

# Student Loan Code of Conduct

On August 14, 2008, the Higher Education Opportunity Act was signed into law. In order to comply with this Act and all federal and state law and standards, the National Labor College has prepared this Student Loan Code of Conduct. In the interest of providing students and families with full, fair, and effective information and assistance pertaining to student loans, National Labor College (NLC) and its officers, employees, and agents (hereinafter "personnel") shall comply with the following standards in all aspects of student loan operations.

## 1. Revenue Sharing Restrictions

NLC and its personnel may not receive anything of value from any lending institution in exchange for any advantage sought by the lending institution. Lenders are not permitted to pay a fee or provide other material benefit in order to be included in NLC's preferred lender list.

## 2. Gift Restrictions

NLC personnel who are employed in the financial aid office or who otherwise have responsibilities with respect to student loans may not solicit or accept any gratuity, favor, discount, entertainment, hospitality, loan, or other item of more than nominal value from any lending institution. This includes gifts of services, transportation, lodging, or meals, whether provided in kind, by reimbursement, or by other means. It does not include such items as food, refreshments, training, or informational material furnished as part of professional development activities, or philanthropic contributions to the college that are unrelated to education loans.

The same restriction applies to a family member of NLC personnel, or to any other individual based on that individual's relationship with personnel, if the gift is given with the knowledge and consent of the personnel, and the personnel has reason to believe the gift was given because of the official position of the personnel.

## 3. Contracting Restrictions

NLC personnel who are employed in the financial aid office or who otherwise have responsibilities with respect to student loans shall not accept from any lender or affiliate any fee, payment, or other financial benefit as compensation for any type of consulting arrangement or other contract to provide services relating to education loans.

## 4. Loan Assignment and Certification Restrictions

NLC and its personnel shall not assign, through award packaging or other means, a first-time borrower's loan to a particular lender, nor refuse to certify or delay certification of any loan based on the borrower's selection of a particular lender or guaranty agency.

## 5. Prohibition on Offers of Funds for Private Loans

NLC and its personnel shall not request or accept from any lender any offer of funds to be used for private education loans in exchange for NLC providing concessions or promises to provide the lender with a specified number of loans made, insured, or guaranteed; a specified loan volume; or a preferred lender arrangement.

## 6. Staffing Assistance Restrictions

NLC and its personnel shall not request or accept from any lender any assistance with call center staffing or financial aid staffing. No employee or agent of a lender may be employed by NLC's financial aid office, nor may such employees or agents identify themselves to students as NLC employees. This does not prohibit NLC from requesting or accepting professional development training for financial aid employees, written materials to inform borrowers (provided that such materials disclose the identification of any lender involved in their preparation), or services on a short-term, non-recurring basis to assist the college with financial aid-related operations during declared local, state, or federal emergencies.

## 7. Advisory Board Compensation Rules

NLC personnel who are employed in the financial aid office or otherwise have responsibilities with respect to student financial aid may serve on an advisory board, commission, or group established by lenders or guarantors. However, such personnel are prohibited from receiving anything of value from the lenders or guarantors for such service, other than reimbursement for reasonable expenses incurred in providing such service.

## 8. Preferred Lender List Restrictions

NLC preferred lender lists are based solely on the best interests of the students and families who may use the list, without regard to financial interests of the college. On all lists, the college will clearly and fully disclose the criteria and process used to select preferred lenders. Students will be told that they have the right and ability to select the lender of their choice regardless of the preferred lender lists.

## 9. Loan Resale Disclosure

NLC will not permit a lender to appear on a preferred lender list unless the lender agrees to disclose to the student at the time of the loan any pre-existing agreement to sell the loan to another lender.