

Code of Conduct for Education Loans

Student Loan Code of Conduct

MCTC has adopted this Student Loan Code of Conduct to serve as the formal guiding principles in ensuring the integrity of the student aid process and ethical conduct of employees in regard to student loan practices. The Student Loan Code of Conduct applies to all employees who work in the Office of Financial Aid and all other College employees, including agents of the College who have responsibilities related to educational loans or other forms of student financial aid. The Student Loan Code of Conduct has been established to meet the requirements contained in the 2008 Higher Education Opportunity Act. Items in this Code of Conduct provide additional standards of conduct for employees with responsibility for student financial aid and do not replace any existing or future requirements imposed by State of Kentucky or KCTCS related to codes of conduct, conflict of interest policies, ethics training, or other such requirements.

The Student Loan Code of Conduct also confirms that MCTC does not have preferred lender arrangements of any kind or a preferred lender list

Revenue Sharing

The College and its employees will not enter into any type of revenue-sharing arrangement with any lender, guarantor or servicer.

Gifts

Employees of the Office of Financial Aid and Scholarships are prohibited from soliciting or accepting any gift from a lender, guarantor, or servicer of education loans. Gifts include any gratuity, favor, discount, entertainment, hospitality, loan or other item. This includes a gift of services, transportation, lodging, or meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has incurred. Gifts to family members of a College employee are considered to be a gift to the employee if the gift is given with the knowledge and consent of the employee and there is reason to believe the gift was given because of the official position of that employee.

Contracting Arrangements

Employees of the Office of Financial Aid and Scholarships shall not accept from any lender or affiliate of any lender any fee, payment or other financial benefit (including opportunity to purchase stock) as compensation for any consulting arrangement or other contract to provide services to a lender or on behalf of a lender relating to education loans.

Preferred Lender Status

MCTC participates in the William D. Ford Federal Direct Loan Program which provides student and parent loans through the U.S. Department of Education. Lenders in the private student loan

industry will not be given a preferred status. MCTC does not have any preferred lender arrangements that give any lender an advantage in securing business from our students. The College does not provide students a preferred lender list from which to select a lender for a private student loan. All loans are processed without regard to lender or mode of transmission (i.e., electronic or paper). MCTC will neither recommend a private loan lender nor accept material benefits including revenue or profit sharing to the institution, an officer, or an employee of the institution or an agent.

Private Loan Certification

The College will not assign a borrower's private student loan to a particular lender; all decisions will be made by the borrower in his/her independent review of borrower benefits and lender services. The College will not refuse to certify, or delay certification of, any loan based on the borrower's selection of a particular lender or guaranty agency.

Opportunity Pool Loan

The College will not request or accept from any lender any offer of funds to be used for private education loans (as defined in section 140 of the Truth in Lending Act), including funds for an opportunity pool loan to students in exchange for Seminole State providing concessions or promises regarding providing the lender with (i) a specified number of federal loans made, insured or guaranteed; (ii) a specified federal loan volume; or (iii) a preferred lender arrangement for such loans.

Staffing Assistance

MCTC will not request or accept from any lender, guarantor, or servicer of student loans any assistance with call center staffing or financial aid office staffing.

Advisory Board Compensation

Employees of the Office of Financial Aid who serve on an advisory board, commission or group established by a lender, guarantor or group of lenders or guarantors are 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