

CODE OF CONDUCT REGARDING LENDER RELATIONSHIPS AND LOANS

This Code of Conduct governs all actions by any employee or agent who has contact with guaranty agencies or lenders for federal or private loans (“Loans”). See the attached checklist.

CODE OF CONDUCT

The College has adopted the following Code of Conduct (“Code”) with respect to Lenders. “Lenders” are defined as: (1) private lenders who make Loans that the College’s student and parent borrowers can use to help pay the cost of the College’s educational programs; (2) the entities that service, guaranty and/or securitize those Loans; and (3) the entities, such as trade or professional associations, that receive money related to Loan activities from those private lenders, servicers, guarantors and securitizers.

All directors, officers, employees and other representatives of the College (“College Representatives”) are required to comply with each of the following rules and to promptly inform either the General Counsel or the CEO (as directed by the College in writing) if they become aware of facts indicating there may have been a violation:

1. Prohibited Relationships:

- a. No College Representative shall act as an officer, employee, consultant, or sales representative for Lender.
- b. No financial aid officer or employee of the College (including officers who oversee the financial aid office and/or the College’s relationships with Lenders) shall serve on the board of directors of a Lender, and no other employee, officer or director of the College shall serve as an uncompensated member of the

board of directors of any Lender, unless such individual has confirmed in writing that he/she will abide by the College’s published conflict of interest policy and has obtained written permission from the General Counsel or the CEO.

- c. No financial aid officer or employee shall serve on any *advisory board* for any Lender, nor shall any other College Representative serve on such a board, unless such service has been *approved in writing* by the General Counsel or the CEO.

2. Prohibited Investments: No College Representative shall purchase or accept any stock, bond or other equitable or legal interest, nor any option to acquire such an interest, in any Lender. This prohibition does not preclude ownership of units in a mutual fund holding such stocks or bonds.

3. Prohibited Benefits to Individuals: No College Representative shall accept any prize, gift, compensation, entertainment (including concert and sporting event tickets), meals, travel cost reimbursement, or other benefit from any Lender (“Prohibited Benefits”). This does not include promotional items of nominal value, conference meals and refreshments open to all attendees, and reimbursement of reasonable costs for domestic travel to attend conferences or seminars providing training on the administration of Loans or to attend advisory board meetings focused on best practices. If any Lender attempts to offer any Prohibited Benefit, the College Representative shall promptly report it to the General Counsel or the CEO and, if

required, to the state department of education for any state in which the College maintains a campus.

4. Prohibited Benefits or Inducements to College:

- a. The College shall not accept any payment or benefit of any kind from any Lender including, without limitation, any rebate or share of revenue and any computer software or hardware (at no charge or at below market rates), as consideration for entering into a contractual relationship or for placing a Lender on a preferred lender list.
- b. The College shall not accept from any Lender any “opportunity pool”, revenue sharing or similar funding arrangements offered for use in making private loans to higher risk students in exchange for promises or concessions by the College.
- c. The College may accept philanthropic contributions from a Lender only if such contributions are made without any expectation or promise of any preferred status, advantage, recommendation, business volume, or other benefit.

5. Prohibited Promotions: The College shall not allow its name, logo or emblem, or any other words, symbols or photographs readily associated with the College to be used by any Lender in any advertisement, publication or other communication suggesting that the College has endorsed Loans or services offered or guaranteed Lender. The College shall assure that all materials provided to students about Loans shall prominently identify the name of the Lender.

6. Prohibited Representations and Services:

- a. The College shall not allow any employee, agent, or representative of any Lender to represent himself or herself to the public or to otherwise act as an agent or representative of the College.
- b. No College Representative shall represent himself or herself to the public or otherwise act as an agent or representative of any Lender.
- c. The College generally shall not accept any assistance from a Lender for financial aid office or Contact Center staffing, but may accept:
 - staffing assistance on a short term basis in the event of a disaster creating emergency needs;
 - entrance and exit counseling services when supervised by a financial aid officer of the College; and
 - financial literacy materials not promoting any Lender.

7. Prohibited Inducements: The College shall not offer or provide to any Lender any inducement to secure any business relationship, any particular kinds of Loans or scholarships, services or other benefits. This prohibition includes, but is not limited to, any promise of Loan volume, preferred status, or any other advantage or benefit.

8. [If Applicable] Preferred Lender Lists: The College shall comply with the following requirements for any list of preferred Lenders (“Lender List”) given to students and parents:

- a. The Lender List shall include a prominent reminder that students may use a Lender not on the list and that the College is required to process Loan documents for any

- eligible Lender selected by students;
- b. The College shall include on the financial aid page of its website a prominent reminder that students are not required to use any Lender recommended by the College and may select any other Lender;
 - c. The Lender List shall clearly disclose the College's selection process and selection criteria;
 - d. Criteria for selecting preferred Lenders shall emphasize student interests and benefits – competitive rates and high quality service, along with business reputation, financial strength and processing capabilities of the Lender;
 - e. Terms offered by preferred Lenders must be equally available to all of the College's eligible students;
 - f. The College's financial aid staff shall conduct a performance review of its preferred Lenders at least once every 12 months and make changes when appropriate;
 - g. The Lender List shall include comparative information for listed Lenders, including interest rates, origination fees and repayment terms, including all information required by the DoE's Model Disclosure Form for presentation of information required by the federal Truth in Lending Act (TILA);
 - h. The Lender List shall include information on the maximum amount of federal grant and loan aid available to students;
 - i. The Lender List shall disclose all types of financial aid that may be available from the College;
 - j. At least three unaffiliated lenders for federal loans and two unaffiliated lenders for private loans shall be listed (periodic

- reviews of the DoE lender affiliation webpage shall be conducted to determine affiliation status of all listed lenders); if one or more lenders withdraw and *fewer than three unaffiliated lenders* remain, the College shall cease to use a preferred Lender list and instead shall only offer contact information for all Lenders willing to make Loans;
- k. If any Lender listed is affiliated to another Lender on the list, such affiliation shall be disclosed on the list;
 - l. No Lender will be included which has offered any payments or other benefits to the College to seek preferred status;
 - m. No Lender will be included which is known to sell its Loans to another Lender but has not disclosed such relationship;
 - n. No Lender shall be included which offers prizes or other benefits to students for applying for Loans; and
 - o. No Lender shall be included which makes unsolicited mailings of Loan applications to students.

9. Loan Processing Arrangements:

- a. The College shall not use any software or processing system or practices that create a "default" arrangement through which a student borrower is automatically referred to any one or more Lenders, whether or not any such Lenders have been designated by the College as "preferred Lenders".
- b. The College shall not use any financial aid processing or packaging practices that delay certification of borrowers choosing

Lenders not on the College's Lender List.

10. Federal and Private Comparisons: If the College provides students with information on Loans from private lenders, it shall provide each student with a separate written reminder of the potential availability of federal student loans and a written comparison between the principal terms of such loans and the principal terms of federal student loans, including eligibility conditions, interest rates, origination fees, and repayment options and terms.

11. Limitations on Student Information Disclosures: In the absence of a signed authorization from specific students or parents (in the case of minors) or documentation showing that the specific students or parents have filed an application with a specific Lender, the College shall not disclose any information about the financial

needs, resources and Loan options, or considerations of its students to any prospective Lender or to any other person or entity, excluding those entities and persons to which disclosure is authorized under the Family Education Rights and Privacy Act (FERPA) statutory and regulatory provisions.

12. [If Applicable] Preferred Lender List Disclosures: The College shall annually give written disclosure to the U.S. Secretary of Education and to students about all Lenders selected for inclusion on any Preferred Lender List published by the College, explaining why the Lenders were selected, identifying the student benefits of each, providing the Model Disclosure Form information and, if required by state law, shall provide the same written report to any state education department with oversight of the College.