



CALIFORNIA HAIR DESIGN ACADEMY

Financial Aid Code of Conduct

The Higher Education Opportunity Act (HEOA) requires educational institutions to develop and comply with a code of conduct that prohibits conflicts of interest for financial aid personnel [HEOA § 487 (a)(25)]. Any California Hair Design Academy, officer, employee, or agent who has responsibilities with respect to student educational loans must comply with this code of conduct. The following provisions bring California Hair Design Academy, into compliance with the federal law [HEOA § 487 (e)].

1. Neither California Hair Design Academy (“the Academy”), as an institution, nor any individual officer, employee or agent shall enter into any revenue-sharing arrangements with any lender. A revenue-sharing arrangement means an arrangement between the Academy and a lender under which the lender provides or issues loans to students attending the Academy or to the families of such students; and the Academy 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 Academy or its agents.
2. No officer or employee of the Academy 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 education loans, or any of their family members, shall solicit or accept any gift from a lender, guarantor, or servicer of education loans. For purposes of this prohibition, the term “gift” means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a *de minimus* amount.
3. An officer or employee of the Academy who is employed in the financial aid office or who otherwise has responsibilities with respect to education loans, or an agent who 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.
4. The Academy shall not: a) for any 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.
5. The Academy shall 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 the institution providing concessions or promises regarding providing the lender with: a) a specified number of private educational loans (non-Title IV loans) or loans made, insured, or guaranteed under Title IV; b) a specified loan volume of such loans; or c) a preferred lender arrangement for such loans.
6. The Academy shall not request or accept from any lender any assistance with call center staffing or financial aid office staffing.
7. Any employee who is employed in the financial aid office, or who otherwise has responsibilities with respect to education loans or other student financial aid, and who serves on an advisory board, commission, or group established by a lender, guarantor, or group of lenders or guarantors, shall be prohibited from receiving anything of value from the lender, guarantor, or group of lenders or guarantors, except that the employee may be reimbursed for reasonable expenses incurred in serving on such advisory board, commission or group.