

AGREEMENT ON CODE OF CONDUCT

Prohibition of Certain Remuneration to School Employees

1. The School shall require and ensure that no officer, trustee, director, employee, or agent of the School accepts anything of more than nominal value on his or her own behalf or on behalf of another from or on behalf of a Lending Institution, except that this provision shall not be construed to prohibit any officer, trustee, director, employee, or agent of the School from conducting (a) non-School business with any Lending Institution; or (b) School business unrelated to education loans. As used in the preceding sentence and throughout the Code of Conduct, a Lending Institution is defined as:
 - a) Any entity that itself or through an affiliate engages in the business of making loans to students, parents or others for purposes of financing higher education expenses or that securitizes such loans; or
 - b) Any entity, or association of entities, that guarantees education loans; or
 - c) Any industry, trade or professional association that, to the best of School's knowledge after reasonable inquiry, receives money from any entity described above in subsections (a) and (b).
2. Nothing in this provision or throughout the Code of Conduct shall prevent the School from holding membership in any nonprofit professional association.
3. The prohibition set forth in the previous paragraph shall include, but not be limited to, a ban on any payment or reimbursement by a Lending Institution to a School employee for lodging, meals, or travel to conferences or training seminars unless such payment or reimbursement is related solely to non-School business unrelated to education loans.

Limitations on School Employees Participating on Lender Advisory Boards

4. The School shall prohibit any officer, trustee, director, employee, or agent of the School 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 higher education loans shall not be prohibited by the Code of Conduct.

Prohibition of Certain Remuneration to the School

5. The School may not accept on its own behalf anything of value from any Lending Institution in exchange for any advantage or consideration provided to the Lending Institution related to its education loan activity. This prohibition shall include, but not be limited to, (i) "revenue sharing" by a Lending Institution with the School, (ii) the School's receipt from any Lending Institution of any computer hardware for which the School pays below-market prices and (iii) printing costs or services. This section does not prohibit the School making available publications printed at the expense of others if the publications do not contain any endorsements by the School or the name, logo, or any other School identifiers.

Notwithstanding anything else in this paragraph, the School may accept assistance as contemplated in 34 CFR 682.200(b)(definition of "LenderW)(5)(i).

Preferred Lender Lists

6. In the event that the School promulgates a list of preferred or recommended lenders or similar ranking or designation ("Preferred Lender List"), then
 - (a) Every brochure, web page or other document that sets forth a Preferred Lender List must clearly disclose the process by which the School 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
 - (b) 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 students and their parents have the right and ability to select the education loan provider of their choice, are not required to use any of the lenders on said Preferred Lender List, and will suffer no penalty for choosing a lender that is not on said Preferred Lender List.
 - (c) The School's decision to include a Lending Institution on any such list and the School's decision as to where on the list the Lending Institution's name appears shall be determined solely by consideration of the best interests of the students or parents who may use said list without regard to the pecuniary interests of the School;

- (d) The constitution of any Preferred Lender List shall be reviewed no less than annually;
- (e) No Lending Institution shall be placed on any Preferred Lender List unless the said lender provides assurance to the School and to student and parent borrowers who take out loans from said Lending Institution that the advertised benefits upon repayment will continue to inure to the benefit of student and parent borrowers regardless of whether the Lending Institution's loan are sold;
- (f) No Lending Institution that, to the best of School's knowledge after reasonable inquiry, has an agreement to sell its 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;
- (g) No Lending Institution shall be placed on any one of the School's Preferred Lender Lists or in favored placement on any one of the School's Preferred Lender Lists for a particular type of loan, in exchange for benefits provided to the School or to the School's students in connection with a different type of loan;
- (h) Beginning February 1, 2008, no Lending Institution shall be placed on any one of the School's Preferred Lender Lists unless said Lending Institution has agreed with the Attorney General or the Attorney General of another state to abide by a Lending Code of Conduct, except that this limitation shall not apply to (i) banks subject to regulation by the Comptroller of Currency of the United States, or (ii) a Lending Institution that has not been asked by the Attorney General or the Attorney General of another state to abide by a Lending Code of Conduct at least thirty (30) days prior to being placed on the Preferred Lender List.

Prohibition of Lending Institutions' Staffing of School Financial Aid Offices

- 7. The School may not allow and shall ensure that no employee or other agent of a Lending Institution is ever identified to students or prospective students of the School or their parents as an employee or agent of the School. No employee or other agent of a Lending Institution may staff the School financial aid offices at any time.

Proper Execution of Master Promissory Notes

- 8. The School shall not link or otherwise direct potential borrowers to any electronic Master Promissory Notes or other loan agreements that do not allow

students to enter the lender code or name for any lender offering the relevant loan.

School as Lender

9. If the School participates in the "School as Lender" program under 20 U.S.C. 51085(d)(1)(E), the School may not treat School As Lender loans any differently than if the loans originated directly from another lender; all sections of the Code of Conduct apply equally to such School as Lender loans as if the loans were provided by another lender.

Prohibition of Opportunity Loans

10. As used herein, "override pools," "opportunity funds," and "opportunity loans" refer to any agreement, understanding or practice in which a lender applies more lenient loan underwriting criteria than it otherwise would to a certain class of loan. Applicants if the school meets certain milestones or metrics with respect to other loans with that lender, such as the number of loans initiated or in force, or the dollar amount of such loans, or where the lender agrees with your school to lend money to students outside the Federal Family Education Loan Program (FFEL), at the direction of your school, in exchange for your school dropping out of the federal direct loan program and/or marketing the lender's separate FFELP loans to students.
11. The School shall not arrange with a Lending Institution to participate in any override pools, opportunity funds, or opportunity loans, as defined above, if the participation in such program(s) prejudices any other borrower. The provision of override pools, opportunity funds, or opportunity loans by a Lending Institution is not a violation of this Code of Conduct if placement on the School's Preferred Lending List is not a condition of the Lending Institution providing the override pools, opportunity funds, or opportunity loans, or the level of funding is not conditioned on a certain lending volume being reached