

CODE OF CONDUCT FOR OUR FINANCIAL AID PROFESSIONALS AND AGENTS:

Our financial aid professionals and agents are expected to always maintain exemplary standards of professional conduct in all aspects of carrying out his/her responsibilities, specifically including all dealings with any entities involved in any manner in student financial aid, regardless of whether such entities are involved in a government sponsored, subsidized, or regulated activity. In doing so a financial aid professional or agent must refrain from:

Revenue-sharing arrangements with any lender. The law defines “revenue-sharing arrangements” as any arrangement between an institution and a lender under which the lender makes Title IV loans to students attending the institution (or to families of those students), 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 or its officers, employees, or agents;

Receiving gifts from a lender, guaranty agency, or loan servicer. No Director or employee of the institution’s financial aid office (or an employee or agent who otherwise has responsibilities with respect to educational loans) may solicit or accept any gift from a lender, guarantor, or servicer of educational loans. A “gift” is defined as any gratuity, favor, discount, entertainment, hospitality, loan, or other item having monetary value of more than a de minimus amount. However, a gift does not include (1) a brochure, workshop, or training using standard materials relating to a loan, default aversion, or financial literacy; (2) food, training, or informational material provided as part of a training session designed to improve the service of a lender, guarantor, or servicer if the training contributes to the professional development of the institution’s Director, employee or agent; (3) favorable terms and benefits on an education loan provided to a student employed by the institution if those terms and benefits are comparable to those provided to all students at the institution; (4) entrance and exit counseling as long as the institution’s staff are in control of the counseling and the counseling does not promote the services of a specific lender; (5) philanthropic contributions from a lender, guarantor, or servicer that are unrelated to education loans or any contribution that is not made in exchange for advantage related to education loans, and; (6) State education grants, scholarships or financial aid funds administered by or on behalf of a State;

Contracting arrangements. No Director or employee of the institution’s financial aid office (or an employee or agent who otherwise has responsibilities with respect to educational loans) may accept from a lender, or an affiliate of any lender, any fee, payment, or other financial benefit as compensation for any type of consulting arrangement or contract to provide services to or on behalf of a lender relating to education loans;

Steering borrowers to particular lenders or delaying loan certifications. For any borrower, an institution may not assign, through the award packaging or other methods, the borrower’s loan to a particular lender. In addition, the institution may not refuse to certify, or delay the certification, of any loan based on the borrower’s selection of a particular lender or guaranty agency;

Offers of funds for private loans. An institution may not request or accept from any lender any offer of funds for private loans, including funds for an opportunity pool loan, to students in exchange for providing concessions or promises to the lender for a specific number of Title IV loans made, insured, or guaranteed, a specified loan volume, or a preferred lender arrangement. An “opportunity pool loan” is defined as a private education loan made by a lender to a student (or the student’s family) that involves a payment by the institution to the lender for extending credit to the student;

Staffing assistance. An institution may not request or accept from any lender any assistance with call center staffing or financial aid office staffing, except that a lender may provide professional development training, educational counseling materials (as long as the materials identify the lender that assisted in preparing the materials), or staffing services on a short-term, nonrecurring basis during emergencies or disasters;

Receiving advisory board compensation. An employee of an institution's financial aid office (or employee who otherwise has responsibilities with respect to education loans or financial aid) who serves on an advisory board, commission, or group established by a lender or guarantor (or a group of lenders or guarantors) is prohibited from receiving anything of value from the lender, guarantor, or group, except for reimbursement for reasonable expenses incurred by the employee for serving on the board.

There should never be any difference between "ethical" and "best" practices. The ethical practice is the best practice. As a parent company, Lincoln Educational Services unequivocally supports the principles of this Code of Conduct. When a practice or policy arises that appears in conflict with these principles it is the obligation of the financial aid professional/agent to bring this to the attention of those responsible within his or her institution, and to seek a resolution consistent with these principles.