



# Sallie Mae Smart Option Student Loan

The innovative Smart Option Student Loan helps you save money, build your credit, and pay off your student loan faster. It's an ideal education funding solution if you still need funds after maximizing grants, scholarships, and federal loans.

With the Smart Option Student Loan<sup>®</sup>, you can borrow up to the full cost of your education, less other aid received.<sup>1</sup> Designed to help you graduate with less student loan debt and help you pay it off faster, the Smart Option Student Loan requires making interest-only payments while in school and during the six-month separation period to avoid capitalized interest. A creditworthy cosigner may also help you qualify and/or receive a lower interest rate.

## Eligibility

- You must attend an eligible school, be an undergraduate student or attending an eligible associate, 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.
- U.S. citizens enrolled in eligible study abroad programs or studying at medical schools outside the United States are also eligible.
- International students are eligible with a creditworthy cosigner (who must be a U.S. citizen or permanent resident) and appropriate U.S. Citizenship and Immigration Service documentation.
- You must meet current credit and other eligibility criteria.

## Features

- Easy online application with fast credit decision and electronic signature ("eSign") available.
- 24/7 online account management.
- No prepayment penalty.
- You may be able to deduct the interest you pay on a qualified student loan.<sup>2</sup>

## Benefits

- Pricing that rewards creditworthy borrowers.
- Applying with a creditworthy cosigner may help you qualify and/or receive a lower interest rate.
- You may apply for a cosigner release after successful completion of your education.<sup>3</sup>
- Interest-only payments required while in school and during the six-month separation period to avoid capitalization of interest and lower the overall cost of the loan.
- A 0.25 percentage point interest rate reduction is available for automatic debit.<sup>4</sup>

## Loan terms

### Loan limits

- \$1,000 minimum loan amount.
- Borrow as much as you need to pay for your education, up to the cost of attendance as certified by your school and confirmed by Sallie Mae, less other financial aid received.<sup>1</sup>

### Interest rate

- Applying with a creditworthy cosigner may help you qualify and/or receive a lower interest rate.
- The Sallie Mae Smart Option Student Loan has [interest rates](#) that reward good credit. Interest rates are variable and are reset monthly based on the one-month LIBOR Index.

### Fees

- [Disbursement fee](#) of zero to 5%.
- No repayment fee.

### Repayment

- Monthly interest-only payments are required during the in school period and during the six-month separation period; by doing so you'll avoid capitalized interest and reduce your total loan cost.
- Consider making principal *and* interest payments while in school to lower the amount you must pay back.
- Principal and interest payments begin following the six-month separation period.
- Prepay your loan at any time without penalty.

Use our [calculator](#) to estimate your monthly payment amount **and** see how much you can save with a Smart Option Student Loan compared to a "traditional", deferred-payment, private student loan.

### Another way to help pay down your loan

Join Upromise<sup>®</sup> by Sallie Mae where your everyday spending can help reduce your Sallie Mae student loan balance. With Upromise Loan Link<sup>®</sup>, it's easy. Your Upromise savings balances of at least \$25 can be automatically transferred to a Sallie Mae-serviced student loan account on a quarterly basis. Not all loans are eligible. To learn if your loan is eligible for Upromise Loan Link, or to register, visit [Upromise.com](http://Upromise.com).<sup>5</sup>

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1 Borrow as much as you need to pay for your education, up to the cost of attendance as certified by your school and confirmed by Sallie Mae, less other financial aid received. Sallie Mae reserves the right to approve a lower loan amount than what the school has certified.

2 Consult your financial advisor for more information or visit [www.irs.gov/pub/irs-pdf/p970.pdf](http://www.irs.gov/pub/irs-pdf/p970.pdf).

3 The release of a cosigner is at the sole discretion of Sallie Mae. The borrower must have a satisfactory history of making principal and interest payments, meet age of majority requirements and meet underwriting requirements when the request for cosigner release is processed. The borrower's account must remain current until the request for release is processed and the borrower must be a U.S. citizen or permanent resident at the time the cosigner release is processed.

4 The automatic debit benefit is available for as long as the borrower's monthly payment amount is successfully deducted from the designated bank account. Borrowers can elect to make payments via automatic debit through Sallie Mae's online account management system. This benefit lowers the borrower's interest rate but does not change the amount of the monthly payment. This benefit is suspended during periods of forbearance and certain deferments.

5 To view whether or not a loan is eligible to participate in the Upromise Loan Link program, please visit [Upromise.com/LoanLink](http://Upromise.com/LoanLink). Access to Upromise is not limited to Sallie Mae loan customers.

Sallie Mae Smart Option Student Loans are made by Sallie Mae Bank or a Sallie Mae lender partner.