

The Smart Option Student Loan® is an ideal solution for families that have a gap when it comes to funding their student's education. The Smart Option Student Loan helps students save money, pay off their student loan faster, and build credit.

## Benefits

- **Market-leading interest rates**<sup>1</sup>
- **No origination fees** for borrowers attending degree-granting institutions<sup>2</sup>
- **Save hundreds—even thousands**—of dollars over traditional 15-year payment-deferred private student loans
- **Flexible repayment options**—choose affordable fixed payments of \$25 a month or make full interest payments to save even more<sup>3</sup>
- **Smart Reward**<sup>SM</sup>—earn 2% of your scheduled monthly payment as a reward in your Upromise account when you make payments on time while in school<sup>4</sup>
- **Earn a 0.25 percentage point interest rate reduction** while enrolled to make monthly payments by automatic debit<sup>5</sup>
- Applying with a **creditworthy cosigner** may help you qualify for and/or receive a lower interest rate
- You can apply to **release your cosigner** after graduating and making just 12 consecutive on-time principal and interest payments<sup>6</sup>
- **Borrow what you need**—up to 100% of your education costs<sup>7</sup>

[Sallie Mae Smart Option Student Loan Terms and Conditions. We want families to have all the information they need to make an informed decision. That's why we've included the fine print below.](#)

### Sallie Mae Smart Option Student Loan Terms and Conditions

You must attend an eligible school and be enrolled in an eligible program. U.S. citizens enrolled in eligible study abroad programs or studying at medical schools outside the United States are also eligible. International students are eligible with a creditworthy cosigner (who must be a U.S. citizen or permanent resident) and appropriate U.S. Citizenship and Immigration Service documentation.

You must meet current credit and other eligibility criteria

<sup>1</sup> Market leading rates based on a September 9, 2010 review of competitor rates and APRs. Rates for borrowers attending degree-granting institutions range from LIBOR + 2.500% to LIBOR + 10.875% (2.87% APR to 10.48% APR) (LIBOR of 0.375% as of 9/27/2010) with no origination fees. Rates for borrowers attending non-degree granting institutions range from LIBOR + 7.75% to LIBOR + 12.5% (8.13% APR to 13.88% APR) (LIBOR of 0.375% as of 9/27/2010) and the origination fee ranges from 0% to 5%. The APR and interest rate on your loan will be variable rates and will be changed based on changes in the one-month LIBOR rate. Your interest rate and monthly payment may increase if the one-month LIBOR rate increases.

<sup>2</sup> No origination fees apply to borrowers attending degree-granting institutions only. Please visit your financial aid office for more information.

3The \$25/month fixed repayment option for Smart Option Student Loans and its pricing is effective for new loan applications initiated on or after June 28, 2010, and is subject to change. The following typical loan example uses approximated numbers, is for informational purposes only and is an example of loan terms available through the Smart Option Student Loan: A Smart Option Student Loan made to a freshman borrower at a degree granting institution of \$10,000 with two disbursements and a 10.05% APR [Interest rate of LIBOR + 10.375% (LIBOR of 0.375% as of 9/27/2010) and no origination fee or disbursement fee]. APR may increase after consummation. Repayment consists of 51 fixed \$25/month payments (in-school period of 45 months plus separation period of 6 months), followed by 119 principal and interest payments of \$179.79 per month and one payment of \$115.65.

42% reward is available during initial in-school and separation period only. If borrower leaves school but returns later, the reward will not be available for any subsequent in-school period. Primary borrower must be of the age of majority in his or her state of residence (typically 18 years old) and must indicate current Upromise membership or enroll in Upromise at the time of loan application. To be eligible to receive the 2% reward, the borrower may not have had two consecutive scheduled payments past due on the loan for which the benefit is available. If the borrower has two consecutive scheduled payments past due, he or she will no longer be eligible for the reward on that loan. If all conditions are met, primary borrower will earn 2% of the scheduled payment amount in Upromise rewards into his or her Upromise account for each on time payment. The 2% reward is not earned on payment amounts in excess of the scheduled payment. Benefit is subject to the terms and conditions of the Upromise service (as may be amended from time-to-time), including without limitation, restrictions on conversion, transfer and redemption of rewards, reward denomination, including whether and under what circumstances the rewards have independent cash value, and terms relating to fees and/or the forfeiture of rewards. Benefit available on eligible loans first disbursed on or after June 1, 2010.

5Benefit for enrolling in monthly recurring automatic debit payments is available for as long as monthly payment is successfully deducted from the designated bank account. Benefit is suspended during periods of forbearance and certain deferments.

6To qualify for cosigner release, the borrower must have successfully completed school, made 12 consecutive on-time principal and interest payments, meet age of majority requirements, be a U.S. citizen or permanent resident and meet the underwriting requirements when the release request is processed. Account must remain current until the request for cosigner release is processed.

7Borrow up to the cost of attendance (minimum \$1,000) as certified by your school and confirmed by Sallie Mae, less other financial aid received. Sallie Mae reserves the right to approve a lower loan amount than what the school has certified.

Sallie Mae Smart Option Student Loans are made by Sallie Mae Bank® or a lender partner. Borrower benefit information valid as of October 5, 2010.

SALLIE MAE RESERVES THE RIGHT TO MODIFY OR DISCONTINUE PRODUCTS, SERVICES AND BENEFITS AT ANY TIME WITHOUT NOTICE. CHECK THE SALLIE MAE WEBSITE TO OBTAIN THE MOST UP-TO-DATE INFORMATION.