



Smart Option Student Loan®

With options to help undergraduate students responsibly pay for college



Ardavia
Bridging the Dream Scholarship winner

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

For degree-granting institutions only | For school use only—not for distribution

More options, more flexibility

The Smart Option Student Loan offers undergraduate students a choice of three repayment options and variable or fixed interest rates. Students can pay all of their school-certified loan costs like tuition, fees, books, housing, meals, travel, personal school expenses, and even a laptop.¹

When scholarships, grants, and federal student loans aren't enough, encourage your students to consider the Smart Option Student Loan. They can apply once and get the money they need for the entire school year. Funds are sent for each term as requested by the school.

Interest repayment option

Monthly interest payments while in school²

Freshman students can build credit and may save 24% on their total loan cost, compared to our deferred repayment option.³

Variable rates²

SOFR + 1.25% to SOFR + 11.13%

1.13% APR to 11.23% APR

Fixed rates²

4.50% to 12.63%

4.25% APR to 12.59% APR

Fixed repayment option

Payments of \$25 a month while in school^{2,4}

Freshman students may save 12% on their total loan cost, compared to our deferred repayment option.³ Plus, they can build credit and manage their budget more easily.

Variable rates²

SOFR + 1.75% to SOFR + 11.88%

1.62% APR to 11.12% APR

Fixed rates²

5.00% to 13.38%

4.68% APR to 12.26% APR

Deferred repayment option

No payments required while in 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 + 2.25% to SOFR + 12.13%

2.18% APR to 11.17% APR

Fixed rates²

5.50% to 13.63%

5.13% APR to 12.30% APR

Lowest APRs shown include the auto debit discount.

Benefits from school through repayment



In-school and separation periods

- Three repayment options²
 - Make monthly interest payments
 - Pay \$25⁴ each month
 - Defer payments
- Exclusive, free Chegg[®] benefit gives students four months of study and homework help⁵
- Auto debit 0.25 percentage point interest rate reduction with the fixed or interest repayment option⁶
- Active duty military deferment



Repayment

- Graduated Repayment Period⁷
- Cosigner release available⁸
- Auto debit 0.25 percentage point interest rate reduction⁶
- Return-to-school deferment⁹
- Internship/residency deferment¹⁰
- Active duty military deferment



Repayment challenges

Customers having difficulty making monthly payments are encouraged to contact us to discuss options that may be available.



Applying is fast and easy at salliemae.com

Features and benefits

The benefits of borrowing smarter

- ✓ **No origination fee or prepayment penalty¹¹**
- ✓ **Opportunity for a lower interest rate**
Undergraduate students who make monthly interest payments in school receive a rate that's typically 1 percentage point lower than those who defer payments.²
- ✓ **Auto debit savings**
Students who enroll in and make monthly payments by automatic debit receive a 0.25 percentage point interest rate reduction.⁶
- ✓ **Graduated Repayment Period⁷**
Qualifying students can choose to make 12 monthly interest-only payments when they enter repayment; there is an 18-month enrollment window.
- ✓ **4 Months of free Chegg Study[®]**
Get study and homework support, anytime, anywhere, for any subject.⁵
- ✓ **Multi-Year Advantage**
Students can get the money they need—year after year—to finish school. Undergraduate students who return to Sallie Mae with a cosigner have a 95% approval rate¹²

A cosigner may help borrowers qualify and get a better rate

By applying with a creditworthy individual, students may improve their chances for approval, and possibly get a better rate. It's important to note that a cosigner doesn't have to be a parent.

Cosigner release policy

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.⁸ Releasing the cosigner will not adversely impact the interest rate on the loan.

Death and disability loan forgiveness

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

Smart Option Student Loan eligibility

- Students taking a full class load, just a few classes, enrolled in a winter or summer term, or studying abroad
- Students attending school full-time, half-time, or less than half-time
- Students seeking a professional certification or enrolled in a continuing education program
- Students with an existing balance to pay for an enrollment period within the past 365 days¹³
- U.S. citizens or U.S. permanent resident students enrolled in a participating U.S. or foreign school
- Students who are not U.S. citizens or U.S. permanent residents that reside in the U.S., attend a participating U.S. school, 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.
- Students taking courses that don't qualify for federal student loans

Internship/residency deferment

A residency or internship deferment is available to students in 12-month increments for a total of 60 months.¹⁰

We put customers first

We're committed to making sure that you—and your students—have a superior service experience. Your account representative, our School AssistSM team, and our U.S.-based customer service representatives are dedicated to resolving problems and answering questions effectively and efficiently each time you or your students contact us.



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

Quarterly FICO® Credit Scores for free

This free benefit is available to both borrowers and cosigners¹⁴ and allows them to view their quarterly FICO® Score by logging into their Sallie Mae account. Borrowers and cosigners also receive access to the key factor(s) affecting their score and educational content to help them understand why keeping healthy credit is important.

For more information, talk to your Sallie Mae representative, visit salliemae.com, or call **844-8-ASSIST** (844-827-7478 or 302-451-4912).

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.

This loan is for undergraduate students at participating degree-granting schools. Students who are not U.S. citizens or U.S. permanent residents must reside in the U.S., attend a participating 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 to verify their identity. Applications are subject to a requested minimum loan amount of \$1,000. Current credit and other eligibility criteria apply.

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 money is 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 freshman with no other Sallie Mae loans. Index is the 30-day Average Secured Overnight Financing Rate (SOFR) rounded up to the nearest one-eighth of one percent. From time to time, Sallie Mae may engage in price testing and as a result, some applicants may receive an interest rate that is up to 50 basis points higher or lower than the ranges listed.

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 April 2021.

⁴ This repayment example is based on a typical Smart Option Student Loan made to a freshman borrower who chooses a variable rate and the Fixed Repayment Option for a \$10,000 loan, with two disbursements, and a 6.88% variable APR. It works out to 51 payments of \$25.00, 119 payments of \$136.17 and one payment of \$112.58, for a Total Loan Cost of \$17,591.81. Variable rates may increase over the life of the loan.

⁵ This promotional benefit is provided at no cost to borrowers with new loans that disburse between May 1, 2021 and April 30, 2022. Borrowers are not eligible to activate the benefit until July 1, 2021. Borrowers who reside in, attend school in, or borrow for a student attending school in Maine are not eligible for this benefit. Chegg Study® offers expert Q&A where students can submit up to 20 questions per month. No cash value. Terms and Conditions apply. Please visit <http://www.chegg.com/legal/SMtermsandconditions> for complete details. This offer expires one year after issuance.

⁶ 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 and may be suspended during periods of forbearance or deferment, if available for the loan.

⁷ Available for loans used to pay qualified higher education expenses at a degree-granting institution. The Graduated Repayment Period (GRP) allows interest-only payments for 12 billing periods after principal and interest repayment begins. At the time of the GRP request, the loan cannot be past due. Customers can request the GRP during the six billing periods before and the 12 billing periods immediately after the loan first enters principal and interest repayment. The GRP does not extend the loan term but does increase the Total Loan Cost. Monthly payments after the GRP will be higher than they would have been without it.

⁸ Only the borrower may apply for cosigner release. Borrowers who meet the age of majority in their state may apply for cosigner release by providing proof of graduation (or completion of certification program), income, and U.S. citizenship or permanent residency (if your status has changed since you applied). In the last 12 months, the borrower must be current on all Sallie Mae serviced loans (including no hardship forbearances or modified repayment programs) and have paid ahead or made 12 on-time principal and interest payments on each loan requested for release. When the cosigner release application is processed, the borrower must demonstrate the ability to assume full responsibility of the loan(s) individually, and pass a credit review that demonstrates a satisfactory credit history including but not limited to: bankruptcy, foreclosure, student loan(s) in default or 90 day delinquencies in the last 24 months. Requirements are subject to change.

⁹ If you receive the deferment, the Current Amount Due required each month will reflect the same repayment option that applied to your loan during the in-school period. You can receive a maximum of 48 months of deferment. 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.

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 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.

¹² You must apply for a new loan each school year. This approval percentage is based on students with a Sallie Mae undergraduate loan in the 2018/19 school year who were approved when they returned in 2019/20. It does not include the denied applications of students who were ultimately approved in 2019/20.

¹³ 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.

¹⁴ 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.

RATES AND OTHER INFORMATION ADVERTISED ARE VALID AS OF APRIL 1, 2021. 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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