



FOR IMMEDIATE RELEASE

SALLIE MAE TO OFFER SAME COMPETITIVE FIXED INTEREST RATES FOR PRIVATE STUDENT LOANS NEXT YEAR

While Federal Loan Interest Rates Are Rising, Fixed Rates for The Sallie Mae® Smart Option Student Loan® Remain Unchanged; New Customers Also Receive Exclusive Study StarterSM Benefit

NEWARK, Del., May 23, 2017 — When families are left with a gap to cover remaining college costs, a private student loan, like Sallie Mae's [Smart Option Student Loan](#), can be an affordable and responsible option to make college happen. While interest rates for federal student loans are on the rise, Sallie Mae—the nation's saving, planning, and paying for college company—today announced it will continue to offer the same competitive fixed rates for its Smart Option Student Loan for academic year 2017-18.

Available to students attending degree-granting institutions, Sallie Mae's Smart Option Student Loan offers competitive fixed and variable interest rates and no origination fees or prepayment penalties. Fixed rates will continue to range from [5.74 to 11.85 percent APR](#). Variable rates for undergraduates range from [3.00 to 10.01 percent APR](#). By comparison, the [Federal Direct PLUS Loan](#) for Parents is offered only at a fixed rate of 7.0 percent for academic year 2017-18, and it carries an origination fee of 4.276 percent.

Customers may choose to make monthly interest-only or fixed payments while in school; or defer payments until after school. More than half of Sallie Mae's customers choose to make in-school payments and that responsible choice means lower interest rates. Sallie Mae undergraduate loan customers are eligible to receive an interest rate 1.0 percentage point lower when they opt for an in-school interest-only payment over the deferred payment option and an interest rate 0.5 percentage point lower if they choose an in-school fixed payment over the deferred payment option. Customers can also reduce their interest rate by 0.25 percentage points by enrolling in the [automatic debit option](#).

Those lower interest rates mean Sallie Mae customers can graduate with less student loan debt. A typical freshman customer who makes interest-only payments on a Smart Option Student Loan while in school could save as much as 25 percent on total undergraduate loan costs compared to the deferred payment option. A typical freshman customer who makes monthly fixed payments while in school could save roughly 12 percent on total loan costs compared to the deferred payment option.

The Sallie Mae Smart Option Student Loan also includes:

- **New For 2017: Sallie Mae's Study Starter Benefit:** This new and exclusive benefit is available to every student who takes out a new Sallie Mae Smart Option Student Loan. [Study Starter](#) gives Sallie Mae customers free access to 24/7 online tutoring and study help from the experts at Chegg. Sallie Mae is the first and only lender to offer this up-front, in-school benefit to its customers.
- **Graduated Repayment:** The Smart Option Student Loan offers a [Graduated Repayment Period](#), a transitional repayment plan that offers qualified students who have graduated from a degree-granting institution greater budget flexibility upon graduation. Students with an eligible loan who graduate and maintain their Sallie Mae loans in good standing may request to make 12 interest-only payments before

transitioning into full principal and interest payments.

- **Cosigner Release:** After they graduate, and once they have made 12 on-time principal and interest payments and meet certain other credit requirements, customers (primary borrowers) may apply to have their [cosigner released](#) from the loan.
- **Free Access to Credit Scores:** Customers have access to their [FICO® Credit Score](#) on a quarterly basis, along with information about factors that affect credit scores and why monitoring credit scores is important. In addition, Sallie Mae partnered with FICO on a free [Guide to Understanding Credit](#).

“We are squarely focused on providing a well-priced, competitive, and flexible private student loan for families looking to bridge any financing gap to college,” said Charlie Rocha, executive vice president, Sallie Mae. “That also means providing a superior customer experience and offering benefits like Study Starter and Graduated Repayment Period which ultimately helps customers succeed in school and out.”

Sallie Mae recommends a 1-2-3 approach to paying for college: first, maximize money that does not need to be repaid, such as scholarships and grants; second, explore federal student loans; and, third, consider a responsible private student loan.

For more information on Sallie Mae’s Smart Option Student Loan, or to apply, visit [SallieMae.com](#).

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Sallie Mae (NASDAQ: SLM) is the nation’s saving, planning, and paying for college company. Whether college is a long way off or just around the corner, Sallie Mae offers products that promote responsible personal finance, including private education loans, Upromise rewards, scholarship search, college financial planning tools, and online retail banking. Learn more at [SallieMae.com](#). Commonly known as Sallie Mae, SLM Corporation and its subsidiaries are not sponsored by or agencies of the United States of America.

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