uninvolved in the affairs of the College's financial aid office, from serving on a Board of Directors of a publicly traded or privately held company.

Preferred Lender Lists

The College shall not provide or otherwise disseminate or make available a Preferred Lender List that is used to deny or otherwise impede a Borrower's choice of lender; or contains fewer than three unaffiliated Lending Institutions.

In the event that the College promulgates a list of preferred or recommended lenders or similar ranking or designation, the following must be adhered to:

- Every brochure, web page or other document that sets forth a Preferred Lender List must disclose in plain language the process by which the College selected lenders for the List, including but not limited to the criteria used in compiling the list and the relative importance of those criteria.
- Every brochure, web page or other document that sets forth a Preferred Lender List or identifies any lender as being on said Preferred Lender List shall state in the same font and same manner as the predominant text on the document that a Borrower has the right and ability to select the education loan provider of their choice, are not limited to or required to select the Lending Institution of his or her choice, is not required to use any of the lenders on the Preferred Lender List, and will suffer no penalty or unnecessary delay by the College for choosing a lender that is not on the Preferred Lender List.

- The College's decision to include a Lending Institution on any Preferred Lender List shall be determined solely by consideration of the best interests of the Borrowers who may use the Preferred Lender List, without regard to the pecuniary interests of the College.
- The composition of any Preferred Lender List shall be reviewed and updated at least once a year by the College.
- No Lending Institution shall be placed on any Preferred Lender List unless the Lending Institution provides assurance to the College and to Borrowers that advertised benefits upon repayment will continue to inure to the benefit of Borrowers regardless of whether the Lending Institution's student loans are sold.
- No Lending Institution, of which the College is expressly aware, has an agreement to sell its student loans to another unaffiliated Lending Institution shall be included on any Preferred Lender List unless such agreement is disclosed therein in the same font and same manner as the predominant text on the document in which the Preferred Lender List appears.
- No Lending Institution shall be placed on any one of the College's Preferred Lender Lists or in favored placement on any one of the College's Preferred Lender Lists for a particular type of loan, in exchange for benefits provided to the College or to the College's students in connection with a different type of loan.
- Every Preferred Lender List shall include at least three unrelated Lending Institutions, and for any affiliated lenders on the list, the College shall disclose the specifics of such affiliation.
- The College may provide a list of allowable and prohibited practices and services that Lending Institutions may provide.
- The College shall not allow any Lending Institution to use the name or any symbol or logo of the College in marketing any loan in any way that implicates that the College endorses the loans offered by the Lending Institution.
- The College shall prohibit the use of the logo of any Lending Institution on the College's financial aid materials.

Prohibition of Lending Institution's Staffing of College Financial Aid Offices

The College shall prohibit and ensure that no employee, representative, or agent of a Lending Institution is ever identified to students of the College or their parents as an employee of the College. The College shall prohibit and ensure that not employee, representative, or agent of a Lending Institution provides staffing services to the College's financial aid office.

This prohibition shall not be construed to prohibit any Lender from providing "entrance" and "exit" interviews allowed under 34 CFR 682.200(b)(Definition of Lender)(5)(i), provided, however, the College shall ensure that any such employee, representative, or agent of a Lending Institution conducting such interview identifies himself or herself as a representative of the Lending Institution and does not promote the Lending Institution's products during such interview.

Prohibition Against Opportunity Loans

The College shall not arrange with a Lending Institution to provide any Opportunity Loans to Borrowers. Nothing in the Agreement, however, shall be construed to prevent the College from offering or arranging loans to international students, at fair market rates, when those students would be otherwise unable to secure a domestic loan.

Definitions

Borrower – A student attending the College or a parent or guardian of a student who obtains a student loan to pay for or finance higher education expenses.

Lending Institution – Any entity that directly or through an affiliate engages in the business of making or securitizing student loans, or any entity or association of entities that guarantees student loans.

Opportunity Loans – Student loans that a Lending Institution agrees to make up to a specified aggregate amount to students with poor or no credit history, who the Lending Institution claims would otherwise not be eligible for the lender's alternative loan program. Which are made in exchange for certain minimum loan volume or other benefit that a College agrees to provide to the Lending Institution.

Preferred Lender List – A list of recommended or suggested Lending Institutions that a College makes available for use, in print or in any other medium or form, by Borrowers, prospective Borrowers, or others.

Revenue Sharing – Any arrangement in which a Lending Institution pays a College or an affiliated entity or organization of a College a percentage of the principal of each loan directed towards the Colleges from a Borrower at the College or any form of commission related to the loan.