

## Code of Conduct and Truth in Lending

### Financial Aid Administrators and Related Staff

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**The Salon Professional Academy's primary goal** is to assist students in achieving their educational career goals by providing appropriate financial resources. The Financial Aid Office is committed to:

- Making every effort to assist students and families with their financial need.
- Inform students and remove financial barriers for those desiring to further their education.
- Educating students and families concerning all consumer information and aid available for those who qualify.
- Protecting and respecting the privacy of students.
- Ensuring the confidentiality of student records and personal circumstances.
- Performing a needs analysis for each student desiring to apply for financial assistance with all needs analysis performed in a consistent manner.
- Providing services that do not discriminate on the basis of race, gender, religion, age, economic status, ethnicity or sexual orientation.
- Attending training seminars after approved for Title IV funding to stay current with all Department of Education regulations.
- Remaining at the highest level of ethical behavior.
- No Co-branding or sharing of logos with lender(s).

**The Salon Professional Academy Financial Aid Office is expected to** always maintain ideal standards of professionalism in relation to interacting with students and families while carrying out the responsibilities of their position. All Academy Staff involved will:

- Remain objective in making decisions and advising in relation to the student's financial aid.
- Provide accurate information without any personal bias.
- Abstain from taking any actions for personal benefit.
- After approved for Federal funding, follow the Title IV laws and regulations.
- Will keep the best interest of the student and families first and foremost.
- Refrain from soliciting or accepting gifts from loan agencies, or any government agency.

#### Code of Conduct Requirements for The Academy – Affiliated Organizations

- The Code of Conduct will be displayed in plain sight on The Academy's website.
- The Academy will administer, enforce, and review the Code of Conduct for all Academy staff involved annually.
- Lenders are also required to enforce and review the same Code of Conduct with the affiliate's agents annually.
- The Academy prohibits a conflict of interest between The Academy Financial Aid Director and the preferred lenders.
- The Academy does not promote any lender during the Entrance/Exit Interview process.
- The Academy does not promise any loan volume to any preferred lender.
- The Code of Conduct prohibits revenue-sharing arrangements with any lender.
  - The Academy will not collect a fee in exchange for promoting a lender nor collect any revenue or profit sharing.
  - The Financial Aid Director or Owner will not receive gifts from any preferred lender.
    - "Gifts" include: gratuity, favor, discount, entertainment, hospitality, loan, services, transportation, lodging, meal, or other items deemed as a "gift".
    - The term "gift" does not include: food or refreshments during a professional training session meant to improve service and does not include favorable

- terms to student, standard marketing material, and philanthropic contributions from a lender in exchange for advantages to related loans, or any state aid.
    - The Academy will utilize marketing materials advantageous to the applicant from the lender(s) to counsel, aid in financial literacy and debt management as long as the lender discloses that the lender prepared the provided materials.
  - The Academy prohibits contracting arrangement providing financial benefit from any lender or affiliate of a lender and:
    - Prohibits offers of funds for private loans.
    - Prohibits call center or financial aid office staffing assistance.
    - Prohibits Advisory Board compensation.
  - The Academy does not hire any consultants contracted by any private lender.
  - The Academy does not have any affiliates of lenders serve on any lender Advisory Board.
  - The Academy owners/staff will not participate on any affiliated lenders Advisory Board.
  - The Academy's Financial Aid Office is prohibited from directing borrowers to certain lenders or delaying loan certifications.
  - The Academy does not assign lenders to any student's aid award package and does not refuse, or delay loan certification based on the borrower's choice of lender.
  - The Academy is not involved in payment to any lenders, whether directly or indirectly, in exchange for points, premiums, or interest of financial support in exchange for extending credit to a student.
- **Academies offering Federal Aid under the Program Participation Agreement will:**
  - Develop, publish, administer and enforce the code of conduct with respect to loans guaranteed under the Title IV programs or Higher Education Act (HEA) loan programs.
  - Compile yearly, maintain, and make available to all students, a list of lenders for loans issued or guaranteed under the Title IV programs or HEA loan programs.
  - The Academy, upon request from a student or prospective student, must provide a Department of Education/FRB self-certification form and information needed to complete the form.
  - Self-certification form must contain disclosures stating the applicant may qualify for Federal, State, or Academy aid.
  - The applicant will be encouraged to discuss available options with the Financial Aid Administrator and private education loans may affect the applicant's eligibility for Federal, State, or Academy aid.
  - The Academy will aid the applicant in reviewing what information the applicant must provide on the self-certification form obtained in The Academy Financial Aid Office.
  - Information reviewed with applicant will include Cost of Attendance (COA), the student's Estimated Financial Assistance (EFA), and the difference between the two.
  - The lender may provide to the applicant a pre-filled self-certification form. This self-certification form must be signed by the applicant.
  - The lender must obtain the signed self-certification form before consummation of the loan.
  - Lender may receive the self-certification from the applicant or The Academy.
- **Administrative Capability**
  - When the PPA is originally signed and upon continuing to participate in Title IV aid or HEA programs, The Academy will:
    - Report annually to The Department of Education any "reasonable reimbursements" in accordance with State or Federal reimbursement policies that are paid by any private education lenders to any Academy employee in the Financial Aid Office who is responsible for education loans.