

## Lender Policy and Code of Conduct | Office of Financial Aid

### Lender selection

William Peace University does not have a preferred lender list. William Peace University offers a historical list of lenders that students have used in prior years. Compliant to HEOA, which was signed into Federal law Aug. 14, 2008, William Peace University has established the following provisions for maintaining a recommended/preferred lender list. It is intended to ensure that William Peace University complies fully with the federal law governing student lending and that all decisions concerning student loans are made ethically, free from conflicts of interest and in the best interests of the borrowers, students and parents.

William Peace University believes it is important to give students and parents a starting point on where to begin the student loan search. It is our goal to provide a historical lender list for our borrowers to present them with lenders who offer good service and benefits. William Peace University does not recommend any particular lender to our students. William Peace University utilizes the ELM Select platform to display our historical lender list to students and families.

The following information is available upon request or on William Peace University's website: lender selection process; statement that borrowers are not limited to borrow from the lenders on the historical list and we will process loans through any lender they select; comparative information regarding interest rates and other benefits offered by lenders.

Students have the right to choose the lender of their choice. We will process any loan application received, regardless of the lender chosen. William Peace University will continue the following practice per the Student Loan Sunshine Act (H.R. 890).

- Establish and maintain a process for selecting lenders based on benefits to borrowers and disclose the rationale for selecting lenders included on the historical list. William Peace University will disclose this information to students and lenders.
- Disclose the criteria and process used to select lenders on this historical list
- Continue to indicate to students that they have the right to choose the lender of their choice
- Continue to provide a large sampling of lenders to choose from (minimum of 3 non-affiliated lenders)
- Identify to students if lenders on list are affiliated with other lenders
- Employees will not serve on lender advisory boards
- University will not enter into a risk-sharing agreement with a lender
- University will not allow staffing in financial aid office by lenders

### Lender list disclosures

William Peace University strongly recommends a student complete the Free Application for Federal Student Aid (FAFSA) to determine if they are eligible for more favorable types of financial aid before applying for a private education loan.

A student's financial aid award will reflect the maximum grants, scholarships, and Title IV loans they are eligible for. A student can review our [Scholarships and Awards page](#) to see the maximum awards available, based upon eligibility. We highly recommend that students review our [Learn About Loans page](#) to ensure that they are borrowing at the maximum Federal Loan amounts before borrowing private/alternative loans.

We recommend that students borrow a Federal Direct Loan before a private/alternative loan because:

- Federal Direct Loans typically have a lower interest rate, better repayment options, and loan forgiveness options
- Federal Direct Loans are guaranteed to the student as long as they complete the necessary paperwork – private/alternative loans require credit approval and usually a cosigner
- Students may be eligible for interest-free subsidized loans (this will be determined by the Financial Aid Office)
- Federal Direct Loan is completely in the student's name – not in a cosigner or parent's name

William Peace University will process a student's Federal Direct Loan and/or private loan in a timely manner regardless if they choose a lender from our historical list or not.

William Peace University will not allow a lender included on its historical lender list to use the name, emblem, mascot or logo of the University in the marketing of private loans to students that would imply William Peace University endorses or recommends that lender over another.

Our historical lender lists comply with the regulatory requirements prescribed to us from the Department of Education.

Disclosure of student enrollment and address information is made available to Title IV and private loan lenders through the National Student Clearinghouse. This data is updated by the Registrar's Office at the end of each term or at the time a student terminates their enrollment with the university.

## Code of conduct for education loans

Compliant to HEOA, which was signed into Federal law Aug. 14, 2008, and the amendments added later, William Peace University has established this Code of Conduct for Education Loans. It provides guidance and regulations to William Peace University employees involved with student loans to follow. It will be made available to them annually and accessible via William Peace University's website. In addition to the disclosures above, William Peace University employees will adhere to the following principles in the University's financial aid operations and will receive annual training on these standards of conduct:

## Revenue-sharing

William Peace University and its employees will not participate in any revenue sharing loan products where the University receives any sort of profit from the loans the student and/or parent borrows.

## Gifts

William Peace University and its employees will not accept, solicit or receive any gift or payment of other than nominal value (established as \$10 per employee) from a lender. This includes payment or reimbursement for lodging, meals or travel to conferences or training sessions. William Peace University and its employees will not allow lenders to print financial aid pieces that have the University logo.

## Consulting Arrangements

An officer or employee of the University who is employed in the Financial Aid Office of the University or who otherwise has responsibilities with respect to education loans, or 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.

## Contracting arrangements

No employee or other agent of a lending institution may staff the University financial aid offices at any time. The University shall ensure that no employee or other representative of a lending institution is ever identified to students or prospective students of the University or their parents as employee or agent of the University.

The foregoing prohibitions notwithstanding, if the university believes that it would benefit students, the University may allow representatives of lenders to conduct informational sessions, such as exit interview and presentations on loan payment and loan consolidation options, so long as: (a) student attendance is voluntary; (b) a University representative explains that other lenders may provide similar services; (c) the affiliation of the lender representative is disclosed at the start of the presentation; (d) the lender representative does not promote the products or services of any lender, and (e) the University takes reasonable steps to ensure compliance with the requirements of this paragraph.

In the event that the University permits a lender to conduct information sessions or exit interviews as set forth above, the University must retain control of any interview or presentation offered by lenders. Control may be evidenced by (a) a University employee attending such interview or presentation; or (b) the University recording or videotaping the interview or presentation.

## **Lender assignment**

William Peace University does not require any borrower, first-time or continuing, to select a specific lender. We will process a loan in a timely manner through any lender a borrower chooses.

## **Opportunity pool loans**

William Peace University will not request or accepted any offer of funds for loans in exchange for providing the lender with a preferred lender arrangement or a specified number of loans or loan volume amount.

## **Staffing assistance**

No lender shall provide staffing assistance to William Peace University except for the following: professional development training, educational counseling, financial literacy or debt management - provided the materials disclose to borrowers the identification of any lender that assisted in providing such materials.

## **Lender advisory boards**

No William Peace University employee shall receive any remuneration or reimbursement of expenses for serving as a member or participant of a student loan advisory board of a Lender's advisory board or council.

## **Private loans versus federal loans**

William Peace University will continue to inform students about Title IV loan availability and options before proceeding to certify an alternative loan.

## **Lender selection**

William Peace University provides our lender selection process on our webpage and is also available upon request.