

Financial Aid Code of Conduct

I. Definitions

A. "Lending Institution" or "Lender" shall mean (i) any entity that itself, or through an affiliate, engages in the business of making loans to students, parents or others for purposes of

education, or (ii) any entity that provides educational loans. "Lending Institution" or "Lender" shall not include the University or the state or federal government.

B. "University" shall mean the university, college, professional trade school or other entity providing post-secondary education that adopts this Code of Conduct.

C. "Opportunity Loans" shall mean loans to international students or other students who, because they have poor or no credit history, do not have access to student loans on reasonable terms.

D. "Compensation" shall mean anything of value including, but not limited to, grants, vacations, prizes, gifts or other items of value, whether given directly or indirectly,

E. "Trade Association" shall mean any higher education financial aid lending or banking trade, industry or professional association that receives Compensation within the preceding 12-month period from any Lending Institution or Lender. The Connecticut

Conference of Independent Colleges shall not be deemed to have "Trade Association" solely by virtue of its contract to administer the Connecticut Higher Supplemental Loan Authority ("CHESLA").

F. "Outside Director" shall mean a member of a Lender's Board of Directors or Board of Trustees who receives compensation from such Lender in connection with his or her service on the Board of Directors or Board of Trustees and who receives no other compensation from the Lender or its officers, directors, or Agents.

G. "Agent" shall mean a person acting as a representative of and at the direction of or under the control of a University where such person's responsibilities with respect to the University relate primarily to the University's activities involving financial aid or the business of higher education loans.

II. Code of Conduct

A. Prohibition of Certain Compensation to University Employees

1. No University trustee, director, officer, or Agent, or any employee who is employed in the financial aid office of the University or who otherwise has responsibilities with respect to higher educational loans or other financial aid at his or her University, and no spouse or dependent children of any such person ("Family Member"), shall accept any Compensation period from or on behalf of a Lending Institution or Trade Association, except that this provision shall not be construed to prohibit any officer, trustee, director, Agent or employee of the University, or any financial aid officer, from receiving Compensation for the conduct of non-University business with any Lending Institution or Trade Association, or from accepting Compensation that is offered to the general public.

2. Notwithstanding the prohibitions in subsection II.A.1 or any other provision of this Code of Conduct: (a) The University may hold membership in any association for financial

Association of a University trustee or officer in connection with the employment of the

Trade Association and receive Compensation at the Lending Institution's or Trade Association's

Association is precluded from participating in such board's discussions or decisions that might

affect the interests of the University, and provided further that such University trustee, officer,

annual written notice of the requirements of both this Code of Conduct and the University's

conflict of interest policy. Further, notwithstanding the prohibitions in subsection II A-1 a,

have responsibilities with respect to higher education loans or financial aid shall not be prevented

the Lending Institution or Trade Association, provided that any such person serving on the board
of the University is precluded from participating in such board's discussions or decisions that
might affect the interests of such Lender or Trade Association or that relate to financial aid or
higher education loans.

3. Nothing in this Code of Conduct shall be construed to conflict with the

§10a-203(a), and §§10a-221 et seq.

4. The prohibitions set forth in this subsection II A shall include, but not be limited,

University employee or Family Member for lodging, meals, or travel to conferences or training

...value provided or derived by a Lender or Trade Association at a meeting, conference or

precluded from attending any educational or training program related to financial aid or higher

Trade Association's program on request of the university, and provided that the registration fee

program

15. Limitations on University Employee's Programs on Lender Advisory

Boards

No University officer, trustee, director, Agent or employee, or any of their Family

Members, shall serve on an advisory board for a Lender. Lenders can obtain advice and opinions

of financial aid officials on financial aid products and services through Trade Associations

...the mechanisms that do not require service on Lender advisory boards and

to participation on advisory boards that are unrelated in any way to financial aid or higher
education loans.

C. Prohibition of Certain Compensation to the University

1. Neither the University, nor any alumni association, booster club, foundation,

...identification, social identification, academic identification, non-academic identification, or

...these organizations, shall enter into any agreement with the University ("Affiliated Organization")

Compensation from any Lending Institution or Trade Association in exchange for any advantage or consideration provided to the Lending Institution or Trade Association related to the Lending

Institution's or Trade Association's financial and/or education loan activity. This prohibition

shall include, but not be limited to (i) revenue sharing by a Lending Institution or Trade

Affiliated Organizations from any Lending Institution or Trade Association of any equipment or

Affiliated Organizations shall not be prohibited from accepting a Lender's or Trade

Association's own standard printed brochures or informational material that does not contain the

University's logo or otherwise identify the University.

2. Notwithstanding anything else in this subsection II.C., the University may accept

assistance comparable to the kinds of assistance provided by the Cl system of the U.S.

Gifts, capital contributions, scholarships, funding, or other financial support from a Lender or

Trade Association, so long as the University gives no competitive advantage or preferential

treatment to the Lender or Trade Association related to its education loan activity in exchange

for such support.

D. Preferred Lender Lists

In the event that the University promulgates a list of preferred or recommended lenders or

similar ranking or designation ("Preferred Lender List"), then:

1. Every brochure, web page or other document that sets forth a Preferred Lender List must clearly disclose, textually or by clearly designated hyperlinks, the process by which the University selected Lenders for said Preferred Lender List, including but not limited to the criteria used in compiling said list and the relative importance of those criteria; and

2. Every brochure, web page or other document that sets forth a Preferred Lender List shall immediately identify each Lender on being on said Preferred Lender List in the same font and same manner as the predominant text on the document that students and their parents have

3. The University's selection of Preferred Lenders and the University's decision as to where or how prominently on the list the Lending Institution's name appears shall be based

limited to benefits provided to borrowers (such as competitive interest rates and repayment terms, quality of loan servicing, and whether loans will be sold) and the ability to work efficiently and effectively with the University to process loans, without regard to the pecuniary

Members. The University's selection of said Preferred Lender shall be limited to the types of types of loans, and the University's Preferred Lender list shall indicate the types of loans for which each Lender has been selected as a Preferred Lender. Nothing in this provision is

intended to restrict the University's ability to exercise its discretion in making its own, final

parent borrowers.

and

students contain no less than three (3) Lending Institutions:

E. Prohibition of Lending Institutions' Staffing of University Financial Aid Offices

no employee or other agent of a Lending Institution may staff the University

financial aid offices at any time. The University shall ensure that no employee or other

representative of a Lending Institution is ever identified to students, prospective students of the

University or their parents as an employee or agent of the University. The foregoing

prohibitions notwithstanding, if the University believes that it would benefit students, the

University may allow representatives of Lenders to conduct informational sessions, such as

interviews and presentations on loan payment and loan consolidation options, so long as: (a)

student attendance is voluntary; (b) a University representative explains that other Lenders may

provide similar services; (c) the affiliation of the Lender representative is disclosed at the start

requirements of this paragraph.

In the event that the University permits a Lender to conduct information sessions or exit interviews as set forth in subsection E.1. above, the University must retain control of any

interview or presentation offered by Lenders. Control may be evidenced by (a) a University

the interview or presentation to the Lender in person or via electronic communication via

interview.

F. Proper Execution of Master Promissory Notes

The University shall not link or otherwise direct potential borrowers to any electronic Master Promissory Note or other loan agreement unless the Master Promissory Note or agreement allows

University's link to the electronic Master Promissory Note or agreement informs borrowers of

borrower's choice. Any information the University provides to borrowers about completing a

Master Promissory Note or agreement with a Preferred Lender must provide the information

required in subsections II.D.1. and II.D.2. above.

G. Requirements for Opportunity Loans

The University may enter into arrangements with Lenders to provide Opportunity Loans to

University has selected Preferred Lenders in accordance with the provisions of Section II.D above,

or it may create a process for selecting Lenders to provide Opportunity Loans as long as that

accept, solicit or consider a Lending Institution's offer to provide any Opportunity Loans in exchange for the University providing concessions, benefits or promises to the Lender.

H. Revolving Door Prohibition

In the event a Lender hires an employee who was employed by the University during the 12 month period prior to the date of hire by the University, such employee shall be prohibited from having any dealings or interactions with such Lender on behalf of the University for a period of 12 months from the date such employee's employment with the Lender was terminated.

2. In the event a Lender hires an employee who was employed by the University during

the 12-month period prior to the date of hire by the Lender, such employee shall be prohibited from having any dealings or interactions with such Lender that relate to financial aid or higher education loans for a period of 12 months from the date such employee's employment with the University was terminated.