

Benefit from these loan features

- ✓ Competitive interest rates
- ✓ No origination fee and no penalty for paying off your loan before its due date<sup>7</sup>
- ✓ Cover 100% of school-certified expenses for the entire school year— including tuition, fees, books, supplies, housing, meals, travel, and technology<sup>8</sup>
- ✓ Lower your total loan cost with a 0.25 percentage point interest rate reduction when you enroll in and make monthly payments by auto debit<sup>9</sup>
- ✓ Get an exclusive study benefit from Chegg  
The only undergraduate student loan that offers 4 months of free textbook solutions and expert Q&A with Chegg Study® PLUS 4 months of writing help with Chegg Writing®, AND 4 months of custom equation solutions with Chegg Math Solver®<sup>10</sup>
- ✓ You may receive a tax deduction on the interest you pay<sup>11</sup>
- ✓ Borrowers and cosigners receive quarterly FICO® Credit Scores online for free<sup>12</sup>
- ✓ Cover an existing balance for an enrollment period within the past 365 days<sup>13</sup>
- ✓ Applying is fast and easy



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.

Borrowers and cosigners are equally responsible for making payments on the Sallie Mae loans until they are paid in full.  
Explore federal loans and compare to make sure you understand the terms and features. Sallie Mae 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.

These loans are for eligible expenses at participating degree-granting schools. Smart Option Student Loan information is for undergraduate students only. The school may refund Parent Loan funds directly to the student; if that occurs, the borrower and cosigner (if applicable) would still be responsible for repaying that amount. Applications are subject to a requested minimum loan amount of \$1,000. Current credit and other eligibility criteria apply.

<sup>1</sup> APRs for the Principal and Interest Repayment Option may be higher than APRs for the Interest Repayment Option. 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. APRs assume a \$10,000 loan to a person borrowing for a freshman student. Index is the 30-day Average Secured Overnight Financing Rate (SOFR) rounded up to the nearest one-eighth of one percent.

<sup>2</sup> 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 no: bankruptcy, foreclosure, student loan(s) in default or 90 day delinquencies in the last 24 months. Requirements are subject to change.

<sup>3</sup> 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.

<sup>4</sup> 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.

<sup>5</sup> 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.

<sup>6</sup> This repayment example is based on a typical Parent Loan made 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 9.50% fixed APR. It works out to 4 payments of \$64.95, 115 payments of \$131.25 and one payment of \$94.39, for a Total Loan Cost of \$15,447.94.

<sup>7</sup> Although we do not charge you a penalty or fee if you prepay your loan, any prepayment will be applied as outlined in your promissory note: first to Unpaid Fees and costs, then to Unpaid Interest, and then to Current Principal.

<sup>8</sup> 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.

<sup>9</sup> 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, if available for the loan.

<sup>10</sup> 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/smttermsandconditions> for complete details. This offer expires one year after issuance.

<sup>11</sup> This information is not meant to provide tax advice. Consult with a tax advisor for education tax credit and deduction eligibility. For more information, see IRS Publication 970.

<sup>12</sup> 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.

<sup>13</sup> 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.

<sup>14</sup> Federal student loan information was gathered on July 17, 2020 from studentaid.gov.

<sup>15</sup> 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.

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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Options to help your student pay for college



Congratulations, your student's going to college!

Now comes the question of how you—and they—are going to pay for their education expenses.

- Start with scholarships, grants, and federal student loans.
- If you still need money for college, consider a private student loan.

We have two loans that can help pay for college costs, depending on the role you want to take in financing your student's education.

I want to take responsibility for financing my student's education.

Take out a Sallie Mae® Parent Loan in your name and you can reduce the financial pressure on your student.

I want to share equal financial responsibility with my student.

With your student as the borrower, you can cosign a Smart Option Student Loan® for Undergraduate Students and help your student build their own credit history.

# Sallie Mae Parent Loan

Take out a loan in your name and reduce the financial pressure on your student

You can take responsibility for the loan instead of your undergraduate or graduate student. Creditworthy adults, other than the student, can apply for this loan—parent, grandparent, relative, or guardian.

Choose a variable or fixed interest rate as well as how you want to pay it back, with these two repayment options:

### INTEREST REPAYMENT OPTION



Get budget flexibility—**make monthly interest payments** while your student is in school for up to four years, and then principal and interest payments until you’ve paid off your loan.<sup>1</sup>

### PRINCIPAL AND INTEREST REPAYMENT OPTION



You can **pay off your loan faster** by making monthly principal and interest payments while your student is in school and after.<sup>1</sup>

# Smart Option Student Loan for Undergraduate Students

Cosign a loan with your student and help them build their own credit history

Share equal financial responsibility with your student, while helping them build their credit history. As a cosigner, your credit may give them a better chance of approval. They can also apply to release you as the cosigner after graduating, making 12 on-time principal and interest payments and meeting certain credit requirements.<sup>2</sup>

### DEFERRED REPAYMENT OPTION



You or your student **makes no scheduled loan payments** while your student is in school and in grace (six months after leaving school).<sup>3</sup>

### FIXED REPAYMENT OPTION



You or your student pays \$25 every month<sup>4</sup> while your student is in school and in grace.<sup>3</sup>

Freshman students may save 12% on their total loan cost by choosing the fixed repayment option instead of the deferred repayment option.<sup>5</sup>

### INTEREST REPAYMENT OPTION



You or your student pays interest every month while in school and in grace.<sup>3</sup>

Freshman students may save 24% on their total loan cost by choosing the interest repayment option instead of the deferred repayment option.<sup>5</sup>

# A comparison of common college financing options

Compare the benefits of a Sallie Mae private education loan with the PLUS Loan for Parents, a federal loan that parents of dependent undergraduate students can use to help pay for college.

	Sallie Mae Parent Loan	Smart Option Student Loan for Undergraduate Students	Federal PLUS Loan for Parents <sup>14</sup>
Borrower	Parent or other creditworthy adult	Student	Parent
Responsibility to pay	Parent or other creditworthy adult	Student and cosigner (if applicable)	Parent
Credit check required	Yes; loan approval and pricing are based on creditworthiness and other factors	Yes; loan approval and pricing are based on creditworthiness and other factors	Yes; a parent with an adverse credit history may obtain an endorser or meet additional requirements to qualify
Variable interest rates*	SOFR + 3.50% to SOFR + 12.88% 3.37% APR to 12.99% APR <sup>1</sup>	SOFR + 1.25% to SOFR + 12.13% 1.13% APR to 11.23% APR <sup>3</sup>	N/A
Fixed interest rates*	5.75% to 13.88% 5.49% APR to 13.87% APR <sup>1</sup>	4.50% to 13.63% 4.25% APR to 12.59% APR <sup>3</sup>	5.30% interest rate for loans first disbursed 7/1/20 through 6/30/21
Origination fee	0%	0%	4.228% for loans first disbursed 10/1/20 through 9/30/21
Repayment options	<ul style="list-style-type: none"><li>• Monthly interest payments while the student is enrolled in school for up to 48 months, followed by monthly principal and interest payments<sup>1</sup></li><li>• Monthly principal and interest payments while the student is enrolled in school and after<sup>1</sup></li></ul>	<ul style="list-style-type: none"><li>• No payments while in school<sup>3</sup></li><li>• \$25 fixed monthly payments while in school<sup>3,4</sup></li><li>• Monthly interest payments while in school<sup>3</sup></li></ul>	Multiple options are available. Explore repayment options by visiting studentaid.gov.
Repayment term	10 years of principal and interest payments <sup>6</sup>	5–15 years of principal and interest payments <sup>4</sup>	10–25 years of principal and interest payments
Student enrollment status	Full-time, half-time, less than half-time	Full-time, half-time, less than half-time	Must be at least half-time
Graduated Repayment Period available	No	Yes <sup>15</sup>	Explore repayment options by visiting studentaid.ed.gov
Available to cover a balance for a prior school year	Up to 100% of school-certified costs incurred within the past 365 days <sup>8,13</sup>	Up to 100% of school-certified costs incurred within the past 365 days <sup>8,13</sup>	Up to \$200

\*Lowest APRs shown include the auto debit discount

Visit [salliemae.com/parentoptions](https://salliemae.com/parentoptions) or call 855-429-9759