

ADTALEM GLOBAL EDUCATION 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. Adtalem expects its colleagues to always maintain exemplary standards of professional conduct in all aspects of carrying out their responsibilities, specifically including all dealings with entities involved in any manner in student financial aid, regardless of whether such entities are involved in a government sponsored, subsidized, or regulated activity.

II. Applicability

This policy applies to all employees of Adtalem Global Education 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 Code of Business Conduct and Ethics 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 his/her 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.
- C. **Opportunity pool loan:** A private education loan made by a lender to a student with poor or no 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.
- E. **Financial aid professional:** Any Adtalem officer, employee, or agent with responsibilities with respect to educational loans offered by Adtalem institutions.

IV. Policy Regarding Education Loans and Student Financial Aid

Adtalem colleagues shall abide by the following rules of conduct:

A. Do not solicit or accept gifts or anything of value from any entity involved in the making, holding, consolidating, or processing of any student loans.

No financial aid professional, or member of his or her family, shall accept cash payments, stocks, club memberships, gifts, entertainment, expense-paid trips, or other forms of inappropriate remuneration from any business entity involved in any aspect of student financial aid. For its part, Walden shall not engage in any revenue sharing relationship with any lender or guaranty agency, and no financial aid professional shall agree to any such arrangement.

Gifts include anything of value except the following:

- Standard material, activities, or programs on issues related to a loan, default aversion, default prevention, or financial literacy such as a brochure, a workshop, or training;
- Food, refreshments, training, or informational material provided as part of a training session designed to improve the service of a lender, guarantor, or servicer if the training contributes to the financial aid professional's professional development;
- Exit counseling services as long as Walden staff are in control of the counseling and the counseling does not promote specific products or services;
- Philanthropic contributions to Walden from a lender, guarantor, or servicer that are unrelated to loans; and
- State educational grants, scholarships, or financial aid funds.

This prohibition is intended to avoid both actual conflicts of interest and the appearance of a conflict of interest, which arises when a financial aid professional accepts benefits from a lending institution or similar entity. The fact that the financial aid professional may have no intention to provide an advantage to the lender as a result of the benefit he or she receives, and indeed does not provide any such advantage, does not change the prohibition. The benefit received by the financial aid professional creates an appearance that he or she may not be impartial, and may not be acting solely in the best interest of the students and parents he or she serves. Such an appearance can do great harm and is prohibited.

B. Do not enter into consulting arrangements with any entity involved in the making, holding, consolidating, or processing of any student loans, or accept anything of value, including reimbursement of expenses, for serving on an advisory body of or as part of a training activity sponsored by such an entity.

Financial aid professionals are prohibited from entering into consulting arrangements or other contract for services arrangements with a lender or on behalf of a lender. Financial aid professionals are also prohibited from accepting anything of value for serving on the advisory board for any entity involved in the making, holding, consolidating or processing of any student loans.

Financial aid professionals are further prohibited from accepting trips paid for by an entity involved in the making, holding, consolidating, or processing of any student loans. Although there is value in providing lenders with the unique expertise and perspective that only Adtalem's financial aid professionals can provide, receiving any remuneration for such service, even if only in the form of reimbursement for expenses, creates the appearance of a conflict of interest and must be strictly avoided. The same principle applies to reimbursement for lender-sponsored training activities. Professional development is a key component of being an effective financial aid professional, and attending lender-sponsored training programs can be a valuable way of obtaining the most current information. However, receiving any remuneration for such attendance from a source other than Adtalem, even in the form of reimbursement for expenses, creates the same impermissible appearance of a conflict of interest and must be avoided.

C. Do not take any action for personal benefit.

A financial aid professional shall not take actions which, while on balance may be supportive of the financial aid professional's work, are chosen from among alternatives because they also benefit the financial aid professional. While performing one's work in an exemplary fashion should result in "personal benefit" in the form of professional advancement and recognition, this prohibition relates to actions that are contrary to the obligations a financial aid professional has to Adtalem, its subsidiaries, its students, and their parents.

D. Ensure that all information provided is accurate, unbiased, and does not reflect any preference arising from actual or potential personal gain.

When providing information, transparency is the priority at all times. Students and parents should be able to fully understand their rights, obligations, and—of paramount importance—their alternatives. Financial aid professionals must never direct borrowers to particular lenders or refuse to certify or delay certification of any loan based on the borrower's selection of a particular lender or guarantee agency.

E. Be objective and transparent in making decisions and advising Adtalem regarding relationships with any entity involved in any aspect of student financial aid.

Financial aid professionals must always be fair-handed when recommending or entering into a business relationship with any entity offering a product or service related to financial aid. Transparency also requires that when a student or parent communicates with the financial aid offices, at Adtalem institutions, these communications be with only Adtalem employees. No employee or agent of a lender should ever be identified, either directly or by implication, as an employee or agent of Walden. Further, no employee or agent of a lender should work in or provide staffing to the Adtalem institution financial aid offices or call centers, if applicable. Finally, no lender should be given permission to use the Adtalem, or Adtalem institutions, name, emblem, mascot, logo, or anything readily identifiable as Walden to market its products.

F. Disclose to Adtalem as prescribed by Adtalem's conflict of interest policy any involvement with or interest in an entity involved in any aspect of student financial aid.

The goal, again, is transparency and avoiding actual conflicts of interest as well as the appearance of any conflict. All financial aid professionals are expected to strictly abide by Adtalem's conflict of interest policy, particularly with regard to any activities, involvement, investment, or interest in any financial aid-related entity. Specifically, financial aid professionals shall avoid any personal investment in or financial relationships with lenders or any entity involved in the making, holding, consolidating, or processing of student loans.

G. Do not take any action that is contrary to law, regulation, or the best interests of Adtalem institution students and parents.

Our financial aid professionals work in a complex legal environment. Any doubts as to whether a course of conduct is legally proper should be resolved by referring the matter to Adtalem's Internal Legal Department for guidance. In addition, financial aid professionals should understand and adhere to all institutional policies applicable to their conduct and job performance, as well as to all federal statutes and regulations governing the administration of student financial aid and all applicable state and local statutes, regulations, and ordinances.

V. Policy Violations

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