

Federal and Private Education Loan Code of Conduct and Disclosure

Federal education loans and private education loans (collectively, "Loans") are two types of financial aid that are available to qualifying ITT Technical Institute students and their parents. It is important for you to understand ITT Technical Institute's position with respect to Lenders, which are defined to include:

- private lenders who make Loans that you and your parents can use to help pay the cost of an ITT Technical Institute education;
- the entities that service, guaranty and/or securitize those Loans; and
- the entities, such as trade or professional associations, that receive money related to Loan activities from those private lenders, servicers, guarantors and securitizers.

Code of Conduct: ITT Technical Institute has adopted the following code of conduct with respect to Lenders:

- (1) ITT Technical Institute officers, employees, agents, directors and trustees shall avoid real and perceived conflicts of interest between their duties and responsibilities at ITT Technical Institute and the Loans or other student financial aid made available to qualifying ITT Technical Institute students and their parents.
- (2) No ITT Technical Institute officer, employee, agent, contractor, director or trustee (collectively, "Employees") shall knowingly solicit, accept or receive any Gift (as defined below) from or on behalf of a Lender in connection with or related to his or her duties or responsibilities at ITT Technical Institute.
- (3) No Employee who is employed in the institute's Finance Department or has any direct responsibilities with respect to student financial aid will serve or participate on a Lender's advisory board, consult with a Lender or otherwise advise a Lender.
- (4) An Employee, who is not employed in the institute's Finance Department or does not have any direct responsibilities with respect to student financial aid, may serve on any board of any publicly traded or privately held company and solicit, accept and receive remuneration or expense reimbursement related thereto, regardless of whether that company is a Lender.
- (5) ITT Technical Institute shall not knowingly:
 - solicit, accept or receive any Gift from or on behalf of a Lender in exchange for any advantage or consideration provided to that Lender related to the Lender's Loan activities;
 - solicit, accept or receive any payments, referral fees, revenue sharing or similar financial arrangements from any Lender as a financial inducement for referring or recommending that Lender to its student and parent borrowers;

- permit any employee or other agent of a Lender to:
 - identify himself or herself to ITT Technical Institute's student or parent borrowers as an employee, representative or agent of ITT Technical Institute; or
 - work in the ITT Technical Institute Finance Department;
 - direct any of its student or parent borrowers to any electronic promissory notes or other loan agreements with respect to any Loans that do not provide the student or parent borrowers with a reasonable and convenient alternative to select their Lender for a particular type of Loan and complete that Lender's Loan documentation; or
 - request, accept or consider from any Lender any offer of funds to be used for private Loans to its student or parent borrowers, in exchange for ITT Technical Institute providing concessions or promises to the Lender that may prejudice any other of its student or parent borrowers.
- (6) If ITT Technical Institute refers or recommends any Lender(s) to its student or parent borrowers, ITT Technical Institute shall:
- disclose the process by which it selected the Lender(s), including the method and criteria that it used in determining to refer or recommend the Lender(s) and the relative importance of those criteria;
 - disclose to students and their parents that they are free to use any Lender;
 - only refer or recommend a Lender that, as a whole, it has determined offers Loans that have competitive rates, terms, borrower benefits, services and loan administration (collectively, "Terms");
 - review annually the competitiveness of the Terms of the Loans offered by the Lender(s) that it refers or recommends to its student and parent borrowers;
 - update annually the Lender(s) that it refers or recommends to its student and parent borrowers;
 - obtain each Lender's assurance that any repayment benefits that the Lender advertised with respect to the Loans made to its student and parent borrowers will continue to apply to those Loans, regardless of whether the Lender sells those Loans;
 - inquire whether the Lender has any agreement to sell the Loans made to its student and parent borrowers to an unaffiliated Lender and, if the Lender informs ITT Technical Institute that the Lender has such an agreement, ITT Technical Institute will disclose that information to its student and parent borrowers; and
 - not refer or recommend any Lender more favorably for a particular type of Loan, in exchange for the Lender providing more favorable Terms to student or parent borrowers in connection with a different type of Loan.

- (7) "Gift" is defined as any money, discount, favor, gratuity, inducement, loan, stock, prize or thing of value, including, without limitation, any entertainment, hospitality, service, honoraria, transportation, lodging, meal, registration fee, forbearance, promise, computer hardware or printing, whether provided in kind, by purchase of a ticket, payment in advance or by reimbursement. A "gift" does not include, however, any of the following:
- standard informational material related to a Loan, financial literacy or debt management, or a Lender's promotional material;
 - training or informational material furnished to an Employee as an integral part of a training session that is designed to improve the Lender's service to ITT Technical Institute, if such training contributes to the professional development of the Employee;
 - meals, refreshments and receptions furnished to an Employee that are reasonable in cost and scheduled in conjunction with training, meeting or conference events, if those items are open to all attendees at the event;
 - toll-free telephone numbers for use by ITT Technical Institute, Employees or others to obtain information about Loans;
 - free data transmission service for use by ITT Technical Institute to electronically submit processing information or status confirmation data with respect to Loans made to, or applied for by, student and parent borrowers;
 - favorable Terms on an educational Loan provided to a student employed by ITT Technical Institute, if such Terms are comparable to those available to all ITT Technical Institute students;
 - financial literacy-related outreach and default aversion activities provided by Lenders, excluding in-person required initial or exit counseling provided to student borrowers to meet ITT Technical Institute's responsibilities under federal law, provided that:
 - the name of the entity that developed and paid for any materials used in conjunction with those activities is provided to the participants; and
 - the Lender does not promote its Loans or other products during such activities;
 - a Gift to a family member of an Employee, or to any other individual based on that individual's relationship with an Employee, if:
 - the Gift was given without the knowledge or acquiescence of the Employee; or
 - the Employee has no reason to believe that the Gift was given because of the Employee's duties or responsibilities at ITT Technical Institute;
 - items of nominal value that are offered as a form of generalized marketing or advertising, or to create good will; and
 - other services provided by Lenders to ITT Technical Institute or an Employee that are identified and approved by the U.S. Department of Education.

Disclosure:

(1) All ITT Technical Institute officers, employees and agents with responsibilities for Loans or other student financial aid are required to obtain annual training on the Code of Conduct above.

(2) **You and your parents:**

- **are advised to consider all federal student financial aid available at ITT Technical Institute for those who qualify, which:**
 - **is specified in ITT Technical Institute's school catalog;**
 - **is explained in detail in The Guide to Federal Student Aid, published by the U.S. Department of Education and available at http://studentaid.ed.gov/students/publications/student_guide/index.html; and**
 - **includes federal education loans, which are guaranteed by the federal government and, therefore, charge lower rates of interest and may offer other more favorable Terms than private education loans;**
- **have the right and ability to select the Lender of your choice;**
- **are not required to use any Lender referred or recommended by ITT Technical Institute; and**
- **will not be penalized for selecting a Lender that is not referred or recommended by ITT Technical Institute.**

(3) If you have not identified a Lender to use, ITT Technical Institute can refer a Lender to you.

(4) ITT Technical Institute typically refers student and parent borrowers to either

- Wells Fargo Education Financial Services,
- Chase Education Finance, or
- Sallie Mae Education Trust

as a federal education loan Lender ("Federal Lenders"), and to

- Well Fargo Education Financial Services, or
- Chase Education Finance

as a private education loan Lender ("Private Lenders"). The Federal Lenders and the Private Lenders are some of the largest Lenders of Loans to student and parent borrowers. ITT Technical Institute typically refers the Federal and Private Lenders to student and parent borrowers, because of the Terms of their Loans. ITT Technical Institute compares the Terms of the Federal and Private Lenders' Loans with the Terms of other Lenders' Loans on an annual basis through an informal process. The most important Terms include the interest rates and fees charged on the Loans, the borrower benefits associated with the Loans (such as repayment benefits and loan consolidation), and various aspects of the administration of the Loans (such as the manner and ease by which the Loans are processed, funded and serviced).

- (5) ITT Technical Institute believes that the Terms of the Federal and Private Lenders' Loans are competitive with the Terms of Loans offered by other Lenders. ITT Technical Institute's goal is to refer Lenders that offer to ITT Technical Institute student and parent borrowers, as a whole, Loans with competitive Terms, and that administer those Loans efficiently. The general Terms of the Loans offered by the Federal and Private Lenders to ITT Technical Institute student and parent borrowers were determined through negotiations conducted on behalf of all of the ITT Technical Institutes across the country. ITT Technical Institute believes that this approach can generally help reduce the rates and improve the other Terms of the Loans, because the volume of potential borrowers attending all of the ITT Technical Institutes combined is much greater than the volume attending a single ITT Technical Institute campus and, therefore, more attractive to the Federal, Private and other potential Lenders. **ITT Technical Institute cannot assure you, however, that the Terms of the Federal and Private Lenders' Loans contain lower rates or other Terms that are more beneficial, or are administered more efficiently, than Loans offered by other Lenders that you or your parents may be able to obtain.**
- (6) ITT Technical Institute has been assured by the Federal and Private Lenders that any repayment benefits advertised with respect to any Loans that you obtain from any of the Federal or Private Lenders will continue to apply to your Loans, regardless of whether that Federal or Private Lender sells your Loans.
- (7) ITT Technical Institute does not receive any payments, referral fees, revenue sharing or similar financial arrangements from any of the Federal or Private Lenders as a financial inducement for referring or recommending any of the Federal or Private Lenders to its student and parent borrowers seeking Loans.
- (8) ITT Technical Institute encourages you and your parents to:
- shop around to obtain Loans from Lenders who offer the best combination of Terms for your particular circumstances;
 - choose Lenders that can process and fund your Loans electronically, in order to avoid a slower paper process which may result in delays in funding your Loans; and
 - make certain that all repayment benefits advertised by the Lender with respect to your Loans (such as discounts for a certain number of consecutive timely Loan payments) are specified in your Loan documents and will remain part of the Terms if the Loans are subsequently sold by the Lender.

ITT Technical Institute's financial aid professionals are available to assist you and answer any questions that you may have regarding the federal and private education loans available for those who qualify.