

Athena Career Academy Code of Conduct for Student Loans

Policy Statement

Athena Career Academy, as a participant in federal loan programs, is required to have a code of conduct relating to student financial aid matters that is applicable to the school's agents and employees. The code of conduct requirements are set forth in the Higher Education Opportunity Act (HEOA) signed into law on August 14, 2008. In addition, the law includes requirements related to publication of the code and annual disclosures.

Reason for Policy

The HEOA program participation agreement which must be executed by all institutions participating in Title IV financial aid programs, including student loan programs, requires a code of conduct with which the institution's agents and employees shall comply. Such code must prohibit a conflict of interest with the responsibilities of an agent or employee of an institution with respect to such loans, and include the provisions set forth in the HEOA related to conflicts. The law further specifies that all agents or employees with responsibilities related to such loans be annually informed of the provisions of the code of conduct.

Scope of Policy

This Code of Conduct applies to all agents or employees of Athena Career Academy.

This Code of Conduct shall be annually distributed to all school agents or employees with responsibilities related to student loan activities.

Code of Conduct

Athena Career Academy hereby adopts the following as its Code of Conduct Related to Student Loan Activities and will annually inform all agents or employees with responsibilities for student loan activities and decisions of the provisions of this code.

1. **Revenue-sharing Arrangements.** The school shall not enter into any revenue-sharing arrangement with any lender.

The term "revenue-sharing arrangement" means an arrangement between the school and a lender under which –

- A lender provides or issues a loan that is made, insured, or guaranteed to students attending the school or to the families of such students; and
 - The school 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 school, an agent or employee of the school.
2. **Gifts.** No employee of the school who is employed in the financial aid office or who otherwise has responsibilities with respect to education loans, or agent who has

responsibilities with respect to the education loans, shall solicit or accept any gift from a lender, guarantor, or servicer of education loans.

The term “gift” means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a de minimum amount. The term includes a gift of services, transportation, lodging, or meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.

The term “gift” shall not include any of the following:

- 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.
- Food, refreshments, training, or informational material furnished to an agent or employee of the school, as an integral part of a training session that is designed to improve the service of a lender, guarantor, or services of education loans to the school, if such training contributes to the professional development of the agent or employee.
- Favorable terms, conditions, and borrower benefits on an educational loan provided to a student employed by the school if such terms, conditions, or benefits are comparable to those provided to all students of the school.
- Entrance and exit counseling services provided to borrowers to meet the school’s responsibilities for entrance and exit counseling as required by law, as long as the school’s staff are in control of the counseling, (whether in person or via electronic capabilities), and such counseling does not promote the products or services of any specific lender.
- Philanthropic contributions to the school from a lender, services, 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.
- State education grants, scholarships, or financial aid funds administered by or on behalf of a State.

A gift to a family member of an agent or employee of the school, or to any other individual based on that individual’s relationship with the agent or employee, shall be considered a gift to the agent or employee, if the gift is given with the knowledge and acquiescence of the agent or employee and the agent or employee, has reason to believe the gift was given because of the official position of the agent or employee.

3. **Compensation for Services.** An agent or employee who is employed in the financial aid office of the school or who otherwise has responsibilities with respect to education loans shall not accept from any lender or affiliate of any lender any fee, payment, or other financial benefit (including the opportunity to purchase stock) 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 education loans. Nothing in this paragraph shall be construed as prohibiting:

- An agent or employee of the school who is not employed in the school’s financial aid office and who does not otherwise have responsibilities with

respect to education loans, from performing paid or unpaid service on a board of directors of a lender, guarantor, or servicer of education loans.

- An agent or employee of the school who is not employed in the school's financial aid office but who has responsibility with respect to education loans as a result of a position held at the school, from performing paid or unpaid service on a board of directors of a lender, guarantor, or servicer of education loans, if the agent or employee recuses himself or herself from participating in any decision of the board regarding education loans at the school.

Sanctions

An employee who violates this Code of Conduct shall be disciplined in a manner consistent with applicable school policies or procedures. Disciplinary action may include termination for employment at the school.