

CHOWAN UNIVERSITY CODE OF CONDUCT

In keeping with its role as being devoted to the highest standards, Chowan University is committed to an environment of uncompromising integrity and ethical conduct with regard to its student loan practices. Accordingly, each employee shall take all reasonable steps to adhere to the following principles in the University's financial aid operations:

1. Chowan University employees should receive no personal benefit.

No officer, trustee or employee of Chowan University shall accept anything of more than nominal value. For example, cash, stocks, gifts, entertainment, expense-paid trips, etc. should never be accepted from a Lending Institution. Likewise, an individual should never receive payment or reimbursement from a Lending Institution for lodging, meals or travel to conferences or training seminars. An employee may attend conferences and meetings of tax-exempt organizations that are funded or sponsored by more than one entity and, subject to state law, receive materials, refreshments, and other things of like value provided at such professional conferences and meetings.

2. Chowan University employees should not serve on lender advisory boards for remuneration.

University employees of the financial aid office, or any employee who otherwise has responsibilities with respect to educational loans, who serve on an advisory board (or commission or group) relating to educational loans established by a lender or group of lenders from receiving anything of value from the lender or group of lenders in connection with serving on such advisory board.

3. Chowan University employees should not enter into any type of consulting arrangement.

University employees of the financial aid office, or any employee who otherwise has responsibilities with respect to education loans, are prohibited from entering into any type of consulting arrangement or other contract to provide to a lender services relating to education loans.

4. The University should not provide any advantage to a Lending Institution.

The University shall not accept anything of value from any Lending Institution in exchange for any advantage or consideration provided to the Lending Institution related to its student loan activities, including but not limited to revenue-sharing, printing costs or below-cost computer hardware or software. Likewise, the University shall not allow any Lending Institution to (a) staff the University's financial aid office at any time; or (b) communicate with the University's students or their parents in such a manner as to create the impression that the Lending Institution is an employee or agent of the University in connection with the University's student financial aid operations.

5. The University should make appropriate use of any Preferred Lender Lists.

The selection of Lending Institutions for inclusion on the Preferred Lender List shall be based on the best interests of the University's students and their parents without regard to the financial interests of the University. In addition, any Preferred Lender List shall clearly explain:

- Students and their parents are free to select the Lending Institution of their choice and will suffer no penalty imposed by the University from using a Lending Institution that is not a "preferred lender".
- Students and their parents are not required to use any of the "preferred lenders".
- Where to find information on other Lending Institutions for student loans;
- The University will promptly certify any loan from any Lending Institution selected by a borrower, in accordance with U.S. Department of Education regulations;
- The process the University utilized to select "preferred lenders".