



## **ADTALEM GLOBAL EDUCATION GROUP STUDENT FINANCE**

### **CONFLICT OF INTEREST POLICY AND CODE OF CONDUCT**

#### **I. Purpose**

The purpose of this policy is to prohibit conflicts of interest in situations involving student financial aid and to establish standards of conduct for employees with responsibility for student financial aid.

#### **II. Applicability**

This Policy applies to all employees of Adtalem Global Education Group and its subsidiaries (Adtalem) who work in the student finance area and all other employees who have responsibilities related to education loans or other forms of student financial aid. This policy supplements the Adtalem Global Education's Code of Conduct which applies to all employees.

#### **III. Definitions**

- A. **Conflict of Interest:** A conflict of interest exists when an employee's financial interests or other opportunities for personal benefit may compromise, or reasonably appear to compromise, the independence of judgment with which the employee performs their responsibilities.
  
- B. **Gift:** Any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a nominal amount of no more than \$10.00. 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" does not include any of the following:
  - 1. Standard materials, 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. Training or informational material furnished to Adtalem as an integral part of a training session that is designed to improve the service of a lender, guarantor, or servicer of educational loans to Adtalem, if such training contributes to the professional development of Adtalem's employees.

3. Favorable terms, conditions, and borrower benefits on an education loan provided to a student employed by Adtalem or an employee who is the parent of a student if such terms, conditions, or benefits are comparable to those provided to all students of Adtalem and are not provided because of the student's or parent's employment with Adtalem.
4. Entrance and exit counseling services provided to borrowers to meet Adtalem's responsibilities for entrance and exit counseling under federal law, so long as Adtalem's employees are in control of the counseling, and such counseling does not promote the products or services of any specific lender.
5. Philanthropic contributions to an institution 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.

**C. Opportunity pool loan:** A private education loan made by a lender to a student with poor or not credit history attending Adtalem or the family member of such a student that involves a payment, directly or indirectly, by Adtalem of points, premiums, additional interest, or financial support to such lender for the purpose of such lender extending credit to the student or the family.

**D. Revenue-sharing arrangement:** An arrangement between Adtalem and a lender under which (a) a lender provides or issues a loan to students attending Adtalem or to their families; and (b) Adtalem recommends the lender or the loan products of the lender and in exchange, the lender pays a fee or provides other materials benefits, including revenue or profit sharing, to Adtalem or its employees.

#### **IV. Policy Regarding Education Loans and Student Financial Aid**

##### **A. Revenue-Sharing Arrangements**

Adtalem will not enter into any revenue-sharing arrangement with any lender.

##### **B. Co-Branding**

Adtalem will not permit a private educational lender to use Adtalem's, name, emblem, mascot, logo, or any other words, pictures, or symbols associated with Adtalem to



imply endorsement of private educational loans by that lender.

### **C. Staffing Assistance**

Adtalem will not request or accept from any lender any assistance with call center or financial aid office staffing including in-person school required initial or exit counseling except as permitted by applicable federal or state code of conduct requirements. Nothing in this section, however, prevents Adtalem from accepting assistance from a lender related to (i) professional development training for its staff; (ii) providing educational counseling materials, financial literacy materials, or debt management materials to borrowers, provided that such materials disclose to borrowers the identification of any lender that assisted in preparing or providing such materials; or (iii) staffing services on a short-term, nonrecurring basis to assist Adtalem with financial aid-related functions during emergencies, including State-declared or federally declared natural disasters, federally declared national disasters, and other localized disasters and emergencies identified by the Secretary of Education.

### **D. Other Assistance**

Adtalem will not accept anything of value from a student loan lender in exchange for any advantage or consideration provided to the lender related to its education loan activity. This prohibition shall include, but not be limited to: (1) Adtalem's receipt from any lender of any computer hardware for which the school pays below market prices, (2) preferential rates for, or access to, a lender's other financial products and (3) printing costs or services.

### **E. Opportunity Loans**

Adtalem will not arrange with any lender to provide any opportunity loans as defined in Section III. C. above if the provision of such opportunity loan prejudices any other student borrower. Any opportunity loans entered into by Adtalem may be certified only if the agreement includes an option of short term or partial loans not to exceed one year, and Adtalem informs the borrower of the short term or partial loan option so the borrower can consider different or less expensive financing if the borrower's financial condition improves.

## **V. Code of Conduct**



#### **A. Conflicts of Interest**

1. No employee shall have a conflict of interest with respect to any education loan or other student financial aid for which the employee has responsibility.
2. No employee may process any transaction related to his/her own personal financial aid eligibility or that of a relative.

#### **B. Gifts**

No employee may accept any gift of more than nominal values (usually no more than \$10.00) from a lender, guarantor, or servicer of education loans. A gift to a family member of an employee or to any other individual based on that individual's relationship with the employee shall be considered a gift to the employee if the gift is given with the knowledge and acquiescence of the employee and the employee has reason to believe the gift was given because of the employee's position at Adtalem.

Token awards from professional associations (state, regional, or national) that recognize professional milestones or extraordinary service to parents and students, or scholarships for conference attendance or other professional development opportunities, may be accepted.

#### **C. Prohibited Contracting Arrangements**

No employee shall 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.

#### **D. Advisory Board Compensation**

No employee who serves on an advisory board, commission, or group established by a lender, guarantor, or group of lenders or guarantors may receive compensation or anything of value from the lender, guarantor, or group of lenders or guarantors in return for that service.

#### **E. Reimbursement of Expenses**

Expenses incurred while attending professional association meetings, conferences, or in connection with service on an advisory board, commission, or group described in Section V.D. of this Policy must be paid by Adtalem. Entertainment expenses such as concert or sports tickets or greens fees may not be accepted. Employees are expected to personally



pay for such expenses or request reimbursement from Adtalem in accordance with Company policy.

#### **F. Meals**

Employees may occasionally need to share meals with employees of lenders or guaranty agencies. Adtalem employees must pay for their own meals and report those expenses on an expense report except if the meal is offered to all participants at a meeting or event, or if meals are included as part of a registration fee.

#### **G. Financial Interests**

All employees must avoid (1) any equity interest in any student loan lender other than a remote interest<sup>1</sup> and (2) consulting or similar financial relationships with student loan lenders.

### **VI. Policy Violations**

Violations of this Policy may result in disciplinary action, up to and including termination of employment.

#### **References:**

[Arizona Student Loan Code of Conduct](#)

[New Jersey Student Loan Code of Conduct For Institutions of Higher Education](#)

[New York and Illinois Agreement on Code of Conduct](#)

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<sup>1</sup> For the purposes of this Code, “remote interest” means the ownership of less than three percent (3%) of the shares of a corporation provided the total annual income from dividends, including the value or stock dividends, from the corporation does not exceed five percent (5%) of the total annual income of such employees and any other payments made to him by the corporation do not exceed five percent (5%) of his total annual income.