



Sallie Mae's Response to SUNY at Fredonia's Request for Information

April 14, 2017

April 14, 2017

Mark Zaffalon
Financial Aid Counselor
SUNY at Fredonia
209 Maytum Hall
280 Central Avenue
Fredonia NY 14063

Dear Mark:

As your students and their families look for affordable education financing, we'd like to share with you how the Sallie Mae Smart Option Student Loan® and Sallie Mae Parent LoanSM can provide them with choice, flexibility, competitive pricing, and opportunities to save.

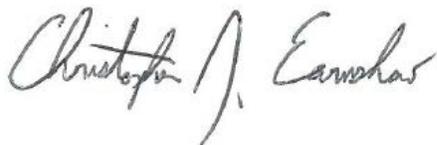
Specifically, students will benefit from a choice of repayment options and types of interest rates, no origination fee, and an interest rate reduction through auto debit* with our Smart Option Student Loan*. Students will also have access to a wide array of financial literacy resources to help them with their financial wellness, including a quarterly report from Sallie Mae® with their FICO® Score, the two key factors impacting the score, and explanations that will help improve their understanding of the score*.

Your families have another responsible option to help pay for college. Our new school-certified, HEOA compliant Parent Loan can be used to pay for education expenses up to the cost of attendance*. Borrowers may benefit from competitive rates and no origination or disbursement fees.

Coming Soon! An exclusive benefit to help your students jump-start their studies! Our new Study StarterSM benefit is available to Smart Option Student Loan borrowers for loans that first disburse between May 8, 2017 and April 30, 2018.*

Helping students achieve their education goals has been our mission for more than 40 years. We look forward to continuing this commitment with your students in the 2017/18 academic year. I will be in touch to discuss this proposal and how your students and families can benefit from selecting a Sallie Mae private loan.

Respectfully submitted,



Christopher Earnshaw
Director of Business Development
Sallie Mae
518-280-4844
christopher.earnshaw@SallieMae.com

**Please refer to the disclosures section for additional information.*

Borrowing 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.

Lender Contact Information

Lender Name:

Sallie Mae®

Borrower Contact:

Applicants can contact us toll-free at 877-279-7172 from 8 a.m. to 9 p.m. ET, Monday through Thursday, and 8 a.m. to 8 p.m. ET Friday. During peak, applicants can call us on Saturdays from 9 a.m. to 6 p.m. ET. Borrowers with servicing inquiries can contact us toll-free at 800-472-5543 from 8 a.m. to 9 p.m. ET, Monday through Thursday, 8 a.m. to 8 p.m. ET Friday, and Saturdays from 9 a.m. to 6 p.m. ET. Outside of our call center hours, borrowers may use our online loan management tool.

Military Service Members: Military borrowers can call us toll-free at 855-534-2668 or go to salliemae.com/military. Our military customer service team provides service members with information they may need about managing private student loans, including options for making or deferring student loan payments, while on active military service or during deployment. Military Benefits representatives are available 8 a.m. to 9 p.m. ET Monday through Thursday, 8 a.m. to 8 p.m. Friday and 9 a.m. to 6 p.m. Saturday. A voicemail option is available for after-hours calls and messages are returned the next business day.

School Contact:

You can contact Sallie Mae's School AssistSM team at 844-8-ASSIST or 302-451-4912 Monday through Friday from 8 a.m. to 8 p.m. ET.

Service

1. Is service a high priority to you as a lender?

Our philosophy is simple: *To treat your students and families the way we want our own families to be treated.*

To support this philosophy, we survey our customers regularly for feedback on their customer service experience. The results of these surveys have a direct impact on the services we provide to your students and families.

Customer feedback has resulted in:

- 100% U.S.-based student loan customer service
- an online payment site that gives borrowers 24/7 secure access to their Sallie Mae-serviced loans. This site is fully responsive, so borrowers can access their information on a smart phone, tablet, or laptop. Borrowers can use this tool to access up-to-date loan information as well as schedule, view, and delete pending payments.



Sallie Mae is accredited by the Better Business Bureau (BBB) and achieved the highest possible rating, an A+, for our customer service practices.

- an online resource, [Managing Your Loans](#), that was developed to help customers effectively manage and understand their loans and loan payments, and understand what to do if difficulties arise.
- enhanced borrower communications that include an annual snapshot summary letter during in-school periods, enhanced entering into repayment communications designed to help borrowers transition into their repayment period successfully, and simplified billing statements.

We continue to look to our customers for feedback to help us support our customer service philosophy. As part of our new customer service operations initiative, we will be making more enhancements to our customers' service experience. We look forward to sharing these enhancements with you, your students, and their families.

2. Do you service you own loans? If not, who services your loans?

Sallie Mae services Sallie Mae-originated loans.

3. Do you hold or sell loans after origination? If held, for how long? If sold, at what point after origination?

We plan to retain ownership and servicing of our loans in good standing.

4. Do you have a 24/7 service option for both borrowers in school and in repayment? If not, what is the availability to borrowers?

Applicants can contact us toll-free at 877-279-7172 from 8 a.m. to 9 p.m. ET, Monday through Thursday, and 8 a.m. to 8 p.m. ET Friday. During peak, applicants can call us on Saturdays from 9 a.m. to 6 p.m. ET. Borrowers with servicing inquiries can contact us toll-free at 800-472-5543 from 8 a.m. to 9 p.m. ET, Monday through Thursday, 8 a.m. to 8 p.m. ET Friday, and Saturdays from 9 a.m. to 6 p.m. ET.

In addition to our call center hours, borrowers may use our online loan management tool.

Online Loan Management:

Sallie Mae's online loan management tool (available at [SallieMae.com](https://www.SallieMae.com)) gives borrowers 24/7 secure, online access to their Sallie Mae-serviced loans. This site is fully responsive, so borrowers can access their information on a smart phone, tablet, or laptop. Borrowers can use this tool to:

- Make one payment across multiple loans or pay each loan individually.
- Save up to 10 bank accounts for future use.
- Access up-to-date loan information.
- Enroll in and discontinue automatic debit payments.
- Make additional payments on accounts already enrolled in automatic debit.
- Modify automatic debit bank account information.
- View additional loans individually.
- Update contact information.
- View transactions that have been posted to their account.
- Search for transactions on an account.
- Link directly to the Media Center to print tax and monthly billing statements and to access Sallie Mae correspondence history for up to 12 months.
- Pay more than the Current Amount Due on higher interest rate loans.
- View online payment history.
- Schedule, view, and delete pending payments.

- Borrowers can schedule future payments for up to 89 days from the current date.
- Link directly to Sallie Mae's Frequently Asked Questions about online loan management.

5. Do you have an assigned customer service representative to each school or region? If so, please provide this contact individual and phone number.

Your Sallie Mae representative, Christopher Earnshaw, will serve as your dedicated point of contact. Christopher can be reached at 518-280-4844. You can also call Sallie Mae's School Assist team at 844-8-ASSIST or 302-451-4912. School Assist is familiar with your school's process and is available to answer any day-to-day questions from members of your financial aid staff regarding loan originations.

6. Are you an ELM member?

We are ELM's largest member and support the ELM loan delivery and disbursement.

7. Do you offer debt management counseling? If so, at what telephone number and/or website can borrowers access this benefit? Website address:

Long before college, Sallie Mae promotes financial literacy by helping families save through FDIC-Insured banking products, such as high-yield savings accounts and CDs, and through Upromise by Sallie Mae®. Deposit products are offered through Sallie Mae Bank, Member FDIC. We offer information on savings strategies for college to students and parents on both SallieMae.com and Upromise.com.

In Fall 2015, we introduced a new way for families to save for college: Upromise GoalSaver. This savings account makes saving for school and related expenses simple. It helps families set, visualize, and track their progress toward multiple goals. Plus, account owners can earn cash rewards as they save.*

When families are ready to start planning to pay for college, we advise them to follow our "1-2-3 approach":

1. **Start with money you won't have to pay back.** Supplement your college savings and income by maximizing scholarships, grants, and work-study.
2. **Explore federal student loans.** Apply by completing the Free Application for Federal Student Aid.
3. **Consider a responsible private student loan.** Fill the gap between your available funds and the cost of a college education.

Through our marketing of the Smart Option Student Loan (including a quarterly FICO® Score* for free) Sallie Mae further promotes financial literacy by helping students understand the benefits of in-school payments, shorter repayment terms, and building credit histories.

Financial Literacy Tools and Resources

You and your students and their families can access our financial literacy tools in online, presentation, print, video, and mobile app formats. To further help students become credit-wise, Smart Option Student Loans offer customers quarterly FICO® Scores for free, as well as explanations of the major factors in their scores.*

Online Resources

The College Planning section on SallieMae.com provides college planning information and guidance to students and families with a full suite of free, innovative, and interactive tools and resources. Tools

include Scholarship Search by Sallie Mae®, which features 5 million college scholarships worth up to \$24 billion, the College Planning CalculatorSM, which lets families create a plan to save and pay for college, the Student Loan Payment Estimator,* the Accrued Interest Calculator,* and more. All are available on SallieMae.com/CollegePlanningToolbox.

**Please refer to the disclosures section for additional information.*

Presentations and Print/PDF Pieces

The following materials and presentations help students and their families make smarter financial decisions and provide the basics of college financing options.

- Tools for Financing Education (Presentation)
- Understanding Credit (Print and SallieMae.com/FICO)
- 5 Steps to Paying for College (Presentation)
- Understanding Gap Financing Options (Presentation)
- Responsible Education Strategies (Presentation/Entrance Counseling Session)
- Financial Planning Worksheet - My Monthly Budget (PDF)
- Money Saving Strategies (PDF)
- Private Student Loan Handbook (Print and PDF)
- Interest Rate Handbook (Print and PDF)
- Cosigners Can Make College Happen (Print and PDF)
- Student Loan & Financial Planning Checklist (Print and PDF)
- Tips for Successful Repayment (Print and PDF)

Your Sallie Mae sales representative can order any of the above pieces or provide more information.

Research

As part of our commitment to financial literacy, we also regularly conduct research about saving and paying for college, interviewing parents and students about their experiences. The results of these national studies, *How America Saves for College* and *How America Pays for College*, are issued annually, and provide a useful, insightful snapshot for families, schools, and public policy experts. Full reports and related infographics are available for download at SallieMae.com/HowAmericaPays and SallieMae.com/HowAmericaSaves.

**Please refer to the disclosures for additional information.*

Private Loan Products

8. Do you offer alternative loans? If not, who is your lending partner? Is SUNY Fredonia currently set up with your Alternative Loan product to certify before disbursing? If not, is this option available?

Yes. The Sallie Mae Smart Option Student Loan and our Sallie Mae Parent Loan must be certified by your school.

We will not generate a certification request until all borrower and cosigner requirements have been met. We will consider loans “ready for disbursement” after receipt and approval of the school certification data.

9. Briefly highlight the alternative loan products that are offered, including tier pricing, interest rates, fees, etc.

Sallie Mae Smart Option Student Loan

Your students and their families will have access to a responsible loan that offers **competitive interest rates, no origination fee**, and benefits to help them reduce the total loan cost. With two interest rate types and three repayment options to choose from, students can find the right mix of features that works for them.

The Smart Option Student Loan requires school certification and is available to (undergraduates, graduates, and continuing education/health profession) students in need of additional funds after grants, scholarships, and federal loans are maximized.

Students can choose:

- *A fixed or variable interest rate.*
- *To make in-school payments or defer payments by selecting one of the repayment options below*.*

Interest Repayment Option	Fixed Repayment Option	Deferred Repayment Option
For students who want to make monthly interest payments during school and for six months after school.	For students who want to make fixed payments of \$25* each month during school and for six months after school.	For students who want to defer payments until six months after leaving school for budget flexibility.

- *To get the money they need to pay for school, by borrowing up to 100% of their school-certified cost of attendance.**
- *After their separation period, to start making full principal and interest payments, or request to make interest-only payments with the Graduated Repayment Period.**

The Smart Option Student Loan is the first nationwide private student loan offering a Graduated Repayment Period feature*, giving students a little flexibility when it comes to managing their budget after graduation. Students in good standing can request to make interest-only payments for 12 months (rather than full principal and interest payments), beginning six months after graduation.

**Please refer to the disclosures for additional information.*

Features	Benefits
<ul style="list-style-type: none"> • Cosigner release. Borrowers may apply to release their cosigner from the loan after they graduate, make 12 on-time principal and interest payments and meet certain credit requirements.* • Death and disability safeguard. This safeguard allows for a waiver of the loan's current balance in the event of the student borrower's death or total and permanent disability.* • Coverage of past due balances. Students who have graduated, those accepted for enrollment, or those currently enrolled may be eligible to use the Smart Option Student Loan to cover past due balances for up to 365 days from the enrollment period end date to the first disbursement date.* • Broad eligibility. Students can be: <ul style="list-style-type: none"> – attending school full-time, half-time, or less than half-time (enrolled in any program) – taking just a few classes or summer classes, seeking a professional certification, or enrolled in a continuing education or technical/trade program – taking courses that do not qualify for federal student loans – U.S. citizen or a permanent resident – Non-U.S. citizen borrower (including DACA students) applying with a creditworthy U.S. citizen or permanent resident cosigner – U.S. citizens and permanent residents enrolled in eligible study abroad programs or who are attending or have attended schools located outside the U.S. are also eligible. 	<ul style="list-style-type: none"> • Study StarterSM. <i>Coming soon</i> – an exclusive benefit to help your students jump-start their studies! With the new Study Starter* benefit, Smart Option Student Loan borrowers can receive up to 120 free minutes of live online tutoring through Chegg Tutors™ or free access to step-by-step Textbook Solutions and Expert Q&A on Chegg Study®. Borrowers can also try a little of both. <p>Chegg Tutors connects students with online tutors in minutes for homework help or exam prep. Tutors are vetted by Chegg, and students can interact with them via video or text chat while sharing work on-screen. Chegg Study includes expert content to help students solve study questions and textbook problems, and is ideal for students taking Science, Math, Business, or Engineering classes.</p> <ul style="list-style-type: none"> • Lower the interest rate. Students can reduce their interest rate by 0.25 percentage points simply by signing up to make their scheduled monthly payments by automatic debit.* • Quarterly FICO® Credit Scores are available online for free. Borrowers and cosigners can view their FICO® Score by logging into their Sallie Mae account. They'll also receive access to the key factor(s) affecting their score and educational content to help them understand why viewing their FICO® Score is important.* • Rewards for everyday spending. Upromise Loan Link® lets customers transfer their rewards to their Sallie Mae student loan account to help pay down their eligible Sallie Mae student loans.*

*Please refer to the disclosures for additional information.

Smart Option Student Loan pricing*

Undergraduate Student Pricing

Product	Variable Interest Rate	Fixed Interest Rate	Origination/ Disbursement Fee
PLUS Loan**	Not applicable	6.31% (APR: 6.50% or 7.23%)	4.276%*
Smart Option Student Loan Interest Repayment Option	LIBOR + 2.00% to LIBOR + 8.88% (APR: 3.00% to 9.86%)	5.75% to 11.88% (APR: 5.74% to 11.85%)	0%
Smart Option Student Loan Fixed Repayment Option	LIBOR + 2.50% to LIBOR + 9.38% (APR: 3.48% to 9.74%)	6.25% to 12.38% (APR: 6.08% to 11.43%)	0%
Smart Option Student Loan Deferred Repayment Option	LIBOR + 3.00% to LIBOR + 9.88% (APR: 3.87% to 10.01%)	6.75% to 12.88% (APR: 6.40% to 11.69%)	0%

Graduate Student Pricing

Product	Variable Interest Rate	Fixed Interest Rate	Origination/ Disbursement Fee
PLUS Loan**	Not applicable	6.31% (APR: 6.86% or 7.23%)	4.276%*
Smart Option Student Loan Interest Repayment Option	LIBOR + 2.00% to LIBOR + 6.75% (APR: 3.00% to 7.74%)	5.75% to 8.38% (APR: 5.74% to 8.36%)	0%
Smart Option Student Loan Fixed Repayment Option	LIBOR + 2.50% to LIBOR + 7.00% (APR: 3.49% to 7.83%)	6.25% to 8.63% (APR: 6.16% to 8.42%)	0%
Smart Option Student Loan Deferred Repayment	LIBOR + 3.00% to LIBOR + 7.25% (APR: 3.93% to 7.97%)	6.75% to 8.88% (APR: 6.56% to 8.56%)	0%

**4.276% PLUS loan fee applies to loans that first disburse on or after October 1, 2016, and before October 1, 2017.

*Please refer to the disclosures for additional information.

Parent Loan

Parents and other creditworthy individuals have an additional option when it comes to helping their undergraduate or graduate student pay for college. The Sallie Mae Parent Loan lets them give the gift of college with a choice of repayment options and variable or fixed interest rates.

Features

- Competitive interest rates
- No origination fee, no prepayment penalty
- Choice of repayment options
- Covers up to 100% of the school-certified cost of attendance*
- 0.25 percentage point interest rate reduction while enrolled to make scheduled monthly payments by auto debit*
- Quarterly FICO® Credit Scores available online for free to both borrowers and cosigners*
- Student death and disability loan forgiveness*
- Interest paid may be tax deductible for borrowers*
- Cover an existing balance for an enrollment period within the past 365 days*

Eligibility

The Sallie Mae Parent Loan is available to parents, family members, and other creditworthy individuals who are willing to help a student achieve their education goals. Borrowers are welcome to apply with a cosigner. The student is not eligible to be a borrower or cosigner. Borrowers, cosigners, and students must be U.S. citizens or permanent residents.

Interest rates and repayment options for the Sallie Mae Parent Loan*	
<p>Interest Repayment Borrowers make monthly interest payments while the student is enrolled in school for up to 48 months, followed by principal and interest payments.</p> <p>Variable Rates LIBOR + 3.50% to LIBOR + 9.88% (APRs: 4.50% to 10.86%)</p> <p>Fixed Rates 5.75% to 12.88% (APRs: 5.74% to 12.85%)</p>	<p>Principal and Interest Repayment Borrowers make monthly principal and interest payments while the student is enrolled in school and through the life of the loan.</p> <p>Variable Rates LIBOR + 3.50% to LIBOR + 9.88% (APRs: 4.50% to 10.87%)</p> <p>Fixed Rates 5.75% to 12.88% (APRs: 5.75% to 12.87%)</p>

**Please refer to the disclosures for additional information.*

It's important for families to explore their options.

The Sallie Mae Parent LoanSM and the Sallie Mae Smart Option Student Loan[®] are separate products with different features and available interest rates. Learn more at SallieMae.com/ParentOptions.

**Please refer to the disclosures for additional information.*

10. Do you offer Direct-to Consumer Loans? If so, so you have the capability for these to be a non-option for college students unless directed by a financial aid officer?

We do not currently offer a non-certified loan to SUNY at Fredonia. The only product we offer that does not require school certification is Sallie Mae's Residency and Relocation Loan®. This loan is for students in their final year of study at an eligible medical school or who have graduated from one in the past 12 months.

Additional Information

Coming Soon!

New suite of loans for graduate students: This spring, we're excited to offer a new suite of loans created specifically for students pursuing graduate studies in business, dental and medical, and health professions.

The Sallie Mae MBA LoanSM and Sallie Mae Health Professions LoanSM offer the following features to meet your grad students' needs:

- Multiple repayment options
- A choice of variable or fixed interest rates
- No origination fee
- Up to 100% of the school-certified cost of attendance*
- No principal and interest loan payments until six months after leaving school

**Please refer to the disclosures for additional information.*

Disclosures

This proposal is for degree-granting institutions only.

APR means the Annual Percentage Rate.

Smart Option Student Loan Eligibility: The borrower must be attending or have attended a participating school located in the U.S. during an eligible prior enrollment period. The borrower must be a U.S. citizen or a permanent resident or a Non-U.S. citizen borrower with a creditworthy cosigner (who must be a U.S. citizen or permanent resident) and required U.S. Citizenship and Immigration Service (USCIS) documentation. Non-U.S. citizen students, including DACA students, will need to submit proper documentation to prove citizenship/identity; this can include an unexpired foreign passport, an unexpired student visa, an alien registration card, or an employment authorization document. All documentation must be unexpired at the time of the application, government-issued, and include a photograph. U.S. citizens and permanent residents enrolled in eligible study abroad programs or who are attending or have attended schools located outside the U.S. are also eligible. Applications are subject to a requested minimum loan amount of \$1,000. Current credit and other eligibility criteria apply.

Smart Option Student Loan Rate Availability: Interest rates for Fixed and Deferred Repayment Options are higher than interest rates for the Interest Repayment Option. The borrower is charged interest starting at disbursement, while in school and during the six-month separation or grace period. When the borrower enters principal and interest repayment, Unpaid Interest will be added to the loan's Current Principal. Variable rates may increase over the life of the loan. Advertised APRs assume a \$10,000 loan to a freshman/first-year graduate with no other Sallie Mae loans. (Graduate student pricing for this loan is limited to students enrolling in a Masters/Doctorate level degree program. Graduate Certificate/Continuing Education course work is not eligible.) LIBOR is the 1-month London Interbank Offered Rate rounded up to the nearest one-eighth of one percent.

Sallie Mae Parent Loan Eligibility: Information provided is for borrowers with students attending degree-granting institutions only. The student is not eligible to be a borrower or cosigner and must be attending or have attended a participating school during an eligible prior enrollment period or be enrolled in an eligible study abroad program. The borrower, cosigner and student must be U.S. citizens or permanent residents. The school may refund loan funds directly to the student, and if that occurs, borrower and cosigner (if applicable) would still be responsible for repaying that amount to Sallie Mae. Applications are subject to a requested minimum loan amount of \$1,000. Current credit and other eligibility criteria apply.

Parent Loan Rate Availability: APRs for the Principal and Interest Repayment Option are higher than APRs for the Interest Repayment Option. Variable rates may increase over the life of the loan. Advertised APRs assume a \$10,000 loan to a borrower (on behalf of a freshman student) with no other Sallie Mae loans. LIBOR is the 1-month London Interbank Offered Rate rounded up to the nearest one-eighth of one percent.

SALLIE MAE RESERVES THE RIGHT TO MODIFY OR DISCONTINUE PRODUCTS, SERVICES, AND BENEFITS AT ANY TIME WITHOUT NOTICE. APPLICANTS SHOULD CHECK SALLIEMAE.COM FOR THE MOST UP-TO-DATE PRODUCT INFORMATION.

Students and their families should explore federal loans and compare to ensure they understand the terms and features. Smart Option Student Loans and Parent 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.

Graduated Repayment Period: Available for loans made to students attending a degree-granting institution. Graduated Repayment Period (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 (which typically begins six months after graduation) 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 and the borrower must have graduated with no interruption in enrollment and not be more than 30 days delinquent on any student loan. The borrower may request GRP only during the two billing periods immediately preceding and the two 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 will be higher than it otherwise would have been without GRP, and the Total Loan Cost will increase.

First nationwide private loan offering a Graduated Repayment Period: Based on March 13, 2017 review of competitors' loan programs and repayment features.

Prior Enrollment Period: If requesting a loan for a prior enrollment period, less than 365 days can pass from the end of the prior enrollment period to the time of the loan's first disbursement. At the time of the 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.

Cosigner Release: 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 the borrower's status has changed since the borrower 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 no: open bankruptcy, open foreclosure, student loan(s) in default or 90 day delinquencies in the last 24 months. Requirements are subject to change.

Upromise Loan Link: Only the borrower can link Upromise and loan accounts. Not all loans may be eligible for linking. Please visit Upromise.com/loanlink for details. Upromise account balances of \$10 or more will be automatically transferred on a monthly basis to the linked loan account. For multiple linked loans, Upromise earnings will be allocated at the sole discretion of Upromise and Sallie Mae. Access to Upromise is not limited to Sallie Mae loan customers.

Upromise Terms and Conditions: Terms and conditions apply to the Upromise service. Participating companies, contribution levels and terms and conditions are subject to change at any time without notice. Go to Upromise.com to learn more.

Death and Disability: If a student dies or becomes permanently and totally disabled, Sallie Mae will waive all remaining payments on the loan.

Auto Debit: Either the borrower or cosigner (not both) must enroll in auto debit through Sallie Mae. The rate reduction benefit applies only during active repayment for as long as the Current Amount Due is successfully deducted from the designated bank account each month and is suspended during forbearances and certain deferments.

Quarterly FICO® Score: Borrowers and cosigners may receive their FICO® Score quarterly after the first disbursement of their loan. FICO® Scores are delivered only to borrowers and cosigners who have an available score, are based on data from TransUnion, and may be different from other credit scores. 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.

Study StarterSM: This promotional benefit is provided at no cost to borrowers with loans that first disburse between May 8, 2017 and April 30, 2018. Borrowers who reside in or attend school in Maine are not eligible for this benefit. No cash value. Terms and Conditions apply. Please visit chegg.com/termsandconditions/salliemae for complete details. This offer expires one year after issuance. All rights reserved.

Parent Loan Tax Deduction Eligibility: For more information, see IRS Publication 970 or consult a tax advisor.

GoalSaver: Cash rewards will post to Upromise GoalSaver Account(s) in the form of interest payments and is subject to taxable income rules. Each cash reward program is subject to individual eligibility requirements:

- **10% Match on Upromise Rewards:** To be eligible for the 10% annual match on Upromise earnings from Upromise, the customer must link his/her Upromise GoalSaver Account to his/her Upromise Rewards Account and either: 1. Within 90 days of opening the Upromise GoalSaver Account, make the first of at least 10 externally funded credit/deposit transactions into the Upromise GoalSaver Account and complete at least 10 externally funded credit/deposit transactions within the anniversary year or 2. Within 90 days of opening the Upromise GoalSaver Account, fund his/her Upromise GoalSaver Account with \$5,000 or more and maintain an average daily balance of \$5,000 or more during the 12 months from account opening. Should the customer fail to meet the requirements during the anniversary year, he/she will have the opportunity to become eligible for the 10% match in additional years if, by his/her anniversary date, the customer (a) links his/her Upromise GoalSaver Account to his/her Upromise Rewards Account, and (b) either meets the \$5,000 average daily balance minimum funding requirement, or meets the 10 externally funded credit/deposit requirement in the anniversary year. If the customer qualifies for the 10% match based on having the average daily balance of \$5,000 in his/her Upromise GoalSaver Account, he/she must maintain that average balance in his/her Upromise GoalSaver Account for the duration of the anniversary year for which his/her transferred earnings will be matched. Once the customer completes the steps above, Upromise will match 10% of his/her Upromise earnings that he/she transfers from his/her Upromise Rewards Account into his/her Upromise GoalSaver Account during each anniversary year. His/her match will be deposited into his/her Upromise GoalSaver Account within 60 days after his/her anniversary date, provided that both Accounts remain active at time of transfer. Please refer to GoalSaver FAQs for additional information.
- **Annual Bonus:** \$10 Annual Bonus will post to the customer's Upromise GoalSaver Account within 60 days of the completion of each anniversary from the date his/her Account was opened. To be eligible for the bonus each year, the customer must have a recurring deposit post at least 10 out of the 12 months in an amount not less than \$10 each deposit and his/her Account must be in an open status at the time of bonus posting.
- **Loyalty Bonus:** \$100 will post to the customer's Upromise GoalSaver Account within 60 days of the completion of the 3rd year anniversary of when his/her Upromise GoalSaver Account was opened. To be eligible the Upromise GoalSaver Account must maintain at least \$0.01 up until the day before the 3rd anniversary date, a \$5,000 balance must be reached by and remain in the account on the 3rd anniversary date and the Upromise GoalSaver Account must be in an open status at the time of bonus posting.

We reserve the right to modify or discontinue features, benefits and services including cash rewards and bonuses at any time without notice. Other terms and conditions may apply. Upromise Rewards Accounts are not FDIC-insured, carry no bank guarantee and may lose value. Please visit Upromise.com for most up-to-date product features.

Please note: cash back savings held in the customer's Upromise Rewards Account are not FDIC insured, carry no bank guarantee and may lose value. Once rewards are swept into the customer's Upromise GoalSaver Account, FDIC insurance is covered through Sallie Mae Bank up to the applicable limits. See FDIC website for insurance limits.

Accrued Interest Calculator: Some lenders capitalize Unpaid Interest - add it to the principal amount of the borrower's loan. This could increase the borrower's Total Loan Cost. Borrowers should check with their lender before borrowing or look at ways to pay down the interest before it capitalizes.

Student Loan Payment Amount Estimator: Sallie Mae does not guarantee the estimator accuracy or applicability to a person's individual circumstances. The estimated monthly payment assumes a fixed payment amount and fixed interest rate for the life of the loan and does not account for a variable interest rate. The estimate does not account for missed payments, the use of deferment or forbearance, or any required minimum monthly payment amount for a particular loan. For new loans, this estimate does not account for any payments made during the in-school and separation or grace periods, or any interest that accrues or capitalizes during that time. For Sallie Mae loans entering principal and interest repayment, this estimate does not factor in accruing interest or any payments made between now and when the loan enters principal and interest repayment.

Parent Loan Financial Calculations: The following loan examples use approximated numbers, are for informational purposes only, and are examples of typical loan terms available through the Sallie Mae Parent Loan.

Variable Interest Rate

Interest Repayment Option: This repayment example is based on a typical loan to a borrower (on behalf of a student) who chooses a variable rate and the Interest Repayment Option for a \$10,000 loan, with two disbursements, and a 8.74% variable APR. It works out to 4 payments of \$36.46, 44 payments of \$72.92, 119 payments of \$125.77 and one payment of \$94.64, for a Total Loan Cost of \$18,415.59. Variable rates may increase over the life of the loan

Principal and Interest Repayment Option: This repayment example is based on a typical loan to a borrower (on behalf of a student) who chooses a variable rate and the Principal and Interest Repayment Option for a \$10,000 loan, with two disbursements, and a 8.75% variable APR. It works out to 4 payments of \$62.89, 115 payments of \$127.14 and one payment of \$96.09, for a Total Loan Cost of \$14,968.75. Variable rates may increase over the life of the loan.

Fixed Interest Rate

Interest Repayment Option: This repayment example is based on a typical loan to a borrower (on behalf of a freshman student) who chooses a fixed rate and the Interest Repayment Option for a \$10,000 loan, with two disbursements, and a 10.48% fixed APR. It works out to 4 payments of \$43.75, 44 payments of \$87.50, 119 payments of \$135.51 and one payment of \$90.97, for a Total Loan Cost of \$20,241.66.

Principal and Interest Repayment Option: This repayment example is based on a typical loan to a borrower (on behalf of a freshman student) who chooses a fixed rate and the Principal and Interest Repayment Option for a \$10,000 loan, with two disbursements, and a 10.49% fixed APR. It works out to 4 payments of \$67.76, 115 payments of \$136.84 and one payment of \$92.73, for a Total Loan Cost of \$16,100.37.

Smart Option Student Loan Financial Calculations: The following loan examples use approximated numbers, are for informational purposes only, and are examples of loan terms available through the Sallie Mae Smart Option Student Loan.

Variable Interest Rate

Interest Repayment Option: This repayment example is based on a typical loan to a borrower who chooses a variable rate and the Interest Repayment Option for a \$10,000 loan, with two disbursements, and a 7.74% variable APR. It works out to 4 payments of \$32.29, 47 payments of \$64.58, 83 payments of \$155.10 and one payment of \$136.21, for a Total Loan Cost of \$16,173.93. Variable rates may increase over the life of the loan.

Fixed Repayment Option: This repayment example is based on a typical loan to a borrower who chooses a variable rate and the Fixed Repayment Option for a \$10,000 loan, with two disbursements, and a 7.89% variable APR. It works out to 51 payments of \$25.00, 119 payments of \$148.74 and one payment of \$117.05, for a Total Loan Cost of \$19,092.11. Variable rates may increase over the life of the loan.

Deferred Repayment Option: This repayment example is based on a typical loan to a borrower who chooses a variable rate and the Deferred Repayment Option for a \$10,000 loan, with two disbursements, and a 8.18% variable APR. It works out to 143 payments of \$152.95 and one payment of \$105.70, for a Total Loan Cost of \$21,977.55. Variable rates may increase over the life of the loan.

Fixed Interest Rate

Interest Repayment Option: This repayment example is based on a typical loan to a borrower who chooses a fixed rate and the Interest Repayment Option for a \$10,000 loan, with two disbursements, and a 8.86% fixed APR. It works out to 4 payments of \$36.98 per month, 47 payments of \$73.96 per month, 83 payments of \$160.83 per month and one payment of \$137.40, for a Total Loan Cost of \$17,110.33.

Fixed Repayment Option: This repayment example is based on a typical loan to a borrower who chooses a fixed rate and the Fixed Repayment Option for a \$10,000 loan, with two disbursements, and a 8.88% fixed APR. It works out to 51 payments of \$25 per month, 119 payments of \$162.06 per month and one payment of \$120.30, for a Total Loan Cost of \$20,680.44.

Deferred Repayment Option: This repayment example is based on a typical loan to a borrower who chooses a fixed rate and the Deferred Repayment Option for a \$10,000 loan, with two disbursements, and a 9.16% fixed APR. It works out to 143 payments of \$167.15 per month and one payment of \$104.17, for a Total Loan Cost of \$24,006.62.

Smart Option Student Loan Financial Calculations: The following loan examples use approximated numbers, are for informational purposes only, and are examples of typical loan terms available through the Sallie Mae Smart Option Student Loan.

Smart Option Student Loan – Two-Year Graduate Student Examples

Variable Interest Rate

Interest Repayment Option: This repayment example is based on a typical loan to a first-year graduate borrower who chooses a variable rate and the Interest Repayment Option for a \$10,000 loan, with two disbursements, and a 6.74% variable APR. It works out to 4 payments of \$28.13, 23 payments of \$56.25, 59 payments of \$197.37 and one payment of \$183.89, for a Total Loan Cost of \$13,234.99. Variable rates may increase over the life of the loan.

Fixed Repayment Option: This repayment example is based on a typical loan to a first-year graduate 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 27 payments of \$25.00, 59 payments of \$214.08 and one payment of \$199.03, for a Total Loan Cost of \$13,504.75. Variable rates may increase over the life of the loan.

Deferred Repayment Option: This repayment example is based on a typical loan to a first-year graduate borrower who chooses a variable rate and the Deferred Repayment Option for a \$10,000 loan, with two disbursements, and a 7.97% variable APR. It works out to 71 payments of \$207.48 and one payment of \$185.20, for a Total Loan Cost of \$14,916.28. Variable rates may increase over the life of the loan.

Fixed Interest Rate

Interest Repayment Option: This repayment example is based on a typical loan to a first-year graduate borrower who chooses a fixed rate and the Interest Repayment Option for a \$10,000 loan, with two disbursements, and a 7.49% fixed APR. It works out to 4 payments of \$31.25, 23 payments of \$62.50, 59 payments of \$200.98 and one payment of \$185.42, for a Total Loan Cost of \$13,605.74.

Fixed Repayment Option: This repayment example is based on a typical loan to a first-year graduate borrower who chooses a fixed rate and the Fixed Repayment Option for a \$10,000 loan, with two disbursements, and a 7.59% fixed APR. It works out to 27 payments of \$25, 59 payments of \$221.13 and one payment of \$203.60, for a Total Loan Cost of \$13,925.27.

Deferred Repayment Option: This repayment example is based on a typical loan to a first-year graduate borrower who chooses a fixed rate and the Deferred Repayment Option for a \$10,000 loan, with two disbursements, and a 7.74% fixed APR. It works out to 71 payments of \$205.12 per month and one payment of \$183.92, for a Total Loan Cost of \$14,747.44.

The PLUS APR is calculated using a Sallie Mae internal financial model and is provided for comparison purposes only. 4.276% PLUS loan fee applies to loans that first disburse on or after October 1, 2016 and before October 1, 2017.

Federal student loan rate and fee information for 2016-2017 is based on May 13, 2016 Electronic Announcement and May 31, 2016 Dear Colleague Letter from Federal Student Aid, an office of the U.S. Department of Education. Other federal student loan information was gathered on March 13, 2017 from studentaid.ed.gov. Rates, fees and availability of federal loan products are subject to change by the Federal Government.

Assumptions for the 4-Year Undergraduate PLUS Loan APRs: \$10,000 loan with two disbursements; four-year in-school period; a 4.276% origination fee; and standard 10-year repayment term. The 6.50% PLUS Loan APR assumes the borrower defers payments during school and the six-month grace period and the 7.23% PLUS Loan APR assumes the borrower makes payments once the loan is fully disbursed.

Assumptions for the 2-Year Graduate PLUS Loan APRs: \$10,000 loan with two disbursements; two-year in-school period; a 4.276% origination fee; and standard 10-year repayment term. The 6.86% PLUS Loan APR assumes the borrower defers payments during school and the six-month grace period and the 7.23% PLUS Loan APR assumes the borrower makes payments once the loan is fully disbursed.

Rates, fees and availability of federal loan products are subject to change by the Federal Government. Check <http://studentaid.ed.gov/> for the most up-to-date information about federal loan products

Cost of attendance: Sallie Mae reserves the right to approve a lower loan amount than the school certified amount.

Disclaimer

By submitting this proposal, Sallie Mae agrees only to the terms set forth in this proposal. Sallie Mae reserves the right to revise this proposal at any time. To the extent that items included in this proposal differ from the Request for Proposal, this proposal constitutes a counter-proposal with respect to the terms that differ. All intellectual property resulting from performing any work in connection with this proposal belongs to Sallie Mae. For purposes of this proposal, "Sallie Mae" means SLM Corporation and its subsidiaries, including Sallie Mae Bank.

Information advertised valid as of March 27, 2017.

Sallie Mae, the Sallie Mae logo, and other Sallie Mae names and logos are service marks or registered service marks of Sallie Mae Bank or its subsidiaries. Upromise, the Upromise logo and other Upromise names and logos are service marks or registered service marks of Upromise, Inc. All other names and logos used are the trademarks or services marks of their respective owners. SLM Corporation and its subsidiaries, including Sallie Mae Bank and Upromise, Inc., are not sponsored by or agencies of the United States of America.

Sallie Mae Smart Option Student Loans, Sallie Mae Parent Loans, Sallie Mae MBA Loans, and Sallie Mae Health Professions Loans are made by Sallie Mae Bank.

©2017 Sallie Mae Bank. ©2017 Upromise. All rights reserved.

SallieMae.com