

## APPENDIX G

### Bryant & Stratton College Preferred Lender Arrangement Policy

Any Preferred Lender Arrangement to which Bryant & Stratton College enters will comply with the terms of this policy.

#### **Definition.**

A “*Preferred Lender Arrangement*” is an arrangement or agreement between a Lending Institution and Bryant & Stratton College or a Bryant & Stratton College-affiliated organization—

- i. under which a Lending Institution provides or otherwise issues education loans to the students attending Bryant & Stratton College or the families of such students; and
- ii. that relates to Bryant & Stratton College or a Bryant & Stratton College -- affiliated organization recommending, promoting, or endorsing the education loan products of the Lending Institution.

**b. Disclosure.** If Bryant & Stratton College enters into a Preferred Lending Arrangement, it will do the following:

- i. Annually review, update, compile, maintain, and make available for attending students and their families, a list, in print or other medium, of the specific Lending Institutions for loans that the institution recommends, promotes, or endorses in accordance with such Preferred Lender Arrangement. In compiling, maintaining, and making such a list, Bryant & Stratton College will clearly, fully, and prominently disclose:
  - (1) the process, method and criteria by which and reason why Bryant & Stratton College selected lenders for the Preferred Lender Arrangement, including but not limited to the relative importance of those criteria; and the terms

and conditions or provisions of the Arrangement that are favorable to the borrower;

(2) the information required to be disclosed under Section 153(a)(2)(A) of the HEA;

- ii. State in the same font and same manner as the predominant text on the document that students and their families have the right and ability to select the education loan provider of their choice, are not required to use any of the lenders on the Preferred Lender List, will suffer no penalty for choosing a lender that is not on the Preferred Lender List, and will not be denied or otherwise have their choice of a lender impeded or their loan certification unnecessarily delayed by Bryant & Stratton College for those borrowers who choose a lender that is not included on the List.
- iii. Comply with the additional disclosure requirements of Sections 152 and 153 of the Higher Education Act of 1965, as amended (HEA). These disclosures will be provided in a manner that allows for the students or the families to take such information into account before selecting a lender or applying for an education loan.

**c. Annual Report to the Secretary of Education**

If Bryant & Stratton College or a Bryant & Stratton College-affiliated institution adopts a Preferred Lender Arrangement, it will:

- i. On an annual basis, timely prepare and submit to the Secretary the report required by Section 153(c)(2) of the HEA by a date determined by the Secretary, that includes –
  - (1) the information described in Section 153(c)(1)(A)(i) & (ii) of the HEA; and
  - (2) a detailed explanation of why Bryant & Stratton College entered into a Preferred Lender Arrangement with the Lending Institution, including why the terms, conditions, and provisions of each type

of education loan provided pursuant to the Preferred Lender Arrangement are beneficial for students attending such institution, or the families of such students, as applicable.

- ii. Ensure that the report to the Secretary is made available to the public and provided to students attending or planning to attend Bryant & Stratton College and the families of such students.

**d. Duty of Care and Loyalty.** Bryant & Stratton College will exercise a duty of care and loyalty in compiling any Preferred Lender List and in deciding where to place a Lending Institution's name without prejudice and for the sole benefit of the students attending Bryant & Stratton College, or the families of such students who may use such List without regard to the pecuniary interests of Bryant & Stratton College.

- i. To ensure that lenders with which Bryant & Stratton College enters into a Preferred Lender Arrangement are selected on the basis of the best interests of the borrowers, Bryant & Stratton College will consider the following—

- (1) payment of origination or other fees on behalf of the borrower;
- (2) highly competitive interest rates, or other terms and conditions or provisions of loans;
- (3) high-quality servicing for such loans; or
- (4) additional benefits beyond the standard terms and conditions or provisions for such loans

- ii. No Lending Institution shall be placed on any Preferred Lender List unless the lender provides assurance to Bryant & Stratton College and to borrowers who take out loans from the Lending Institution that the advertised benefits upon repayment will continue to inure to the benefit of the borrowers regardless of whether the Lending Institution's loans are sold.
- iii. No Lending Institution that Bryant & Stratton College has knowledge of after reasonable inquiry and that has an agreement to sell its loans to another affiliated Lending Institution shall be included on any Preferred Lender List unless

such agreement is disclosed therein in the same font and same manner as the predominant text on the document in which the Preferred Lender List appears.

- iv. No Lending Institution shall be placed on any Bryant & Stratton College Preferred Lender List or in favored placement on Bryant & Stratton College any Bryant & Stratton College Preferred Lender List for a particular type of loan, in exchange for benefits provided to Bryant & Stratton College or to Bryant & Stratton College's students in connection with a different type of loan.

e. **Lender Affiliates.** By consulting with the Secretary of Education's most recent list of lender affiliates, Bryant & Stratton College will ensure that --

- i. There are not less than two lenders of private education loans that are not affiliates of each other included on the Preferred Lender List if Bryant & Stratton College recommends, promotes, or endorses private education loans;
- ii. The Preferred Lender List specifically indicates, for each listed lender, whether the lender is or is not an affiliate of each other lender on the Preferred Lender List and that if a lender is an affiliate of another lender on the Preferred Lender List, the details of such affiliation are described.

f. **Co-Branding.**

- i. **Use of Name of Bryant & Stratton College or Bryant & Stratton College - Affiliated Organization.**

Neither Bryant & Stratton College nor any Bryant & Stratton College-affiliated organization that enters into a Preferred Lender Arrangement with a lender regarding private education loans will agree to the lender's use of the name, emblem, mascot, or logo of Bryant & Stratton College or of such organization, or other words, pictures, or symbols readily identified with Bryant & Stratton College or such organization, in the marketing of private education loans to students attending Bryant & Stratton College in any way that implies that the loan is offered or made by Bryant & Stratton College or such organization instead of the lender.

- ii. **Use of Name of Lender.**

Bryant & Stratton College and any Bryant & Stratton College-affiliated organization that enters into a Preferred Lender Arrangement with a lender regarding private education loans will ensure that the name of the lender is displayed in all information and documentation related to such loans.

- g. Other Requirements.** Bryant & Stratton College will comply with such other Preferred Lender requirements as the Secretary of Education may prescribe by regulation.