

JNA Student Financial Aid Code of Conduct

1. Conflicts of Interest: It is the policy of JNA Institute of Culinary Arts to prohibit conflicts of interest with respect to education loans, including loans made under the Federal Family Education Loan program and private education loans.
2. Gifts:
 - a. An employee of JNA Institute of Culinary Arts who is employed in the Office of Financial Aid or who otherwise has responsibilities with respect to FFEL Program loans or private education loans may not solicit or accept any gift from a lender, guarantor, or servicer of FFEL Program loans or private education loans.
 - b. This prohibition applies to a gift to a family member of an employee of JNA Institute of Culinary Arts, or to any other individual based on that individual's relationship with the employee, if the gift is given with the knowledge and acquiescence of the employee, and the employee has reason to believe the gift was given because of the official position of the employee.
 - c. For purposes of this section, "gift" means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a de minimis amount. The term includes a gift of services, transportation, lodging, or meals, whether provided in kind, by purchase of a ticket, by payment in advance, or by reimbursement after the expense has been incurred.
 - d. This section does not prohibit the acceptance of the following:
 - i. standard materials, activities, or programs on issues related to a loan, default aversion, default prevention, or financial literacy, such as a brochure, a workshop, or training;
 - ii. food, refreshments, training, or informational material furnished to an employee of JNA Institute of Culinary Arts 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 the training contributes to the professional development of the employee;
 - iii. favorable terms, conditions, and borrower benefits on a FFEL Program loan or private education loan provided to a student employed by JNA Institute of Culinary Arts if comparable to those provided to all students of the institution;
 - iv. entrance and exit counseling services provided to borrowers to meet the responsibilities of JNA Institute of Culinary Arts for entrance and exit counseling as required by 20 U.S.C. 1092 (b) and (l) if the institution's staff are in control of the counseling (whether in person or electronically), and the counseling does not promote the products or services of any specific lender;
 - v. philanthropic contributions to JNA Institute of Culinary Arts 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, guarantor, or servicer that is not made in exchange for any advantage related to FFEL Program loans or private education loans; or

- vi. state education grants, scholarships, or financial aid funds administered by or on behalf of a state.
3. Advisory board compensation:
 - a. An employee of JNA Institute of Culinary Arts who is employed in the Office of Financial Aid or who otherwise has responsibilities with respect to FFEL Program loans or private education loans or other student financial aid of JNA Institute of Culinary Arts, and who serves on an advisory board, commission, or group established by a lender, guarantor, or group of lenders or guarantors, may not receive anything of value from the lender, guarantor, or group of lenders or guarantors, except as provided by Subsection (b).
 - b. This section does not prohibit an employee from being reimbursed for reasonable expenses incurred in serving on the advisory board, commission, or group.
4. Contracting arrangements:
 - a. An employee of JNA Institute of Culinary Arts who is employed in the Office of Financial Aid or who otherwise has responsibilities with respect to FFEL Program loans or private education loans may not accept any fee, payment, or other financial benefit, including the opportunity to purchase stock, from a lender or a lender affiliate 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.
 - b. This section does not prohibit:
 - i. an employee of JNA Institute of Culinary Arts who is not employed in the Office of Financial Aid 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;
 - ii. an employee of JNA Institute of Culinary Arts who is not employed in the Office of Financial Aid 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, provided that the employee recuses himself or herself from participating in any decision of the board regarding FFEL Program loans or private education loans at JNA Institute of Culinary Arts; or
 - iii. an officer, employee, or contractor of a lender, guarantor, or servicer of FFEL Program loans or private education loans from serving on the Program Advisory Committee, provided that the officer, employee, or contractor recuses himself or herself from any decision regarding FFEL Program loans or private education loans at JNA Institute of Culinary Arts.
5. Stock ownership prohibited:

An employee of JNA Institute of Culinary Arts who is employed in the Office of Financial Aid or who otherwise has responsibilities with respect to FFEL Program loans or private education loans may not own stock or hold another ownership interest in a lender, other than through ownership of shares in a publicly traded mutual fund or similar

investment vehicle in which the person does not exercise any discretion regarding the investment of the assets of the fund or other investment vehicle.

6. Interaction with borrowers:

JNA Institute of Culinary Arts may not:

- a. for a first-time borrower, assign, through award packaging or other methods, the borrower's loan to a particular lender; or
- b. refuse to certify, or delay certification of, any loan based on the borrower's selection of a particular lender or guaranty agency.

7. Offers of funds for private loans:

- a. JNA Institute of Culinary Arts may 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 JNA Institute of Culinary Arts providing concessions or promises regarding providing the lender with:
 - i. a specified number of FFEL Program loans or private education loans;
 - ii. a specified loan volume of those loans; or
 - iii. a preferred lender arrangement for those loans.
- b. In this section, "opportunity pool loan" means a private education loan made by a lender to a student attending the institution or to a student's family member that involves a payment, directly or indirectly, by JNA Institute of Culinary Arts of points, premiums, additional interest, or financial support to the lender for the purpose of the lender extending credit to the student or family member.

8. Staffing assistance:

- a. JNA Institute of Culinary Arts may not request or accept any assistance with call center staffing or Office of Financial Aid staffing from any lender, except as provided by Subsection (b).
- b. This section does not prohibit JNA Institute of Culinary Arts from requesting or accepting assistance from a lender related to:
 - i. professional development training for financial aid administrators;
 - ii. the provision of educational counseling materials, financial literacy materials, or debt management materials to borrowers, provided that the materials disclose to borrowers the identification of any lender that assisted in preparing or providing those materials; or
 - iii. the provision of staffing services on a short-term, non-recurring basis to assist JNA Institute of Culinary Arts 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 of Education.

9. Revenue-Sharing Arrangements:

- a. JNA Institute of Culinary Arts may not enter into any revenue-sharing arrangement with a lender.
- b. In this section, "revenue-sharing arrangement" means an arrangement between an institution and a lender under which a lender provides or issues a FFEL Program loan or private education loan to students attending the institution or to their families, and the institution recommends the lender or the lender's loan products in exchange for the lender paying a fee or providing other material benefits,

including revenue or profit sharing, to the institution or an officer or employee of the institution.

10. Definitions:

The following definitions apply in this Student Financial Aid Code of Conduct:

- a. "FFEL Program Loan" means a loan made, ensured, or guaranteed under Part B, Title IV, of the federal Higher Education Act of 1965, as amended (P.L. 89-329).
- b. "Lender" means:
 - An eligible lender in the Federal Family Education Loan (FFEL) Program for loans made, ensured, or guaranteed under Part B, Title IV, of the federal Higher Education Act of 1965, as amended (P.L. 89-329).
 - A private educational lender as defined in Section 140 of the federal Truth in Lending Act.
 - Any other person engaged in the business of securing, making, or extending education loans on behalf of the lender.
- c. "Private Education Loan" means a loan provided by a private educational lender that is not a Title IV loan and that is issued expressly for postsecondary education expenses to a borrower, regardless of whether the loan is provided through the educational institution that the student attends or directly to the borrower from the private educational lender. A private education loan does not include an extension of credit under an open end consumer credit plan, a reverse mortgage transaction, a residential mortgage transaction, or any other loan that is secured by a real property or a dwelling.