Under federal law (specifically the **Higher Education Opportunity Act of 2008**), every college and university that participates in the federal student loan program must publish and enforce a **Student Loan Code of Conduct**.

The purpose of this code is to ban conflicts of interest between university financial aid officers and private lenders. Below are the mandatory prohibitions that every school's code must contain.

1. Ban on Revenue-Sharing Arrangements

- **The Rule:** Schools cannot enter into agreements where a lender pays the school a fee or percentage of profits in exchange for the school recommending that lender's loans to students.
- **In simple terms:** Your college cannot get a "kickback" for signing you up for a specific private loan.

2. Ban on Gifts

- **The Rule:** Financial aid office employees (and their family members) cannot accept gifts from lenders, guarantors, or loan servicers.
- **What counts as a "gift"?** Any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a nominal amount.
- **Exceptions:** Standard materials like brochures, training materials, or food at a training conference are usually exempt.

3. Ban on Consulting or Contracting Fees

- **The Rule:** Financial aid staff cannot accept any fee, payment, or other financial benefit (including stock options) for acting as a consultant or providing services to a lender.

4. Ban on Steering Borrowers

- **The Rule:** For private student loans, schools cannot assign a first-time borrower's loan to a specific lender or refuse to certify a loan based on the borrower's choice of lender.
- **Preferred Lender Lists:** If a school provides a list of "preferred lenders," they must disclose *why* those lenders were chosen, confirm the lenders are not affiliates of each other, and explicitly state that students do not have to use the lenders on that list.

5. Ban on "Opportunity Pool" Offers

- **The Rule:** Schools cannot request or accept an offer of funds for private loans (an "opportunity pool") from a lender in exchange for providing the lender with a specific number of loans or a specific loan volume.
- **In simple terms:** A school cannot say to a bank, "We will give you all our business if you agree to lend to our high-risk students."

6. Ban on Staffing Assistance

- **The Rule:** Schools cannot request or accept assistance from a lender to staff their financial aid office or call center.
- **Exception:** Lenders can provide professional development training or educational counseling materials, provided the lender's staff identifies themselves clearly and does not promote their specific products.

7. Ban on Advisory Board Compensation

- **The Rule:** Financial aid office employees cannot receive compensation (money) for serving on a lender's advisory board.
- **Exception:** They may be reimbursed for reasonable expenses (like travel costs) incurred in serving on the board.