

Smart Option Student Loan®



**Helping students
pay for college
with confidence**



For more information, talk to your Sallie Mae® representative or visit salliemae.com

For school use only—not for distribution

A student loan they can feel good about, now and later

The Smart Option Student Loan can help your students cover school costs after they've exhausted scholarships and financial aid. They can apply once and get money for a year's worth of eligible school expenses¹ (funds are sent each term as your school requests them), choose from multiple repayment options, and take advantage of benefits that help them while they're in school and in repayment.

Repayment options to meet their needs

Interest repayment option

Make interest-only payments while in school²

Freshman students can build credit and may save 13% on their total loan cost by choosing the interest repayment option instead of the deferred repayment option.³

Variable rates²

SOFR + 1.25% to SOFR + 11.38%

5.49% APR to 15.83% APR

Fixed rates²

4.75% to 14.88%

4.50% APR to 14.83% APR

Fixed repayment option

Pay a fixed amount each month while in school²

Freshman students may save 6% on their total loan cost by choosing the fixed repayment option instead of the deferred repayment option.³ Plus, they can build credit and manage their budget more easily.

Variable rates²

SOFR + 1.50% to SOFR + 12.13%

5.62% APR to 14.86% APR

Fixed rates²

5.25% to 15.63%

4.92% APR to 14.08% APR

Deferred repayment option

Make no payments until after school²

This option gives students repayment flexibility while they're in school. They'll likely pay more for their total loan cost, so we encourage them to make payments whenever they can.

Variable rates²

SOFR + 1.75% to SOFR + 12.38%

5.80% APR to 14.77% APR

Fixed rates²

5.75% to 15.88%

5.34% APR to 14.00% APR

Lowest APRs shown include the auto debit discount.

Price testing may result in applicants receiving a rate that is .50 percentage points outside of the ranges listed for their selected repayment option.

Benefits while they're in school—and in repayment

In-school and separation periods

- 100% coverage of eligible school expenses¹
- Repayment options
- Auto debit interest rate reduction⁴
- Active duty military deferment
- Free access to FICO® Score⁵

In repayment

- Graduated Repayment Period⁶
- Cosigner release⁷
- Auto debit interest rate reduction⁴
- Deferments for school, internship, and residency
- Active duty military deferment
- Free access to FICO® Score⁵

Repayment challenges

Customers are encouraged to contact us to discuss available options.

Ongoing financial education

Free resources can help your students achieve success, wherever they are on their educational path.

- **YourMoney Pro:** Create a plan for financial goals and boost financial confidence
- **FreeMoney Pro:** Find scholarships and discover financial aid opportunities.

Learn more at

salliemae.com/makeaplan

Applying is fast and easy at salliemae.com

The benefits of borrowing smarter

Cost-saving features: 1) Students can lower their interest rate when they make interest-only payments in school; 2) there's a 0.25 percentage point reduction when they make monthly payments with auto debit⁴; and 3) there's no origination fee or prepayment penalty.⁸

Flexibility after graduation: The Graduated Repayment Period lets qualifying students make interest-only payments for a year, giving them time to get established before making full principal and interest payments.⁶ There's an 18-month enrollment window.

Multi-Year Advantage: 96% of undergraduate students who've been approved with a cosigner were approved again when they returned with a cosigner the following year.⁹

Free quarterly FICO® Credit Scores: Borrowers and cosigners⁵ have access to their scores, along with the key factor(s) affecting it and educational content to help them understand the importance of credit health.

Internship/residency deferment: This deferment is available to students in 12-month increments for a total of 60 months.¹⁰

Death and disability loan forgiveness: If a student dies or becomes permanently and totally disabled, the current balance of the loan will be waived.

Broad eligibility

The Smart Option Student Loan is available to undergraduate students and career training students who are

- taking a full class load, just a few classes, enrolled in a winter or summer term, or studying abroad
- attending school full-time, half-time, or less than half-time
- seeking a professional certification or enrolled in a continuing education program
- taking classes at participating non-degree-granting schools for professional training and trade certificate courses (culinary, technical, etc.)
- looking to pay an existing balance for an enrollment period within the past 365 days¹¹
- U.S. citizens or U.S. permanent resident students enrolled in a participating U.S. or foreign school
- non-U.S. citizens or U.S. permanent residents who reside in the U.S. and attend a participating U.S. school, if they apply with a creditworthy cosigner (who must be a U.S. citizen or U.S. permanent resident) and provide an unexpired government-issued photo ID

Adding a cosigner can help

Students who apply with a parent, guardian, relative, or any adult with a good credit history may improve their chances for approval—and possibly get a better rate.

Borrowers can apply to release their cosigner from the loan after they graduate, make 12 on-time principal and interest payments, and meet certain credit requirements.⁷ This will not adversely impact the loan's interest rate.

Committed to superior service

Your satisfaction is important to us. That's why our account representatives, School AssistSM team, and U.S.-based customer representatives are ready to answer questions and resolve problems each time you or your students contact us.



Sallie Mae has an A+ rating with the Better Business Bureau.

For more information, talk to your Sallie Mae representative, visit salliemae.com, or call **844-8-ASSIST** (844-827-7478).

Borrow responsibly

We encourage students and families to start with savings, grants, scholarships, and federal student loans to pay for college. Students and families should evaluate all anticipated monthly loan payments, and how much the student expects to earn in the future, before considering a private student loan.

Sallie Mae loans are subject to credit approval, identity verification, signed loan documents, and school certification. This loan is available to students at participating schools and is not intended for students pursuing a graduate degree. Student or cosigner must meet the age of majority in their state of residence. Students who are not U.S. citizens or U.S. permanent residents must reside in the U.S., attend school in the U.S., apply with a creditworthy cosigner (who must be a U.S. citizen or U.S. permanent resident), and provide an unexpired government-issued photo ID. Requested loan amount must be at least \$1,000.

Explore federal loans and compare to make sure you understand the terms and features. Private student loans that have variable rates can go up over the life of the loan. Federal student loans are required by law to provide a range of flexible repayment options, including, but not limited to, income-based repayment and income-contingent repayment plans, and loan forgiveness and deferment benefits, which other student loans are not required to provide. Federal loans generally have origination fees, but are available to students regardless of income.

¹ Loan amount cannot exceed the cost of attendance less financial aid received as certified by the school. Sallie Mae reserves the right to approve a lower loan amount than the school-certified amount. Miscellaneous personal expenses (such as a laptop) may be included in the cost of attendance for students enrolled at least half-time.

² Interest is charged starting when funds are sent to the school. With the Fixed and Deferred Repayment Options, the interest rate is higher than with the Interest Repayment Option and Unpaid Interest is added to the loan's Current Principal at the end of the grace/separation period. Payments may be required during the grace/separation period depending on the repayment option selected. Variable rates may increase over the life of the loan. Advertised variable rates reflect the starting range of rates and may vary outside of that range over the life of the loan. Advertised APRs assume a \$10,000 loan to a borrower who attends school for 4 years and has no prior Sallie Mae loans. Index is the 30-day Average Secured Overnight Financing Rate (SOFR) rounded up to the nearest one-eighth of one percent. Price testing may result in applicants receiving a rate that is .50 percentage points outside of the ranges listed for their selected repayment option.

³ Savings comparison assumes a freshman student with no other Sallie Mae loans receives a \$10,000 Smart Option Student Loan with the most common variable rate as of August 2022.

⁴ The borrower or cosigner must enroll in auto debit through Sallie Mae to receive a 0.25 percentage point interest rate reduction benefit. This benefit applies only during active repayment for as long as the Current Amount Due or Designated Amount is successfully withdrawn from the authorized bank account each month. It may be suspended during forbearance or deferment.

⁵ Borrowers and cosigners with an available FICO® Score and a Sallie Mae loan with a current balance greater than \$0, may receive their score quarterly after the first disbursement of their loan. The FICO® Score provided to you is the FICO® Score 8 based on TransUnion data, and is the same score that Sallie Mae uses, along with other information, to manage your account. FICO® Scores and associated educational content are provided solely for your own non-commercial personal review, use and benefit. This benefit may change or end in the future. FICO® is a registered trademark of the Fair Isaac Corporation in the United States and other countries.

⁶ GRP allows interest-only payments for the initial 12-month period of repayment when the loan would normally begin requiring full principal and interest payments or during the 12-month period after GRP request is granted, whichever is later. At the time of GRP request, the loan must be current. The borrower may request GRP only during the six billing periods immediately preceding and the twelve billing periods immediately after the loan would normally begin requiring full principal and interest payments. GRP does not extend the loan term. If approved for GRP, the Current Amount Due that is required to be paid each month after the GRP ends

will be higher than it otherwise would have been without GRP, and the total loan cost will increase.

⁷ Only the borrower may apply for cosigner release. To do so, they must first meet the age of majority in their state and provide proof of graduation (or completion of certification program), income, and U.S. citizenship or permanent residency (if their status has changed since they applied). In the last 12 months, the borrower can't have been past due on any loans serviced by Sallie Mae for 30 or more days or enrolled in any hardship forbearances or modified repayment programs. In addition, the borrower must have paid ahead or made 12 on-time principal and interest payments on each loan requested for release. The loan can't be past due when the cosigner release application is processed. The borrower must also demonstrate the ability to assume full responsibility of the loan(s) individually and pass a credit review when the cosigner release application is processed that demonstrates a satisfactory credit history including but not limited to no: bankruptcy, foreclosure, student loan(s) in default or 90-day delinquencies in the last 24 months. Requirements are subject to change.

⁸ Although we do not charge you a penalty or fee if you prepay your loan, any prepayment will be applied as provided in your promissory note: first to Unpaid Fees and costs, then to Unpaid Interest, and then to Current Principal.

⁹ Sallie Mae loans cover enrollment periods of up to 12 months. Students must apply for a new loan each school year. This approval percentage is based on students who were approved for a Sallie Mae undergraduate loan with a cosigner in the 2019/20 school year and were approved for another Sallie Mae undergraduate loan when they returned with the same or new cosigner in 2020/21. It does not include the denied applications of students who were ultimately approved in 2020/21.

¹⁰ To apply for this deferment, customers and an official from the internship, clerkship, fellowship, or residency program must complete and submit a deferment form to us for consideration. If approved, the loan will revert back to the same repayment option that applied during the in-school period for up to 12 months. Customers can apply for and receive a maximum of five 12-month deferment periods. Interest is charged during the deferment period and Unpaid Interest may be added to the Current Principal at the end of each deferment period, which will increase the Total Loan Cost.

¹¹ No more than 365 days can pass from the loan period end date to the first disbursement of the loan. At the time of request, the student must be enrolled, intending to enroll, or have graduated. The student must have been enrolled during the prior enrollment period for which the loan is requested and must not have withdrawn with no intention of re-enrolling, as verified by the school.

RATES AND OTHER INFORMATION ADVERTISED ARE VALID AS OF FEBRUARY 27, 2023. VARIABLE RATES MAY GO UP OR DOWN DUE TO AN INCREASE OR DECREASE IN THE LOAN'S INDEX. SALLIE MAE ALSO RESERVES THE RIGHT TO MODIFY OR DISCONTINUE PRODUCTS, SERVICES, AND BENEFITS AT ANY TIME WITHOUT NOTICE. CHECK SALLIEMAE.COM FOR THE MOST UP-TO-DATE PRODUCT INFORMATION.

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