

Messiah College Code of Conduct for Student Loan Programs

Messiah College prohibits a conflict of interest with the responsibilities of an agent of the institution with respect to FFEL Program loans and private education loans.

Messiah College will not participate in revenue-sharing arrangements with any lender. This means that Messiah College will not participate in any arrangement whereby:

- A lender provides or issues a FFEL Program loan or private education loan to students attending the institution or to the families of such students; and
 - the institution recommends the lender or the loan products of the lender and in exchange, the lender pays a fee or provides other material benefits, including revenue or profit sharing, to the institution;
 - employees of the financial aid office receive gifts from a lender, a guarantor, or a loan servicer. Persons who are employed in the Messiah College Financial Aid Office, or who otherwise have responsibilities with respect to FFEL Program loans or private education loans, must not solicit or accept any gift from a lender, guarantor, or servicer of FFEL Program loans or private education loans;
 - The term gift means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a de minimus amount. The term includes a gift of services, transportation, lodging, or meals, whether provided in kind or by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.
 - The term gift does not include any of the following:
 - Standard material, activities, or programs on issues related to a loan, default aversion, default prevention, or financial literacy, such as a brochure, a workshop, or training.

- Food, refreshments, training, or informational material furnished to an agent as an integral part of a training session that is designed to improve the service of a lender, guarantor, or servicer of FFEL Program loans or private education loans to the institution, if such training contributes to the professional development of the agent.
 - Favorable terms, conditions, and borrower benefits on a FFEL Program loan or private education loan provided to a student employed by the institution if such terms, conditions, or benefits are comparable to those provided to all students of the institution.
 - Entrance and exit counseling services provided to borrowers to meet the institution's responsibilities for entrance and exit counseling, as long as the institution's staff are in control of the counseling (whether in person or via electronic capabilities) and such counseling does not promote the products or services of any specific lender.
 - Philanthropic contributions to an institution from a lender, servicer, or guarantor of FFEL Program loans or private education loans that are unrelated to FFEL Program loans or private education loans or any contribution from any lender, servicer, or guarantor that is not made in exchange for any advantage related to FFEL Program loans or private education loans.
 - State education grants, scholarships, or financial aid funds administered by or on behalf of a State.
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- A gift to a family member of an agent, or to any other individual based on that individual's relationship with the agent, is considered a gift to the agent if—
 - The gift is given with the knowledge and acquiescence of the agent; and
 - The agent has reason to believe the gift was given because of the official position of the agent;

Consulting or other contracting arrangements

An individual who is employed in the Messiah College Financial Aid Office or who otherwise has responsibilities with respect to FFEL Program loans or private education loans is prohibited from accepting, from any lender or affiliate of any lender, any fee, payment, or other financial benefit (including the opportunity to purchase stock) as compensation for any type of consulting arrangement or other contract to provide services to a lender or on behalf of a lender relating to FFEL Program loans or private education loans. Nothing in this section will be construed as prohibiting—

- An agent who is not employed in the institution's financial aid office and who does not otherwise have responsibilities with respect to FFEL Program loans or private education loans from performing paid or unpaid service on a board of directors of a lender, guarantor, or servicer of education loans;
- An agent who is not employed in the institution's financial aid office but who has responsibility with respect to FFEL Program loans or private education loans from performing paid or unpaid service on a board of directors of a lender, guarantor, or servicer of FFEL Program loans or private education loans, if the institution has a written conflict of interest policy that clearly sets forth that agents must recuse themselves from participating in any decision of the board regarding FFEL Program loans or private education loans at the institution; or
- An officer, employee, or contractor of a lender, guarantor, or servicer of FFEL Program loans or private education loans from serving on a board of directors, or serving as a trustee, of an institution, if the institution has a written conflict of interest policy that the board member or trustee must recuse themselves from any decision regarding FFEL Program loans or private education loans at the institution.

Agents must recuse themselves in certain situations

- An agent who is not employed in the institution's financial aid office but who has responsibility with respect to FFEL Program loans or private education loans may perform paid or unpaid service on a board of directors of a lender, guarantor, or servicer of FFEL Program loans or private education loans as long as the individual recuses himself or herself in any decision of the board regarding FFEL Program loans or private education loans at the institution.
- An officer, employee, or contractor of a lender, guarantor, or servicer of FFEL Program loans or private education loans may serve on the Messiah College Board of Trustees if the institution has a written conflict of interest policy that the board member recuses himself or herself in any decision of the board regarding FFEL Program loans or private education loans at the institution.

Directing borrowers to particular lenders or delaying loan certifications

Messiah College prohibits:

- For any first-time borrower, the assignment, through award packaging or other methods, the borrower's loan to a particular lender; or
- the refusal, by an institutional employee, to certify a loan from a particular lender, or
- delaying certification of any loan based on the borrower's selection of a particular lender or guaranty agency;

Offers of funds for private loans

Messiah College will not request or accept from any lender any offer of funds to be used for private education loans, including funds for an opportunity pool loan, to students in exchange for the institution providing concessions or promises regarding providing the lender with—

- A specified number of FFEL Program loans or private education loans;
- A specified loan volume of such loans; or
- A preferred lender arrangement for such loans.

The term *opportunity pool loan* means a private education loan made by a lender to a student attending the institution, or the family member of such a student, that involves a payment, directly or indirectly, by such institution of points, premiums, additional interest, or financial support to such lender for the purpose of such lender extending credit to the student or the family;

Staffing assistance.

Messiah College will not request or accept from any lender any assistance with call center staffing or Financial Aid Office staffing, except that nothing in this paragraph will be

construed to prohibit the institution from requesting or accepting assistance from a lender related to—

- Professional development training for financial aid administrators;
- Providing educational counseling materials, financial literacy materials, or debt management materials to borrowers, provided that such materials disclose to borrowers the identification of any lender that assisted in preparing or providing such materials; or
- Staffing services on a short-term, nonrecurring basis to assist the institution with financial aid-related functions during emergencies, including State-declared or Federally declared natural disasters, Federally declared national disasters, and other localized disasters and emergencies identified by the Secretary.

Advisory board compensation.

Any employee who is employed in the Messiah College Financial Aid Office, or who otherwise has responsibilities with respect to FFEL Program loans or private education loans or other student financial aid of the institution, and who serves on an advisory board, commission, or group established by a lender, guarantor, or group of lenders or guarantors, is prohibited from receiving anything of value from the lender, guarantor, or group of lenders or guarantors, except that the employee may be reimbursed for reasonable expenses incurred in serving on such advisory board, commission, or group.