Private Education Loan –Smart Option Student Loan

Application and Solicitation Disclosure
Variable Rate Type (see pages 3 & 4 for Fixed Rate Type)

Sallie Mae Bank
P.O. Box 3319
Wilmington, DE 19804

Loan Interest Rate & Fees

Your starting interest rate will be between 2.500% and 7.750%

After the starting rate is set, your rate will then vary with the market.

Your starting Interest Rate (upon approval)
The starting Interest Rate you pay will be determined after you apply. It will be based upon your credit history, which repayment option you choose, and other factors. If approved, we will notify you of the rate you qualify for within the stated range.

Your Interest Rate during the life of the loan
Your rate is variable. This means that your rate could move lower or higher than the rates on this form. The variable rate is based upon the one-month LIBOR Rate (as published by Reuters on its Reuters Screen LIBOR01). For more information on this rate, see Reference Notes.

There is no limit on the amount the interest rate can increase.

Loan Fees

Application Fee: $0.00. Disbursement Fee: The fees that we charge to make this loan are 0.000% to 0.000% of total loan amount. Late Fee: 5.00% of the amount of the past due payment, up to a maximum of $25. Returned Check Fee: up to $20.00. Fee when you begin repaying the loan: 0.000% of loan balance.

Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you start to repay it. This example provides estimates based upon 3 different repayment options available to you while enrolled in school.

Repayment Option (while enrolled in school and during the separation period of six (6) billing periods thereafter)	Amount Provided (amount provided directly to you or your school)	Interest Rate (highest possible starting rate)	Loan Term (how long you have to pay off the loan)	Total Paid over life of loan (includes associated fees)
Interest Only Make interest payments but defer payments on the principal amount while enrolled in school and during the separation period.	$10,000	7.750%	144 months starting after the separation period.	$18,732.82
Fixed Payment Make fixed payments of $25.00 each month while enrolled in school and during the separation period. Interest will be charged and added to your loan.	$10,000	7.750%	144 months starting after the separation period	$19,816.35
Full Deferment Make no payments while enrolled in school and during the separation period. Interest will be charged and added to your loan.	$10,000	7.750%	144 months starting after the separation period	$20,500.23

About this example

The repayment example assumes you remain in school 4 years and have a 6 month separation period before beginning repayment. It is based on the highest starting rate currently charged and associated fees. Please note that principal and interest payments required each month after the separation period ends and the interest rate on your loan are higher for the " Fixed Payment" and "Full Deferment" Repayment Options. So long as you do so prior to finalizing this loan, you will be able to change your repayment option and interest rate type elections by calling (877) 279-7172. Principal and interest repayment terms vary from 5 to 15 years and are based upon the borrower's cumulative outstanding Sallie Mae owned or serviced private student loan balance, repayment option and the student's school-certified academic grade level.

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Federal Loan Alternatives

Loan Program	Current Interest Rates by Program Type*
PERKINS for Students	5.000% fixed
STAFFORD for Students	4.290% fixed Undergraduate subsidized and unsubsidized 5.840% fixed Graduate
PLUS for Parents and Graduate/Professional Students	6.840% fixed Federal Direct Loan

You may qualify for Federal education loans.
For additional information, contact your school's financial aid office or the Department of Education at:

www.federalstudentaid.ed.gov

* These interest rates are determined by federal law and are fixed for the life of the loan. The federal loan interest rates may change in the future, but only for new federal loans. Federal law may also change in the future. To learn more, go to: http://studentaid.ed.gov/types/loans/interest-rates.

Next Steps

1. Find Out About Other Loan Options.
   Some schools have school-specific student loan benefits and terms not detailed on this form. Contact your school's financial aid office or visit the Department of Education's website at: www.federalstudentaid.ed.gov for more information about other loans.

2. To Apply for this Loan, Complete the Application and the Self-Certification Form.
   You may get the certification form from your school's financial aid office. If you are approved for this loan, the loan terms will be available for 30 days (terms will not change during this period, except as permitted by law and the variable interest rate may change based on the market).

REFERENCE NOTES

Variable Interest Rate

- This loan has a variable interest rate that is based on a publicly available index, the one-month London Interbank Offered Rate (LIBOR) rounded up to the nearest one-eighth of one percent (0.125%). Your rate will be calculated each month by adding a margin between 2.000% and 7.250% to the LIBOR rounded up to the nearest one-eighth of one percent (0.125%).
- The rate will not increase more than once a month, but there is no limit on the amount that the rate could increase at one time.

Eligibility Criteria

Borrower

- You must attend an eligible school, be an undergraduate student, or attending an eligible associate, bachelors, graduate or technical/trade program at least half-time. In some circumstances, the Smart Option Student Loan is available to less-than-half-time students and student enrolled in a continuing education program.
- Must have attained the age of majority in your state of residence at the time of loan application. Otherwise a cosigner is required.

Cosigner

- A cosigner is not required for U.S. citizens and permanent residents, but may help you qualify and/or receive a lower interest rate.
- Must have attained the age of majority in their state of residence at the time of loan application.

Bankruptcy Limitations

- If you file for bankruptcy you may still be required to pay back this loan.

More information about loan eligibility and repayment deferral or forbearance options is available in your loan application and Promissory Note.

Private Education Loan –Smart Option Student Loan

Application and Solicitation Disclosure
Fixed Rate Type (see pages 1 & 2 for Variable Rate Type)

Sallie Mae Bank
P.O. Box 3319
Wilmington, DE 19804

Loan Interest Rate & Fees

Your interest rate will be between 5.750% and 8.875%

After the starting rate is set, it will be fixed for the term of the loan.

Your Interest Rate (upon approval)
The interest rate you pay will be determined after you apply. It will be based upon your credit history, which repayment option you choose, and other factors. If approved, we will notify you of the rate you qualify for within the stated range.

Your Interest Rate during the life of the loan
Your rate is fixed. This means that your rate will not increase or decrease for the life of the loan. For more information on this rate, see Reference Notes.

Loan Fees

Application Fee: $0.00. Disbursement Fee: The fees that we charge to make this loan are 0.000% to 0.000% of total loan amount. Late Fee: 5.00% of the amount of the past due payment, up to a maximum of $25. Returned Check Fee: up to $20.00. Fee when you begin repaying the loan: 0.000% of loan balance.

Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you start to repay it. This example provides estimates based upon 3 different repayment options available to you while enrolled in school.

Repayment Option (while enrolled in school and during the separation period of six (6) billing periods thereafter)	Amount Provided (amount provided directly to you or your school)	Interest Rate (highest possible starting rate)	Loan Term (how long you have to pay off the loan)	Total Paid over life of loan (includes associated fees)
Interest Only Make interest payments but defer payments on the principal amount while enrolled in school and during the separation period.	$10,000	8.875%	144 months starting after the separation period.	$20,113.36
Fixed Payment Make fixed payments of $25.00 each month while enrolled in school and during the separation period. Interest will be charged and added to your loan.	$10,000	8.875%	144 months starting after the separation period	$21,676.22
Full Deferment Make no payments while enrolled in school and during the separation period. Interest will be charged and added to your loan.	$10,000	8.875%	144 months starting after the separation period	$22,473.85

About this example
The repayment example assumes you remain in school 4 years and have a 6 month separation period before beginning repayment. It is based on the highest starting rate currently charged and associated fees. Please note that principal and interest payments required each month after the separation period ends and the interest rate on your loan are higher for the " Fixed Payment" and "Full Deferment" Repayment Options. So long as you do so prior to finalizing this loan, you will be able to change your repayment option and interest rate type elections by calling (877) 279-7172. Principal and interest repayment terms vary from 5 to 15 years and are based upon the borrower's cumulative outstanding Sallie Mae owned or serviced private student loan balance, repayment option and the student's school-certified academic grade level.

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2. To Apply for this Loan, Complete the Application and the Self-Certification Form.
   You may get the certification form from your school's financial aid office. If you are approved for this loan, the loan terms will be available for 30 days (terms will not change during this period, except as permitted by law).

REFERENCE NOTES

Fixed Interest Rate

- This loan has a fixed interest rate and will not increase or decrease for the life of the loan.

Eligibility Criteria

Borrower

- You must attend an eligible school, be an undergraduate student, or attending an eligible associate, bachelors, graduate or technical/trade program at least half-time. In some circumstances, the Smart Option Student Loan is available to less-than-half-time students and students enrolled in a continuing education program.
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