



THE JOHN MARSHALL LAW SCHOOL

Student Lending Code of Conduct

1. **Statement of Commitment:** The John Marshall Law School does not currently recommend specific lenders, nor does it participate in any preferred lender arrangements. However, JMLS recognizes that it must carry out its role in the student financial aid process according to high standards of professionalism and ethics. To ensure the integrity of the student financial aid process, JMLS has established this Student Lending Code of Conduct and will take all reasonable steps to adhere to the guidelines set forth below.
2. **Specific Obligations:** The following list has been developed to detail certain practices not permitted by JMLS in administering financial aid under Title IV.
 - a. **JMLS will not enter into any revenue-sharing arrangement with any lender:** JMLS does not have, nor will it enter any agreement with any lender that provides or issues loans that are made, insured, or guaranteed pursuant to federal student aid programs established under Title IV of the Higher Education Act of 1965, as amended (Lender), in which the lender pays a fee or provides other material benefits, including revenue or profit-sharing to JMLS, or an officer, trustee, employee, or agent of JMLS.
 - b. **JMLS personnel will not accept improper benefits:**
 - i. No JMLS officer, trustee, employee, or agent who has responsibilities with respect to financial aid will solicit or accept any gift or other material benefit having a monetary value of more than a de minimus amount from a Lender. A gift or material benefit means any gratuity, favor, discount, entertainment, hospitality, loan, service, transportation, lodging, or meals, whether provided in kind, by purchasing a ticket, payment in advance, or reimbursement after the expense has been incurred.
 - ii. A gift or material benefit does not include any of the following items or services listed below. But while the above items do not legally constitute a gift or material benefit, these matters should be reported to the General Counsel and Assistant Dean for Human Resource for an assessment under the law school's conflict of interest and commitment policy:

1. 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.
 2. Food, refreshments, training, or informational material furnished as an integral part of a training session that is designed to improve the service of a lender, guarantor, or servicer of education loans to the institution, if such training contributes to the professional development of the officer, employee, or agent.
 3. Favorable terms, conditions, and borrower benefits on an education loan provided to a student employed by JMLS if such terms, conditions, or benefits are comparable to those provided to all students at JMLS.
 4. Entrance and exit counseling services provided to students as long as JMLS staff are in control of the counseling (whether in person or via electronic capabilities) and the counseling does not promote the products or services of any specific lender.
 5. Philanthropic contributions to JMLS from a lender, servicer, or guarantor of education loans that are unrelated to education loans or any contribution from any lender, guarantor, or servicer that is not made in exchange for any advantage related to education loans.
 6. State education grants, scholarships, or financial aid funds administered by or on behalf of a state.
- iii. With the advance approval of the Dean or the Dean's designee, JMLS officers, employees, or agents may:
1. Conduct non-school-related business with any Lender and, subject to state law, receive value in connection with such non-school-related business, provided that such value is not intended to influence the officer, employee, or agent with regard to the student loan activities of the Lender at JMLS;
 2. Conduct JMLS business with any Lender and, subject to state law, receive value on behalf of JMLS that is not related to the student loan activities of the Lender;

3. 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; and
 4. Hold membership in, serve on the board of, or participate in the activities of any tax-exempt organization and, subject to state law, receive travel reimbursements and other things of value from such tax-exempt organization for such activities.
- iv. No family member of an officer, trustee employee, or agent of JMLS who is has responsibilities with respect to financial aid may solicit or accept any gift or material benefit from a Lender if (a) the gift is given with the knowledge and acquiescence of the officer, trustee, employee, or agent; and (2) the officer, trustee, employee, or agent has reason to believe the gift was given because of the position held at JMLS.
- c. **JMLS personnel will not enter into improper contractual relationships with lenders:** No officer, trustee, employee, or agent, or agent of JMLS who has responsibilities with respect to financial aid will accept any compensation from any Lender or any Lender's affiliate for any type of consulting arrangement or other contract to provide services on behalf of the Lender. Such compensation includes fees, cash payments, or other financial benefits (including the opportunity to purchase stock). However, with advance approval by the Dean, the following activities regarding paid or unpaid service on a board of directors of a Lender are permitted:
- i. A JMLS officer or employee who does not have responsibilities with respect to education loans, or an agent who does not have responsibilities with respect to education loans, may perform paid or unpaid service on a board of directors of a lender, guarantor, or servicer of education loans; or
 - ii. A JMLS officer or employee who is not employed in the Office of Financial Aid but who has responsibility with respect to education loans as a result of a position held at JMLS, or an agent who has responsibility with respect to education loans, may, perform paid or unpaid service on a board of directors of a lender, guarantor, or servicer of education loans, in accordance with the JMLS's conflict of interest and commitment policy.

- d. **JMLS will not improperly steer borrowers to a lender:** JMLS will not assign a first-time borrower's loan to a particular Lender, through award packaging or other methods. JMLS will not refuse to certify or unreasonably delay certification of any loan based on the borrower's selection of a particular Lender or guaranty agency. This section does not preclude JMLS from requiring all borrowers to use the Federal Direct Loan program.
- e. **JMLS will not enter into improper contractual relationships with Lenders:** JMLS does not and will not request or accept funds from a Lender that are intended to be used for Private Educational Loans (i.e., non-Title IV loans) for students in exchange for JMLS's promise to refer student applications for Title IV loans to the Lender, or for the promise that such referrals be for a certain specified Title IV loan volume, or for the promise that such referrals be made pursuant to a preferred lender arrangement.
- f. **JMLS will not accept improper staffing assistance:** JMLS does not and will not request or accept any assistance with call center staffing or financial aid office staffing from a Lender, except where permitted by law for professional development and training of financial aid administrators or on a short-term non-recurring basis during emergencies, including State-declared or federally declared disasters, or with the permission of the Secretary of United States Department of Education. JMLS may provide certain materials to borrowers, including educational counseling materials, financial literacy materials, or debt management materials, which were produced by Lenders, provided that such materials clearly identify the Lender that assisted in preparing or providing such materials.
- g. **JMLS personnel will not be compensated for serving on lender advisory boards:** No JMLS officer, trustee, employee, or agent who has responsibilities with respect to financial aid will receive anything of value for serving as a member or participant of an advisory board, commission, or group established by a Lender, guarantor of a Lender, or a group of lenders or guarantors. However, with advance approval of the Dean, JMLS personnel may receive reimbursement for reasonable expenses incurred in serving on such advisory board, commission, or group.
- h. **JMLS will use preferred lender lists properly:** JMLS does not currently recommend specific lenders. If JMLS decides in the future to promulgate a list or lists of preferred or recommended Lenders for student loans ("Preferred Lender List"), JMLS will prepare the Preferred Lender List according to the best interests of JMLS's

students and prospective students, without regard to JMLS's financial interests. JMLS's use of the Preferred Lender List will not deny or impede a student borrower's choice of a lender, or result in an unnecessary delay in the certification of a Title IV loan for a borrower who chooses a Lender not on the list. In addition, the Preferred Lender List will:

- i. Disclose detailed information about the terms and conditions of the loans and conditions of the loans offered by preferred lenders, as required under section 153(a)(2)(A) of the Higher Education Act;
- ii. Disclose why it entered into an arrangement with each lender, particularly with respect to terms and conditions or provisions favorable to the borrower;
- iii. Disclose that students and families of students do not have to borrow from a lender on the Preferred Lender List;
- iv. Ensure that the list contains at least three unaffiliated lenders if the institution has a Preferred Lender List for Private Education Loans the list must contain at least two unaffiliated lenders for those loans. The list must specifically indicate whether a lender is or is not an affiliate of each other lender on the list. If a lender is an affiliate of another lender the institution must describe that affiliation;
- v. Prominently disclose the method and criteria used in selecting the lenders to ensure that the lenders to ensure that the lenders are selected on the basis of the best interests of the borrowers.

Questions on this Student Lending Code of Conduct can be directed to the Office of Financial Aid.

Administrative policy adopted February 28, 2018; effective immediately.