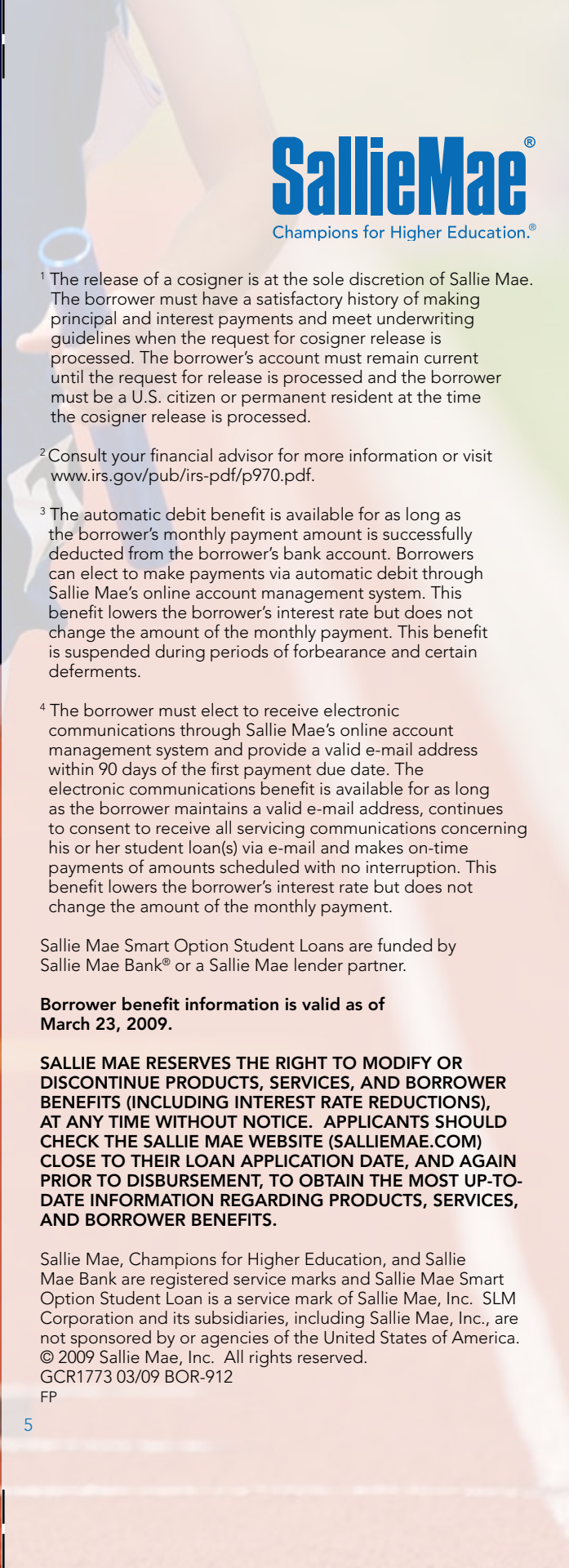


**SallieMae**<sup>®</sup>  
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<sup>1</sup> The release of a cosigner is at the sole discretion of Sallie Mae. The borrower must have a satisfactory history of making principal and interest payments and meet underwriting guidelines when the request for cosigner release is processed. The borrower's account must remain current until the request for release is processed and the borrower must be a U.S. citizen or permanent resident at the time the cosigner release is processed.

<sup>2</sup> Consult your financial advisor for more information or visit [www.irs.gov/pub/irs-pdf/p970.pdf](http://www.irs.gov/pub/irs-pdf/p970.pdf).

<sup>3</sup> The automatic debit benefit is available for as long as the borrower's monthly payment amount is successfully deducted from the borrower's bank account. Borrowers can elect to make payments via automatic debit through Sallie Mae's online account management system. This benefit lowers the borrower's interest rate but does not change the amount of the monthly payment. This benefit is suspended during periods of forbearance and certain deferrals.

<sup>4</sup> The borrower must elect to receive electronic communications through Sallie Mae's online account management system and provide a valid e-mail address within 90 days of the first payment due date. The electronic communications benefit is available for as long as the borrower maintains a valid e-mail address, continues to consent to receive all servicing communications concerning his or her student loan(s) via e-mail and makes on-time payments of amounts scheduled with no interruption. This benefit lowers the borrower's interest rate but does not change the amount of the monthly payment.

Sallie Mae Smart Option Student Loans are funded by Sallie Mae Bank<sup>®</sup> or a Sallie Mae lender partner.

**Borrower benefit information is valid as of March 23, 2009.**

**SALLIE MAE RESERVES THE RIGHT TO MODIFY OR DISCONTINUE PRODUCTS, SERVICES, AND BORROWER BENEFITS (INCLUDING INTEREST RATE REDUCTIONS), AT ANY TIME WITHOUT NOTICE. APPLICANTS SHOULD CHECK THE SALLIE MAE WEBSITE (SALLIEMAE.COM) CLOSE TO THEIR LOAN APPLICATION DATE, AND AGAIN PRIOR TO DISBURSEMENT, TO OBTAIN THE MOST UP-TO-DATE INFORMATION REGARDING PRODUCTS, SERVICES, AND BORROWER BENEFITS.**

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## SALLIE MAE SMART OPTION STUDENT LOAN<sup>SM</sup>

### Get Off To A Smart Start

Academic Year 2009-2010



For more information, visit  
[SallieMae.com/SmartOption](http://SallieMae.com/SmartOption)

**Pay a little now, save a lot later.** With the new Sallie Mae Smart Option Student Loan<sup>SM</sup>, you can significantly reduce your total loan cost and free yourself from student loan debt faster. Designed to help shorten the amount of time it takes to pay off the loan, the Smart Option Student Loan features interest-only payments while you are in school to avoid capitalized interest. This means you can save significantly by selecting the smartest student loan.

Best of all, the Smart Option Student Loan can cover the full cost of attendance, after scholarships, grants, and federal loans have been maximized. It encourages responsible repayment behavior while saving you money in the long run. In addition to affordable monthly payments, money-saving borrower benefits are available to help you reduce your loan balance.

- Pricing that rewards good credit. Plus, applying with a creditworthy cosigner may help you qualify and/or receive a lower interest rate
- Borrowers may apply for cosigner release after successful completion of their education<sup>1</sup>
- You may be able to deduct the interest you pay on a qualified student loan<sup>2</sup>
- A 0.25 percentage point interest rate reduction is available for automatic debit<sup>3</sup>
- A 0.25 percentage point interest rate reduction is available if the borrower provides a valid e-mail address and elects to receive all servicing communications via e-mail<sup>4</sup>
- No prepayment penalty
- Combined billing is available for Sallie Mae-serviced student loans
- 24/7 online account management

**Please see back panel for more information about interest rate reductions.**

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## SALLIE MAE SMART OPTION STUDENT LOAN PAYMENT EXAMPLES

### Example #1- Lower Interest Rate

Product	APR	Amount Borrowed	Balance at Separation	Monthly Interest Only Payment (During School Period and Separation Period)	Monthly Principal and Interest Payment (Following the Separation Period)	Repayment Term (In Months)	Total Amount Paid
"Traditional" Private Student Loan	7.07%	\$3,000	\$3,453	N/A	\$50.00	90 Assumes a \$50 minimum payment requirement which reduces the repayment term.	<b>\$4,482.48</b>
Sallie Mae Smart Option Private Student Loan	7.25%	\$3,000	\$3,000	4 payments of \$9.06 (first disbursement); and 23 payments of \$18.13 (second disbursement)	\$59.76	60	<b>\$4,038.59</b>
The Smart Option Student Loan Difference			The borrower will owe <b>\$453</b> less at repayment.	The borrower will pay the interest during school and separation.	The borrower will pay \$9.76 more in principal and interest payments each month after the 6-month separation period.	The borrower will pay off their loan <b>2 ½ years earlier</b> with the Sallie Mae Smart Option Student Loan.	<b>The total amount the borrower will pay is \$443.89 less (that's 9% less) with the Sallie Mae Smart Option Student Loan.</b>

**Payment Example Assumptions:** This payment example is for information only and assumes the following: Rate set at LIBOR + 6.75%; LIBOR of 0.50% as of February 25, 2009; 27 months of interest only payments (school period of 21 months plus separation period of 6 months); a freshman borrower with a creditworthy cosigner; 0% disbursement fee; and a single loan of \$3,000 with two disbursements.

### Example #2 - Higher Interest Rate

Product	APR	Amount Borrowed	Balance at Separation	Monthly Interest Only Payment (During School Period and Separation Period)	Monthly Principal and Interest Payment (Following the Separation Period)	Repayment Term (In Months)	Total Amount Paid
"Traditional" Private Student Loan	14.6%	\$3,150	\$4,102	N/A	\$56.01	180	<b>\$10,079.69</b>
Sallie Mae Smart Option Private Student Loan	15.9%	\$3,150	\$3,150	4 payments of \$19.03 (first disbursement); and 23 payments of \$38.06 (second disbursement)	\$74.11	60	<b>\$5,398.48</b>
The Smart Option Student Loan Difference			The borrower will owe <b>\$952</b> less at repayment.	The borrower will pay the interest during school and separation.	The borrower will pay \$18.10 more in principal and interest payments each month after the 6-month separation period.	The borrower will pay off their loan <b>10 years earlier</b> with the Sallie Mae Smart Option Student Loan.	<b>The total amount the borrower will pay is \$4,681.21 less (that's 46% less) with the Sallie Mae Smart Option Student Loan.</b>

**Payment Example Assumptions:** This payment example is for information only and assumes the following: Rate set at LIBOR + 14%; LIBOR of 0.50% as of February 25, 2009; 27 months of interest only payments (school period of 21 months plus separation period of 6 months); a freshman borrower without a creditworthy cosigner; 5% disbursement fee; and a single loan of \$3,000 with two disbursements.

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For more information, visit [SallieMae.com/SmartOption](http://SallieMae.com/SmartOption)