

LISTING PARTICULARS - FOR USE IN LUXEMBOURG ONLY

THIS OFFERING MEMORANDUM IS BEING PROVIDED ONLY TO (1) "QUALIFIED INSTITUTIONAL BUYERS" ("QIBs") AS DEFINED IN RULE 144A ("RULE 144A") PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR (2) NON-U.S. PERSONS OUTSIDE THE UNITED STATES OF AMERICA PURSUANT TO THE REQUIREMENTS OF REGULATION S PROMULGATED UNDER THE SECURITIES ACT ("REGULATION S"). REPRODUCTION OR FURTHER DISTRIBUTION OF THIS OFFERING MEMORANDUM IS FORBIDDEN. THIS OFFERING OF THE NOTES DESCRIBED IN THIS OFFERING MEMORANDUM WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, ANY UNITED STATES STATE SECURITIES OR "BLUE SKY" LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION.

OFFERING MEMORANDUM
\$1,701,442,000
SLM Private Education Loan Trust 2010-C
Issuing Entity
SLM Education Credit Funding LLC
Depositor
Sallie Mae, Inc.
Sponsor, Servicer and Administrator
Student Loan-Backed Notes

On July 22, 2010, the trust will issue:

| Class | Principal | Interest Rate | Price | Maturity |
|-------------------------------------|---------------|--------------------------|-----------|--------------------|
| Floating Rate Class A-1 Notes | \$451,000,000 | 1-month LIBOR plus 1.65% | 100.0000% | December 15, 2017 |
| Floating Rate Class A-2 Notes | \$209,383,000 | 1-month LIBOR plus 2.65% | 100.0000% | December 16, 2019 |
| Floating Rate Class A-3 Notes | \$300,000,000 | 1-month LIBOR plus 3.50% | 99.7372% | September 15, 2022 |
| Floating Rate Class A-4 Notes | \$335,000,000 | 1-month LIBOR plus 4.25% | 96.0178% | June 16, 2025 |
| Floating Rate Class A-5 Notes | \$406,059,000 | 1-month LIBOR plus 4.75% | 86.9654% | October 15, 2041 |

The trust will make payments primarily from collections on a pool of private education loans. Private education loans are education loans generally made to students or parents of students that are not guaranteed or reinsured under the Federal Family Education Loan Program or any other federal student loan program. Interest and principal on the notes will be payable on the 15th day (or if any such day is not a business day, the next business day) of each calendar month, beginning in August 2010. In general, the trust will pay principal, sequentially, to the class A-1 through class A-5 notes, in that order, until each such class is paid in full. Credit enhancement for the notes consists of overcollateralization and cash on deposit in a reserve account, as described in this offering memorandum. These funds will be available only for a limited period of time. The trust will also enter into an interest rate swap agreement. The interest rates on the notes will be determined by reference to LIBOR. A description of how LIBOR is determined appears under "Additional Information Regarding the Notes—Determination of Indices—LIBOR" in the attached base offering memorandum.

Other than as provided in this offering memorandum, no person has been authorized to give any information or to make any representations other than as contained in this offering memorandum and, if given or made, such information or representations must not be relied upon. This offering memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any securities other than the notes, nor an offer of such securities to any person in any state or other jurisdiction in which it is unlawful to make such offer or solicitation. The delivery of this offering memorandum at any time does not imply that the information in this offering memorandum is correct as of any time subsequent to its date. This offering memorandum should be read in conjunction with the attached base offering memorandum, which is an integral part hereof.

The notes have not been approved or disapproved by the Securities and Exchange Commission, any state securities commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this offering memorandum. Any representation to the contrary is a criminal offense.

The information contained in this offering memorandum is intended for use solely by QIBs as defined in Rule 144A or non-U.S. persons outside the United States pursuant to the requirements of Regulation S to whom this document is delivered, and may not be reproduced in whole or in part.

We are offering the notes through the initial purchasers when and if issued. Application has been made for the notes to be listed on the Official List of the Luxembourg Stock Exchange and to be traded on the Luxembourg Stock Exchange's Euro MTF Market.

We are not offering the notes in any state or other jurisdiction where the offer is prohibited.

All or a portion of any class of notes may be retained by the depositor or an affiliate.

You should consider carefully the risk factors beginning on page 16 of this offering memorandum and on page 18 of the attached base offering memorandum.

The notes are asset-backed securities issued by and are obligations of the issuing entity, which is a trust. They are not obligations of or interests in SLM Corporation, the sponsor, the administrator, the servicer, the depositor, the seller, the initial purchasers or any of their affiliates.

The notes are not guaranteed or insured by the United States or any governmental agency.

Initial Purchasers and Joint Book-Runners
BofA Merrill Lynch Barclays Capital Credit Suisse RBS
Initial Purchaser and Co-Manager
RBC Capital Markets

July 13, 2010

NOTICE TO NEW HAMPSHIRE RESIDENTS: NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER NEW HAMPSHIRE REVISED STATUTES ANNOTATED, CHAPTER 421-B (“RSA 421-B”), WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICES TO INVESTORS

THE NOTES MAY NOT BE OFFERED OR SOLD TO PERSONS IN THE UNITED KINGDOM IN A TRANSACTION THAT RESULTS IN AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THE SECURITIES LAWS OF THE UNITED KINGDOM.

THIS OFFERING OF THE NOTES WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, ANY UNITED STATES STATE SECURITIES OR “BLUE SKY” LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION, AND UNLESS THE NOTES ARE REGISTERED MAY NOT BE OFFERED OR SOLD, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, ANY APPLICABLE UNITED STATES STATE SECURITIES OR “BLUE SKY” LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION. ACCORDINGLY, THE NOTES ARE BEING OFFERED AND SOLD BY THE INITIAL PURCHASERS ONLY TO (1) A LIMITED NUMBER OF QIBS TO WHOM THIS OFFERING MEMORANDUM HAS BEEN FURNISHED IN RELIANCE ON RULE 144A AND IN ACCORDANCE WITH ANY APPLICABLE LAWS OF ANY STATE OF THE UNITED STATES, AND (2) NON-U.S. PERSONS OUTSIDE THE UNITED STATES OF AMERICA PURSUANT TO THE REQUIREMENTS OF REGULATION S. THERE IS NO UNDERTAKING TO REGISTER THE NOTES UNDER ANY UNITED STATES STATE OR FEDERAL SECURITIES LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION ON ANY FUTURE DATE.

NO ACTION HAS BEEN OR WILL BE TAKEN BY THE DEPOSITOR OR THE INITIAL PURCHASERS THAT WOULD PERMIT A PUBLIC OFFERING OF THE NOTES IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, THE NOTES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NONE OF THIS OFFERING MEMORANDUM, THE ATTACHED BASE OFFERING MEMORANDUM, NOR ANY CIRCULAR, OFFERING MEMORANDUM, FORM OF APPLICATION, ADVERTISEMENT OR OTHER MATERIAL MAY BE DISTRIBUTED IN OR FROM OR PUBLISHED IN ANY COUNTRY OR JURISDICTION, EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. PERSONS INTO WHOSE HANDS ALL OR ANY PART OF THIS OFFERING MEMORANDUM COME ARE REQUIRED BY THE DEPOSITOR AND THE INITIAL

PURCHASERS TO COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN EACH COUNTRY OR JURISDICTION IN WHICH THEY PURCHASE, SELL OR DELIVER THE NOTES OR HAVE IN THEIR POSSESSION OR DISTRIBUTE THIS OFFERING MEMORANDUM, IN ALL CASES AT THEIR OWN EXPENSE.

THE NOTES CANNOT BE RESOLD UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON REALES AND TRANSFERS, SEE “DESCRIPTION OF THE NOTES—TRANSFER RESTRICTIONS” HEREIN.

EACH INITIAL AND SUBSEQUENT PURCHASER OF THE NOTES WILL BE DEEMED BY ITS ACCEPTANCE OF SUCH NOTES TO HAVE MADE CERTAIN ACKNOWLEDGEMENTS, REPRESENTATIONS AND AGREEMENTS INTENDED TO RESTRICT THE RESALE OR OTHER TRANSFER THEREOF AS SET FORTH THEREIN AND DESCRIBED IN THIS OFFERING MEMORANDUM AND, IN CONNECTION THEREWITH, MAY BE REQUIRED TO PROVIDE CONFIRMATION OF ITS COMPLIANCE WITH SUCH RESALE AND OTHER TRANSFER RESTRICTIONS IN CERTAIN CASES; PROVIDED, HOWEVER, THAT ANY SUCH PURCHASERS EFFECTING A TRANSACTION ON THE LUXEMBOURG STOCK EXCHANGE WILL BE DEEMED COMPLIANT WITH SUCH RESALE AND TRANSFER RESTRICTIONS. SEE “DESCRIPTION OF THE NOTES—TRANSFER RESTRICTIONS” HEREIN.

ALTHOUGH APPLICATION HAS BEEN MADE TO LIST THE NOTES ON THE LUXEMBOURG STOCK EXCHANGE, THERE IS NO MARKET FOR THE NOTES BEING OFFERED HEREBY AND THERE IS NO ASSURANCE THAT ONE WILL DEVELOP. THE INITIAL PURCHASERS EXPECT, BUT ARE NOT OBLIGATED, TO MAKE A MARKET IN THE NOTES SOLELY TO FACILITATE TRADING AMONG QIBS UNDER RULE 144A, AND/OR NON-U.S. PERSONS, PURSUANT TO THE REQUIREMENTS OF REGULATION S. THERE IS NO ASSURANCE THAT SUCH MARKET, IF DEVELOPED, WILL CONTINUE. REALES OF THE NOTES MAY BE MADE ONLY PURSUANT TO A VALID REGISTRATION STATEMENT, PURSUANT TO RULE 144A, PURSUANT TO REGULATION S OR PURSUANT TO ANOTHER EXEMPTION AVAILABLE UNDER THE SECURITIES ACT. ALL TRANSFERS OF THE NOTES ARE SUBJECT TO CERTAIN OTHER RESTRICTIONS DESCRIBED HEREIN UNDER “DESCRIPTION OF THE NOTES—TRANSFER RESTRICTIONS.”

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THIS OFFERING MEMORANDUM HAS BEEN PREPARED BY THE DEPOSITOR. NONE OF THE INDENTURE TRUSTEE, THE SERVICER, THE ADMINISTRATOR OR THE INITIAL PURCHASERS MAKE ANY REPRESENTATIONS OR WARRANTIES AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM, AND NOTHING HEREIN SHALL BE DEEMED TO CONSTITUTE SUCH A REPRESENTATION OR WARRANTY BY THE INDENTURE TRUSTEE, THE SERVICER, THE

ADMINISTRATOR OR THE INITIAL PURCHASERS. NOTHING HEREIN SHALL BE DEEMED TO CONSTITUTE A PROMISE OR REPRESENTATION AS TO THE FUTURE PERFORMANCE OF THE DEPOSITOR, THE TRUST, THE TRUST STUDENT LOANS OR THE NOTES.

IT IS EXPECTED THAT INVESTORS INTERESTED IN PURCHASING THE NOTES WILL CONDUCT THEIR OWN INDEPENDENT INVESTIGATION OF THE RISKS POSED BY AN INVESTMENT IN THE NOTES. REPRESENTATIVES OF THE SPONSOR, THE DEPOSITOR, THE SERVICER, THE TRUST, THE ADMINISTRATOR AND THE INITIAL PURCHASERS WILL BE AVAILABLE TO ANSWER QUESTIONS CONCERNING THE TRUST, THE TRUST STUDENT LOANS AND THE NOTES FROM INVESTORS INTERESTED IN PURCHASING THE NOTES.

THE NOTES DO NOT REPRESENT AN OBLIGATION OF OR INTEREST IN THE DEPOSITOR, THE INDENTURE TRUSTEE, THE SERVICER, THE ADMINISTRATOR OR THE INITIAL PURCHASERS OR ANY OF THEIR RESPECTIVE AFFILIATES, OTHER THAN THE TRUST.

THIS OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THE NOTES OFFERED HEREBY NOR AN OFFER OF SUCH NOTES TO ANY PERSON IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH OFFER WOULD BE UNLAWFUL. THE DELIVERY OF THIS OFFERING MEMORANDUM AT ANY TIME DOES NOT IMPLY THAT INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO ITS DATE.

THIS OFFERING MEMORANDUM IS INTENDED FOR USE SOLELY BY THE QIBS (UNDER RULE 144A) OR NON-U.S. PERSONS (PURSUANT TO THE REQUIREMENTS OF REGULATION S) TO WHOM THIS OFFERING MEMORANDUM IS DELIVERED FOR USE SOLELY IN CONNECTION WITH AN OFFERING EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT AND ANY APPLICABLE UNITED STATES STATE SECURITIES OR "BLUE SKY" LAWS, AND MAY NOT BE REPRODUCED OR USED, IN WHOLE OR IN PART, FOR ANY OTHER PURPOSE OR FURNISHED TO ANY OTHER PERSON.

EACH PROSPECTIVE INVESTOR (AND EACH EMPLOYEE, REPRESENTATIVE, OR OTHER AGENT OF SUCH PROSPECTIVE INVESTOR) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATIONS OF ANY KIND THE TAX TREATMENT AND TAX STRUCTURE OF THE TRANSACTION AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER TAX ANALYSES) THAT ARE PROVIDED TO THE PROSPECTIVE INVESTOR RELATING TO SUCH TAX TREATMENT AND TAX STRUCTURE. ANY SUCH DISCLOSURE OF THE TAX TREATMENT, TAX STRUCTURE AND OTHER TAX-RELATED MATERIALS SHALL NOT BE MADE FOR THE PURPOSE OF OFFERING TO SELL THE NOTES OFFERED HEREBY OR SOLICITING AN OFFER TO PURCHASE ANY SUCH NOTES. FOR PURPOSES OF THIS PARAGRAPH, THE TERMS "TAX TREATMENT" AND "TAX STRUCTURE" HAVE THE MEANING GIVEN TO SUCH TERMS UNDER TREASURY REGULATION SECTION 1.6011-4(c).

PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS OFFERING MEMORANDUM OR ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM THE DEPOSITOR, THE ADMINISTRATOR, THE SERVICER, THE INITIAL PURCHASERS OR ANY OF THEIR OFFICERS, EMPLOYEES OR AGENTS AS INVESTMENT, LEGAL, ACCOUNTING, REGULATORY OR TAX ADVICE. PRIOR TO PURCHASING ANY NOTES, A PROSPECTIVE

PURCHASER SHOULD CONSULT WITH ITS OWN LEGAL, BUSINESS, ACCOUNTING, REGULATORY AND TAX ADVISERS TO DETERMINE THE APPROPRIATENESS AND CONSEQUENCES OF AN INVESTMENT IN THE NOTES IN ITS SPECIFIC CIRCUMSTANCES AND ARRIVE AT AN INDEPENDENT EVALUATION OF THE INVESTMENT BASED, AMONG OTHER THINGS, ON ITS OWN VIEWS AS TO THE RISKS ASSOCIATED WITH THE TRUST STUDENT LOANS, WHICH WILL AFFECT THE RETURN ON ITS INVESTMENT IN THE NOTES.

TO COMPLY WITH TREASURY DEPARTMENT CIRCULAR 230, YOU ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES CONTAINED OR REFERRED TO IN THIS OFFERING MEMORANDUM AND RELATED MATERIALS IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY YOU, FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON YOU UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; (B) ANY SUCH DISCUSSION IS BEING USED IN CONNECTION WITH THE PROMOTION OR MARKETING BY US OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) YOU SHOULD SEEK ADVICE BASED ON YOUR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

THE TRUST MAY ELECT NOT TO ISSUE ONE OR MORE CLASSES OF THE NOTES DESCRIBED IN THIS OFFERING MEMORANDUM AND IN THE ATTACHED BASE OFFERING MEMORANDUM.

The depositor has taken all reasonable care to confirm that the information contained in this offering memorandum is true and accurate in all material respects. In relation to the depositor, the trust, the seller, the administrator, the servicer, the trust student loans and the notes, the depositor accepts full responsibility for the accuracy of the information contained in this offering memorandum. Having made all reasonable inquiries, the depositor confirms that, to the best of its knowledge, there have not been omitted material facts the omission of which would make misleading any statements of fact or opinion contained in this offering memorandum and the attached base offering memorandum, when taken as a whole.

In connection with the proposed listing of the notes on the Luxembourg Stock Exchange, the depositor accepts responsibility for the information contained in this offering memorandum and the accompanying base offering memorandum.

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THE INFORMATION IN THIS OFFERING MEMORANDUM AND BASE OFFERING MEMORANDUM ATTACHED HERETO

We provide information to you about the notes in two separate sections of this document that provide progressively more detailed information. These two sections are:

- the base offering memorandum (referred to as the “base offering memorandum”), which begins after this offering memorandum and provides general information, some of which may not apply to your particular class of notes; and
- this offering memorandum, which describes the specific terms of the notes being offered.

We have not authorized anyone to provide you with different information.

You should read both the base offering memorandum and this offering memorandum to understand the notes.

For your convenience, we include cross-references in this offering memorandum and in the base offering memorandum to captions in these materials where you can find related information.

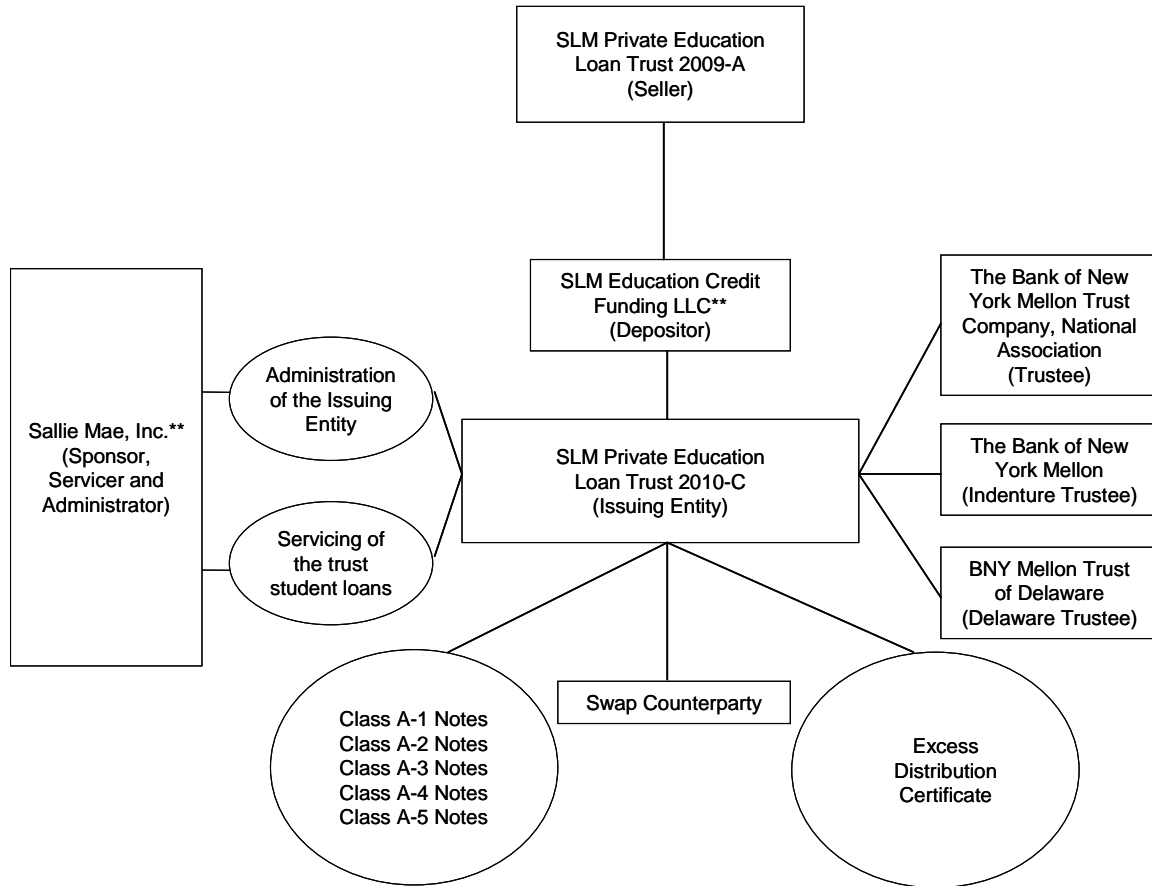
Application has been made for the notes to be listed on the Official List of the Luxembourg Stock Exchange and to be traded on the Luxembourg Stock Exchange’s Euro MTF Market. We cannot assure you that the application will be granted. You should consult with Deutsche Bank Luxembourg S.A., the Luxembourg listing agent for the notes, to determine their status. This offering memorandum and the base offering memorandum may be used only for the purposes for which they have been published.

The information in this offering memorandum, if conveyed prior to the time of your commitment to purchase any class of notes, supersedes in its entirety any information contained in any prior disclosure or statistical information relating to the notes that you may have received. You should rely only on the information in this offering memorandum in making your investment decision.

FORWARD-LOOKING STATEMENTS

Certain statements contained in or incorporated by reference in this offering memorandum and the accompanying base offering memorandum consist of forward-looking statements relating to future economic performance or projections and other financial items. These statements can be identified by the use of forward-looking words such as “may,” “will,” “should,” “expects,” “believes,” “anticipates,” “estimates,” or other comparable words. Forward-looking statements are subject to a variety of risks and uncertainties that could cause actual results to differ from the projected results. Those risks and uncertainties include, among others, general economic and business conditions, regulatory initiatives and compliance with governmental regulations, customer preferences and various other matters, many of which are beyond our control. Because we cannot predict the future, what actually happens may be very different from what is contained in our forward-looking statements.

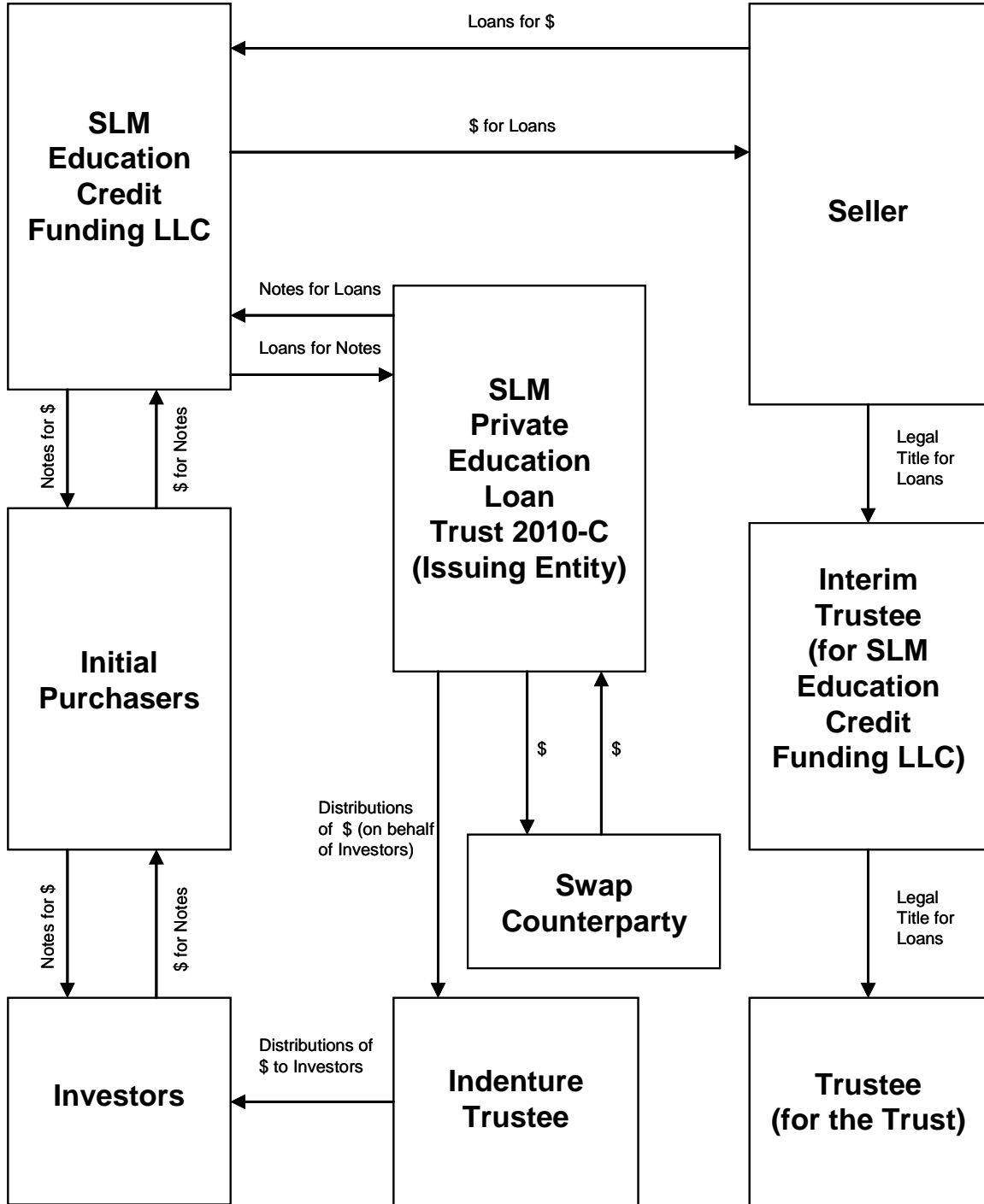
SUMMARY OF PARTIES TO THE TRANSACTION*



* This chart provides only a simplified overview of the relations between the key parties to the transaction. Refer to this offering memorandum for a further description.

** Each of these entities is a direct or indirect wholly-owned subsidiary of SLM Corporation.

PAYMENT FLOWS AND DELIVERIES



SUMMARY OF TERMS

This summary highlights selected information about the notes. It does not contain all of the information that you might find important in making your investment decision. It provides only an overview to aid your understanding and is qualified by the full description of the information contained in this offering memorandum and the base offering memorandum. You should read the full description of this information appearing elsewhere in this document and in the base offering memorandum to understand all of the terms of the offering of the notes.

ISSUING ENTITY

SLM Private Education Loan Trust 2010-C, which is a Delaware statutory trust. It was formed on May 4, 2010 under a short-form trust agreement. Its principal address is in care of The Bank of New York Mellon Trust Company, National Association, 2 N. LaSalle Street, Suite 1020, Chicago, Illinois 60602. We sometimes refer to the issuing entity as the trust.

DEPOSITOR

SLM Education Credit Funding LLC, which is a Delaware limited liability company. Its principal address is 12061 Bluemont Way, V3419, Reston, Virginia 20190.

SPONSOR, SERVICER AND ADMINISTRATOR

Sallie Mae, Inc., which is a Delaware corporation. Its principal address is 12061 Bluemont Way, Reston, Virginia 20190.

Sallie Mae, Inc. is an affiliate of the depositor and the seller.

INDENTURE TRUSTEE AND PAYING AGENT

The Bank of New York Mellon, which is a New York banking corporation. Its principal corporate trust address is 101

Barclay Street, 4 West, New York, New York 10286.

Under an indenture to be dated as of the closing date, The Bank of New York Mellon will act as indenture trustee for the benefit of and to protect the interests of the noteholders and will act as paying agent for the notes.

TRUSTEE

The Bank of New York Mellon Trust Company, National Association, which is a national banking association. It is the trustee under the trust agreement and will hold legal title to the trust student loans on behalf of the trust. It maintains an address at 2 N. LaSalle Street, Suite 1020, Chicago, Illinois 60602.

DELAWARE TRUSTEE

BNY Mellon Trust of Delaware, which is a Delaware banking corporation. The Delaware trustee will act in the capacities required under the Delaware Statutory Trust Act and under the trust agreement. Its principal Delaware address is 100 White Clay Center, Suite 102, Newark, Delaware 19711.

THE NOTES

The trust will issue the notes under the indenture. The trust is offering the following classes of notes, which are debt obligations of the trust:

- Floating Rate Class A-1 Student Loan-Backed Notes in the amount of \$451,000,000;
- Floating Rate Class A-2 Student Loan-Backed Notes in the amount of \$209,383,000;
- Floating Rate Class A-3 Student Loan-Backed Notes in the amount of \$300,000,000;
- Floating Rate Class A-4 Student Loan-Backed Notes in the amount of \$335,000,000; and
- Floating Rate Class A-5 Student Loan-Backed Notes in the amount of \$406,059,000.

We sometimes refer to the class A-1 notes, class A-2 notes, class A-3 notes, class A-4 notes and class A-5 notes, collectively, as the class A notes.

DATES

The closing date for this offering will be on July 22, 2010.

The information about the trust student loans in this offering memorandum is calculated and presented as of May 1, 2010. We refer to this date as the statistical cutoff date.

The trust will be entitled to receive all collections and proceeds on the trust student loans on or after the closing date.

A distribution date for each class of notes is the 15th day of each calendar month, beginning in August 2010. If any such day is not a business day, the distribution date will be the next business day.

Interest and principal will be payable to holders of record as of the close of business on the record date, which is the day before the related distribution date.

For any distribution date, the related collection period is the prior calendar month. However, the first collection period will begin on the closing date and end on July 31, 2010.

INFORMATION ABOUT THE NOTES

The notes will receive payments primarily from collections on the trust student loans acquired by the trust on the closing date.

Interest Payments. Interest will generally accrue on the outstanding principal balance of each class of notes during one-month accrual periods and will be paid on each distribution date.

Generally, each accrual period for the notes begins on a distribution date and ends on the day before the next distribution date. The first accrual period for the notes, however, will begin on the closing date and end on August 15, 2010, the day before the first distribution date.

Each class of notes will bear an annual interest rate equal to the sum of one-month LIBOR and the applicable spread listed in the table below:

| Class | Spread |
|-----------------|---------------|
| Class A-1 | plus 1.65% |
| Class A-2 | plus 2.65% |
| Class A-3 | plus 3.50% |
| Class A-4 | plus 4.25% |
| Class A-5 | plus 4.75% |

The administrator will determine one-month LIBOR as specified under “*Additional Information Regarding the Notes—Determination of Indices—LIBOR*” in the base offering memorandum. The administrator will calculate interest on each class of notes based on the actual number of days elapsed in each accrual period divided by 360.

At the sole discretion of the noteholders representing 100% of the outstanding principal balance of any class of notes, the related spread to one-month LIBOR on such class of notes may be reduced, as determined by such noteholders in their sole discretion, effective as of the beginning of the next accrual period, and as shall be specified in writing to the indenture trustee, the administrator and the trust. Upon receipt of such written instructions by the indenture trustee and effective as of the beginning of the next accrual period, the related class of notes will bear an annual interest rate equal to one-month LIBOR plus the applicable reduced spread, as determined by the related noteholders. Following any such reduction of the related spread to one-month LIBOR on such class of notes, the spread may not be subsequently increased except pursuant to the terms of a supplemental indenture and under no circumstances may a spread to one-month LIBOR on such class of notes at any time exceed the spread to one-month LIBOR on such class of notes effective on the closing date.

Principal Payments. Principal will be payable on each class of notes on each distribution date in an amount generally equal to the principal distribution amount for that distribution date.

Priority of Principal Payments. In general, principal on the notes will be paid sequentially to the class A-1, class A-2, class A-3, class A-4 and class A-5 notes, in that order, until their respective principal balances are reduced to zero.

See “*Description of the Notes—Distributions*” in this offering memorandum for a more detailed description of principal payments. See also “*Description of the Notes—Priority of Payments Following Certain Events of Default Under the Indenture*” in this offering memorandum for a description of the cashflows and priority of payments on each distribution date following the occurrence of an event of default and the acceleration of the maturity of the notes.

Maturity Dates. Each class of notes will mature no later than the date set forth in the table below for that class:

| Class | Maturity Date |
|-----------------|----------------------|
| Class A-1 | December 15, 2017 |
| Class A-2 | December 16, 2019 |
| Class A-3 | September 15, 2022 |
| Class A-4 | June 16, 2025 |
| Class A-5 | October 15, 2041 |

The actual maturity of any class of notes could occur earlier if, for example:

- there are prepayments on the trust student loans;
- the servicer exercises its option to purchase all remaining trust student loans, which will not occur until the first distribution date on which the pool balance is less than 10% of the initial pool balance; or

- the indenture trustee auctions all remaining trust student loans, which, absent an event of default under the indenture, will not occur until the first distribution date on which the pool balance is less than 10% of the initial pool balance.

Prepayments, Extensions, Weighted Average Lives and Expected Maturities of the Notes. The projected weighted average life, expected maturity date and percentages of remaining principal balance of each class of notes may be found under “*Prepayments, Extensions, Weighted Average Lives and Expected Maturities of the Notes*” in Exhibit I attached to this offering memorandum.

Denominations. The notes will be available for purchase in minimum denominations of \$100,000 and additional increments of \$1,000. The notes will be available only in book-entry form through The Depository Trust Company, Clearstream, Luxembourg and the Euroclear System. You will not receive a certificate representing your notes except in very limited circumstances.

Security for the Notes. The notes will be secured by the assets of the trust, which consist primarily of the trust student loans.

Overcollateralization. On the closing date, the sum of the initial pool balance and the initial deposit into the reserve account will be greater than the aggregate principal balance of the notes. Overcollateralization is intended to provide credit enhancement for the notes. In general, the overcollateralization percentage is intended to equal 100% minus the then current aggregate principal balance of

the notes divided by the asset balance. The initial overcollateralization percentage will be approximately 37.00%. The amount of overcollateralization will vary from time to time depending on the rate and timing of principal payments on the trust student loans, capitalization of interest, certain borrower fees and the incurrence of losses on the trust student loans. In general, overcollateralization will not exceed the specified overcollateralization amount. See “*Description of the Notes—Credit Enhancement—Overcollateralization*” in this offering memorandum.

ADMINISTRATOR

Sallie Mae, Inc. will act as the administrator of the trust under an administration agreement to be dated as of the closing date. Sallie Mae, Inc. is a Delaware corporation and a wholly-owned subsidiary of SLM Corporation. Subject to certain conditions, Sallie Mae, Inc. may transfer its obligations as administrator to an affiliate. See “*Servicing and Administration—Administration Agreement*” in the base offering memorandum.

INFORMATION ABOUT THE TRUST

Formation of the Trust

The trust is a Delaware statutory trust.

The only activities of the trust are acquiring, owning and managing the trust student loans and holding the other assets of the trust, issuing and making payments on the notes, entering into the swap agreement described below and other related activities. See “*Formation of the Trust—The Trust*” in this offering memorandum.

The depositor is SLM Education Credit Funding LLC. It is a Delaware limited liability company whose sole member is SLM Education Credit Finance Corporation, which we sometimes refer to as SLM ECFC.

The depositor will acquire the trust student loans from SLM Private Education Loan Trust 2009-A, which we sometimes refer to as the SLM 2009-A trust, under a purchase agreement and will subsequently sell the trust student loans to the trust on the closing date under the sale agreement. The purchase agreement and the sale agreement will be dated as of the closing date.

The SLM 2009-A trust is a Delaware statutory trust formed on January 6, 2009 under a trust agreement dated the same date. The SLM 2009-A trust was formed to purchase private education loans from an affiliate of SLM Corporation and issue notes secured by such private education loans under an indenture dated as of March 12, 2009, as amended, modified or otherwise supplemented. The SLM 2009-A trust will use the proceeds of the sale of the trust student loans to the depositor to redeem the notes issued by SLM 2009-A trust pursuant to the terms of its indenture.

The Bank of New York Mellon Trust Company, National Association, as interim trustee, will hold legal title to the trust student loans for the depositor under an interim trust agreement.

Its Assets

The assets of the trust will include:

- the trust student loans;
- collections and other payments on the trust student loans;
- funds it will hold from time to time in its trust accounts, including a collection account and a reserve account; and
- its rights under the swap agreement described under “—*Swap Agreement*” below.

The rest of this section describes the trust student loans and trust accounts more fully.

- *Trust Student Loans.* The trust student loans are private education loans, which are education loans generally made to students or parents of students that are not guaranteed or reinsured under the Federal Family Education Loan Program, also known as the FFELP, or under any other federal student loan program, or otherwise insured by any private third-party insurance provider. The private education loans were made and underwritten under various loan programs administered or sponsored by Sallie Mae, Inc., including its Undergraduate and Graduate Loan Programs, Law Loan Programs, MBA Loan Programs, Medical Loan Programs and Private Consolidation Loan Program. These programs are summarized in *Appendices A through D* and *Appendix G* to the base offering memorandum.

The depositor will acquire the trust student loans from the seller on the closing date.

As of the statistical cutoff date, the trust student loans had a pool balance of approximately \$2,693,966,816.

As of the statistical cutoff date, the weighted average annual interest rate of the trust student loans was approximately 5.12% and their weighted average remaining term to scheduled maturity was approximately 194 months.

The trust student loans are not guaranteed, insured or reinsured by the United States, any state-sponsored guarantee agency or any private insurer.

The trust student loans were acquired by the SLM 2009-A trust from an affiliate of SLM Corporation, based on criteria established by the sponsor at the time the SLM 2009-A trust acquired the student loans. Additionally, the trust student loans currently meet the criteria described in this offering memorandum under “*The Trust Student Loan Pool.*”

- *Trust Accounts.* The administrator will establish and maintain in the name of the indenture trustee the collection account and the reserve account for the benefit of the noteholders. Funds in the trust accounts will be invested in eligible investments as provided in the indenture. See “*Servicing and Administration—Accounts—Eligible Investments*” in the base offering memorandum for a more detailed description of eligible investments.

- *Collection Account.* The administrator will establish and maintain the collection account as an asset of the trust in the name of the indenture trustee. The trust will make an initial deposit from the net proceeds of the sale of the notes into the collection account on the closing date. The deposit will be in cash or eligible investments equal to approximately \$6,734,917 plus the excess, if any, of the pool balance as of the statistical cutoff date over the pool balance as of the closing date.

The administrator will deposit collections on the trust student loans, any payments received from the swap counterparty and certain other funds into the collection account as described in this offering memorandum and the base offering memorandum. See “*Description of the Notes—Collection Account*” in this offering memorandum.

- *Reserve Account.* The administrator will establish and maintain the reserve account as an asset of the trust in the name of the indenture trustee. On the closing date, the trust will make an initial deposit from the net proceeds of the sale of the notes into the reserve account. The initial deposit will be in cash or eligible investments equal to \$6,734,917. Funds in the reserve account may be replenished on each distribution date by additional funds available after all prior required distributions have been made. The amount required to be on deposit in the reserve account at any time, which we refer to as the specified reserve account balance, is the lesser of \$6,734,917 and the

outstanding principal balance of the notes. See *“Description of the Notes—Distributions”* in this offering memorandum.

The administrator will instruct the indenture trustee to withdraw funds from the reserve account to cover shortfalls, if any, in (a) the payments described in the 1st through 4th items in the chart on page 9 of this offering memorandum, to the extent such shortfalls are not covered by amounts on deposit in the collection account, and (b) the 5th item in the chart on page 9 of this offering memorandum on the respective maturity dates of each class of notes, to cover the unpaid principal balance of the maturing class of notes to the extent such principal payment is not covered by amounts on deposit in the collection account. In the case of the final distribution upon termination of the trust, amounts on deposit in the reserve account will be included as part of available funds for payment of any other amounts due and payable on the date of such final distribution.

If the market value of cash and eligible investments in the reserve account on any distribution date is sufficient, when taken together with amounts on deposit in the collection account, to pay the remaining principal balance on the notes, the interest accrued on the notes, any payments owing to the swap counterparty and any due and unpaid servicing and administration fees, amounts on deposit in the reserve account will be so applied on that distribution date.

If the amount on deposit in the reserve account on any distribution date after giving effect to all deposits or withdrawals from the reserve account on that distribution date is greater than the specified reserve account balance for that distribution date, subject to certain limitations, the administrator will instruct the indenture trustee in writing to deposit the amount of the excess into the collection account to be included as part of available funds on that distribution date.

The reserve account enhances the likelihood of payment to noteholders. In certain circumstances, however, the reserve account could be depleted. This depletion could result in shortfalls in distributions to noteholders. See *“Description of the Notes—Credit Enhancement—Reserve Account”* in this offering memorandum.

ADMINISTRATION OF THE TRUST

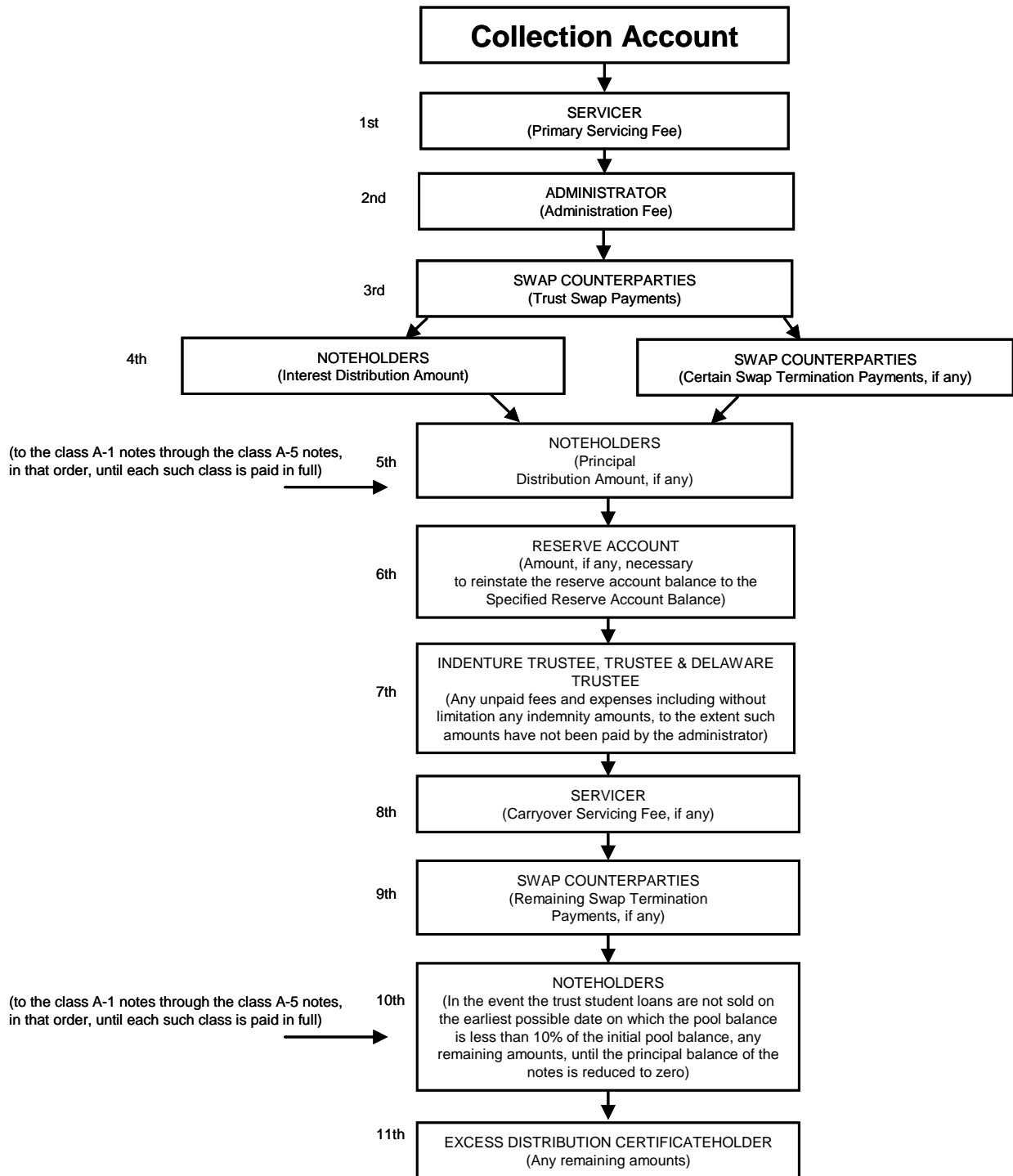
Distributions

Sallie Mae, Inc., as administrator, will instruct the indenture trustee to withdraw funds on deposit in the collection account and, to the extent required, the reserve account, in that order, on each distribution date. Available funds will be applied on each applicable distribution date generally as shown in the chart below.

See *“Description of the Notes—Distributions”* in this offering memorandum for a more detailed description of distributions. The principal distribution amount, as shown in the chart below, will be distributed to

the noteholders as described under
“*Description of the Notes —
Distributions*” in this offering
memorandum.

DISTRIBUTION DATE CASHFLOWS



Transfer of the Assets to the Trust

Under a sale agreement, the depositor will sell the trust student loans to the trust. The trustee will hold legal title to the trust student loans on behalf of the trust.

If the depositor breaches a representation under the sale agreement regarding a trust student loan, generally it will have to cure the breach, repurchase or replace that trust student loan or reimburse the trust for losses resulting from the breach. SLM Funding LLC, as depositor to SLM 2009-A trust under a sale agreement dated as of March 12, 2009, has similar obligations to the SLM 2009-A trust the rights to which the SLM 2009-A trust will transfer to the depositor under the purchase agreement. See *“Transfer and Servicing Agreements—Purchase of Student Loans by the Depositor; Representations and Warranties of the Sellers”* in the base offering memorandum.

Servicing of the Assets

Under a servicing agreement, Sallie Mae, Inc., as servicer, will be responsible for servicing, maintaining custody of and making collections on the trust student loans.

The servicer manages and operates the loan servicing functions for the Sallie Mae family of companies. See *“Servicing and Administration—Servicing Procedures”* and *“Administration Agreement”* in the base offering memorandum. The servicer may enter into subservicing arrangements with respect to some or all of its servicing obligations, but these

arrangements will not affect the servicer’s obligations to the trust. Under some circumstances, the servicer may transfer its obligations as servicer. See *“Servicing and Administration—Matters Regarding the Servicer”* in the base offering memorandum.

If the servicer breaches a covenant under the servicing agreement regarding a trust student loan, generally it will have to cure the breach, purchase that trust student loan or reimburse the trust for losses resulting from the breach. See *“Servicing and Administration—Servicer Covenants”* in the base offering memorandum.

Compensation of the Servicer

The servicer will receive two separate fees: a primary servicing fee and a carryover servicing fee.

The primary servicing fee for any month is equal to $\frac{1}{12}$ of an amount not to exceed 0.70% of the outstanding principal balance of the trust student loans, calculated as of the closing date or the first day of the preceding calendar month, as the case may be.

The primary servicing fee will be payable in arrears out of available funds on each distribution date, beginning in August 2010. Primary servicing fees due and payable to the servicer will include amounts from any prior distribution dates that remain unpaid.

The carryover servicing fee is the sum of:

- the amount of specified increases in the costs incurred by the servicer;

- the amount of specified conversion, transfer and removal fees;
- any amounts described in the first two bullets that remain unpaid from prior distribution dates; and
- interest on any unpaid amounts.

The carryover servicing fee will be payable to the servicer on each distribution date out of available funds remaining after all payments owing on the notes have been made.

See “*Description of the Notes—Distributions*” and “*—Servicing Compensation*” in this offering memorandum.

TERMINATION OF THE TRUST

The trust will terminate upon:

- the maturity or other liquidation of the last trust student loan and the disposition of any amount received upon its liquidation; and
- the payment of all amounts required to be paid to the noteholders.

See “*The Student Loan Pools—Termination*” in the base offering memorandum.

Optional Purchase

The servicer may purchase or arrange for the purchase of all remaining trust student loans on any distribution date on or after the first distribution date on which the pool balance is less than 10% of the initial pool balance.

The exercise of this purchase option will result in the early retirement of the remaining notes. The purchase price

will equal the amount required to prepay in full, including all accrued and unpaid interest, the remaining trust student loans as of the end of the preceding collection period, but not less than a prescribed minimum purchase amount.

This prescribed minimum purchase amount is the amount that would be sufficient to:

- pay any amounts that would be due and owing to the swap counterparty if the swap agreement were terminated at such time;
- reduce the outstanding principal balance of each class of notes then outstanding on the related distribution date to zero; and
- pay to noteholders the interest payable on the related distribution date.

See “*The Student Loan Pools—Termination*” in the base offering memorandum.

In addition to the optional purchase right described above, the servicer will also have an option, but not the obligation, to purchase any trust student loan on any date, provided, that the servicer may not purchase trust student loans if the cumulative aggregate principal balance of all trust student loans so purchased exceeds 2% of the initial pool balance, including any such purchase to be made on such date. The purchase price for any trust student loans purchased by the servicer using this option will be equal to the outstanding principal balance of such trust student loans plus accrued and unpaid interest through the date of purchase.

Auction of Trust Assets

The indenture trustee may, and at the written direction of either the administrator or noteholders holding a majority of the outstanding principal balance of all of the notes will, either itself or through an agent, offer for sale all remaining trust student loans at the end of the first collection period when the pool balance is less than 10% of the initial pool balance.

If such an auction takes place, the trust auction date will be the third business day before the related distribution date. An auction may be consummated only if the servicer has first waived its optional right to purchase all of the remaining trust student loans as described above. The servicer will waive its option to purchase all of the remaining trust student loans if it fails to notify the trustee and the indenture trustee, in writing, that it intends to exercise its purchase option before the indenture trustee or its agent accepts a bid to purchase the trust student loans. The depositor and its affiliates, including SLM ECFC and the servicer, and unrelated third parties may offer bids to purchase the trust student loans. The depositor or any affiliate may not submit a bid representing greater than fair market value of the trust student loans.

If an auction is conducted and at least two bids are received, the indenture trustee or its agent will solicit and re-solicit new bids from all participating bidders until only one bid remains or the remaining bidders decline to resubmit bids. The indenture trustee or its agent will accept the highest remaining bid if it equals or exceeds the higher of:

- the minimum purchase amount described under “—*Optional Purchase*” above (plus any amounts owed to the servicer as carryover servicing fees); or
- the fair market value of the trust student loans as of the end of the related collection period.

If at least two bids are not received or the highest bid after the re-solicitation process does not equal or exceed the minimum purchase amount described above, the indenture trustee or its agent will not complete the sale. The indenture trustee or its agent may, and at the direction and at the sole cost and expense of the depositor will be required to, consult with a financial advisor which may include an initial purchaser of the notes or the administrator, to determine if the fair market value of the trust student loans has been offered. See “*The Student Loan Pools—Termination*” in the base offering memorandum.

The net proceeds of any auction sale will be used to retire any outstanding notes on the next distribution date.

If the sale is not completed, the indenture trustee or its agent may, and at the written direction of either the administrator or noteholders holding a majority of the outstanding principal balance of all of the notes shall, solicit bids for sale of the trust student loans after future collection periods upon terms similar to those described above, including the servicer’s waiver of its option to purchase all of the remaining trust student loans. The indenture trustee or its agent may or may not succeed in soliciting acceptable bids for the trust student loans, either on the trust auction date or subsequently.

If the trust student loans are not sold on the earliest possible date on which the pool balance of the student loans is less than 10% of the initial pool balance as described above, on each subsequent distribution date, the amount of available funds remaining after the payments described in the 1st through 9th items in the chart on page 9 of this offering memorandum will be distributed to the noteholders as accelerated payments of note principal.

See *“The Student Loan Pools—Termination”* in the base offering memorandum.

SWAP AGREEMENT

The trust will enter into an interest rate swap agreement as of the closing date with The Royal Bank of Scotland plc.

Under the interest rate swap agreement, the swap counterparty will pay to the trust, on or before the third business day preceding each distribution date, an amount based upon one-month LIBOR, determined in the same manner as applies to the notes.

For each distribution date, the trust will pay to the swap counterparty from the collection account and, if necessary, the reserve account, prior to interest payments on the notes, an amount based upon the prime rate.

The interest rate swap agreement is scheduled to terminate on the July 2025 distribution date.

See *“Swap Agreement”* in this offering memorandum.

EXCESS DISTRIBUTION CERTIFICATEHOLDER

Under the trust agreement, the trust will also issue an excess distribution certificate to the depositor. This excess distribution certificate will represent the ownership of the residual interest in the trust. The depositor intends to transfer the excess distribution certificate to SLM ECFC. At any time thereafter, SLM ECFC may transfer ownership of the excess distribution certificate to another affiliate of SLM Corporation and/or it may be sold to an unaffiliated third party. The excess distribution certificate is not being offered for sale by this offering memorandum.

Distributions on the Excess Distribution Certificate. The excess distribution certificate will not bear interest and will not have a principal balance. In general, distributions on the excess distribution certificate will be made only after all of the notes have received all amounts due on a distribution date. See *“Description of the Notes—Distributions”* in this offering memorandum.

TAX CONSIDERATIONS

Subject to important considerations described in the base offering memorandum:

- In the opinion of federal tax counsel for the trust, the notes will be characterized as debt for federal income tax purposes.
- In the opinion of federal tax counsel for the trust, the trust will not be characterized as an association or a publicly traded partnership taxable as a corporation for federal income tax purposes.

- In the opinion of Delaware tax counsel for the trust, the same characterizations would apply for Delaware state income tax purposes as for federal income tax purposes and noteholders who are not otherwise subject to Delaware taxation on income will not become subject to Delaware tax as a result of their ownership of notes.

See “*U.S. Federal Income Tax Consequences*” in this offering memorandum and in the base offering memorandum.

ERISA CONSIDERATIONS

Subject to important considerations and conditions described in this offering memorandum and the base offering memorandum, the notes may, in general, be purchased by or on behalf of an employee benefit plan or other retirement arrangement, including an insurance company general account, only if:

- an exemption from the prohibited transaction provisions of Section 406 of the Employee Retirement Income Security Act of 1974, as amended, and Section 4975 of the Internal Revenue Code of 1986, as amended, applies, so that the purchase or holding of the notes will not result in a non-exempt prohibited transaction; and
- the purchase or holding of the notes will not cause a non-exempt violation of any substantially similar federal, state, local or foreign laws.

Each fiduciary who purchases a note will be deemed to represent that an exemption exists and applies to it and

that no non-exempt violations of any substantially similar laws will occur.

See “*ERISA Considerations*” in this offering memorandum and the base offering memorandum for additional information concerning the application of ERISA.

RATINGS OF THE NOTES

The notes are required to be rated at issuance in the highest rating category by Moody’s Investors Service, Inc. and Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business.

A rating addresses only the likelihood of the timely payment of stated interest and the payment of principal at final maturity, and does not address the timing or likelihood of principal distributions prior to final maturity. See “*Ratings of the Notes*” in this offering memorandum.

LISTING INFORMATION

Application has been made for the notes to be listed on the Official List of the Luxembourg Stock Exchange and to be traded on the Luxembourg Stock Exchange’s Euro MTF Market. We cannot assure you that the application will be granted. You should consult with Deutsche Bank Luxembourg S.A., the Luxembourg listing agent for the notes, to determine their status. You can contact the listing agent at 2 Boulevard Konrad Adenauer L-1115, Luxembourg. So long as any class of notes is listed on the Luxembourg Stock Exchange, and its rules so require, notices relating to that class of notes, including if such class is delisted, will be published in a leading newspaper having general

circulation in Luxembourg, which is expected to be *Luxemburger Wort*, and/or on the Luxembourg Stock Exchange's website at <http://www.bourse.lu>.

The notes have been accepted for clearing and settlement through Clearstream, Luxembourg and Euroclear on the closing date.

RISK FACTORS

Some of the factors you should consider before making an investment in the notes are described in this offering memorandum and in the base offering memorandum under "*Risk Factors*."

IDENTIFICATION NUMBERS

The notes will have the following CUSIP Numbers, International Securities Identification Numbers (ISINs) and European Common Codes:

Rule 144A CUSIP Numbers

Class A-1 Notes: 78445Q AA9

Class A-2 Notes: 78445Q AB7

Class A-3 Notes: 78445Q AC5

Class A-4 Notes: 78445Q AD3

Class A-5 Notes: 78445Q AE1

Regulation S CUSIP Numbers

Class A-1 Notes: U82909 AA7

Class A-2 Notes: U82909 AB5

Class A-3 Notes: U82909 AC3

Class A-4 Notes: U82909 AD1

Class A-5 Notes: U82909 AE9

Rule 144A ISINs

Class A-1 Notes: US78445QAA94

Class A-2 Notes: US78445QAB77

Class A-3 Notes: US78445QAC50

Class A-4 Notes: US78445QAD34

Class A-5 Notes: US78445QAE17

Regulation S ISINs

Class A-1 Notes: USU82909AA76

Class A-2 Notes: USU82909AB59

Class A-3 Notes: USU82909AC33

Class A-4 Notes: USU82909AD16

Class A-5 Notes: USU82909AE98

Rule 144A European Common Codes

Class A-1 Notes: 052183006

Class A-2 Notes: 052183014

Class A-3 Notes: 052183057

Class A-4 Notes: 052183065

Class A-5 Notes: 052183081

Regulation S European Common Codes

Class A-1 Notes: 052183103

Class A-2 Notes: 052183120

Class A-3 Notes: 052183154

Class A-4 Notes: 052183162

Class A-5 Notes: 052183189

RISK FACTORS

You should carefully consider the following risk factors in order to understand the structure and characteristics of the notes and the potential merits and risks of an investment in the notes. Potential investors must review and be familiar with the following risk factors in deciding whether to purchase any note. The base offering memorandum describes additional risk factors that you should also consider beginning on page 18 of the base offering memorandum. These risk factors could affect your investment in or return on the notes.

The Notes Are Not Suitable Investments For All Investors

The notes are complex investments that should be considered only by investors who, either alone or with their financial, tax and legal advisors, have the expertise to analyze the prepayment, reinvestment, default and market risk, and tax consequences of an investment, as well as the interaction of these factors.

Sequential Payment Of The Notes Results In A Greater Risk Of Loss For Some Holders

Holders of the notes with higher numerical designations bear a greater risk of loss than do holders of notes with lower numerical designations because, in general, distributions of principal on any class of notes will be made only after the notes having a lower numerical designation have been paid.

The yields to maturity on the class A-2, class A-3, class A-4 and class A-5 notes may be more sensitive than the yield to maturity on the class A-1 notes because of losses due to defaults on the trust student loans and the timing of those losses, to the extent the losses are not covered by any applicable credit enhancement. The timing of receipt of principal and interest on the class A-2, class A-3, class A-4 and class A-5 notes may be adversely affected by the losses even if those notes do not ultimately bear such losses.

Certain Credit And Liquidity Enhancement Features Are Limited And If They Are Depleted, There May Be Shortfalls In Distributions To Noteholders

Certain credit and liquidity enhancement features, including the reserve account, are limited in amount. In certain circumstances, if there is a shortfall in available funds, such amounts may be depleted. This depletion could result in shortfalls and delays in distributions to noteholders.

The Characteristics Of The Trust Student Loans May Change

The statistical information in this offering memorandum reflects only the characteristics of the trust student loans as of the statistical cutoff date. The trust student loans actually sold to the trust on the closing date will have characteristics that differ somewhat from the characteristics of the trust student loans as of the statistical cutoff date, due to payments received on and other changes in these loans that occur during the period from the statistical cutoff date to the closing date. We do not expect the characteristics of the trust student loans actually sold to the trust on the closing date to differ materially from the characteristics of the trust student loans as of the statistical cutoff date.

However, in making your investment decision, you should assume that the actual characteristics of the trust student loans will vary somewhat from the characteristics of the trust student loans presented in this offering memorandum as of the statistical cutoff date.

The Trust Will Not Have The Benefit Of Any Guarantees Or Insurance On The Trust Student Loans

The trust student loans are not guaranteed, insured or reinsured by the United States or any state-sponsored guarantee agency or private insurer or by any other insurance or external credit enhancement. The primary credit enhancement for the notes is overcollateralization and amounts on deposit in the reserve account. The amount of credit enhancement is limited and can be depleted over time. In this event, you may suffer a loss on your investment.

Your Notes Will Have Basis Risk And The Swap Agreement Does Not Eliminate All Of This Basis Risk

The trust will enter into an interest rate swap agreement with The Royal Bank of Scotland plc. The swap agreement is intended to mitigate the basis risk associated with the notes. Basis risk is the risk that shortfalls might occur because, among other things, the interest rates of the trust student loans either adjust on the basis of certain indexes or are fixed and the interest rates of the notes adjust on the basis of a different index. See “Annex A—Characteristics of the Trust Student Loan Pool—Composition of the Trust Student Loans as of the Statistical Cutoff Date” which specifies the percentages of trust student loans that adjust based on the prime rate or the 91-day Treasury bill rate, or that bear a fixed rate, as applicable.

The notional amount of the swap agreement will equal the aggregate outstanding principal balance of the notes, as determined periodically. Consequently you must rely on other forms of credit enhancement, to the extent available, to mitigate that portion of the basis risk not covered by the swap agreement.

The swap agreement is scheduled to terminate, by its terms, on the July 2025 distribution date. In addition, an early termination of a swap agreement may occur upon the occurrence of certain events. See “*Swap Agreement—Default Under the Swap Agreement*” and “*—Termination Events*.”

Upon the early termination of the swap agreement, you cannot be certain that the trust will be able to enter into a substitute swap agreement. The trust will not enter into any substitute swap agreement after the swap agreement terminates on the July 2025 distribution date. In either event, there can be no assurance that the amount of credit enhancement will be sufficient to cover the basis risk associated with the notes.

*Risk Of Bankruptcy Discharge
Of Private Education Loans*

Private education loans made for qualified education expenses are generally not dischargeable by a borrower in bankruptcy. Private education loans can become dischargeable if the borrower proves that keeping the loans non-dischargeable would impose an undue hardship on the debtor and the debtor’s dependents. If you own any notes, you will bear any risk of loss resulting from the discharge by any borrower of a private education loan to the extent the amount of the default is not covered by the trust’s credit enhancement. See “*Recent Developments*” in this offering memorandum.

*Certain Actions Can Be Taken
Without Noteholder Approval*

The transaction documents provide that certain actions may be taken based upon receipt by the indenture trustee of a confirmation from each of the rating agencies that the then-current ratings assigned by the rating agencies then rating the notes will not be impaired by those actions.

The Bankruptcy Of The Servicer Could Delay The Appointment Of A Successor Servicer Or Reduce Payments On Your Notes

In the event of a default by the servicer resulting solely from certain events of insolvency or the bankruptcy of the servicer, a court, conservator, receiver or liquidator may have the power to prevent either the indenture trustee or the noteholders from appointing a successor servicer or prevent the servicer from appointing a subservicer, as the case may be, and delays in the collection of payments on the trust student loans may occur. Any delay in the collection of payments on the trust student loans may delay or reduce payments to noteholders.

The Trust May Be Affected By Delayed Payments From Borrowers Called To Active Military Service

The Servicemembers Civil Relief Act and similar state and local laws provide payment relief to borrowers who enter active military service and to borrowers in reserve status who are called to active duty after the origination of their trust student loans. Recent and ongoing military operations by the United States have increased the number of citizens who are in active military service, including persons in reserve status who have been called or may be called to active duty.

We do not know how many trust student loans have been or may be affected by the application of these laws. As a result, there may be unanticipated delays in payment and losses on the trust student loans.

Your Ability To Transfer The Notes May Be Limited

This offering of the notes will not be registered under the Securities Act, any United States state securities laws or "Blue Sky" laws, or any securities laws of any other jurisdiction. Consequently, the notes are not transferable other than in accordance with an exemption from the registration provisions of the Securities Act and applicable United States state securities laws and upon satisfaction of certain other provisions of the indenture pursuant to which the notes are issued. According to Part I, Chapter 5, §502 of the Rules and Regulations of the Luxembourg Stock Exchange, the notes shall be freely transferable and therefore no transaction made on the Luxembourg Stock Exchange shall be cancelled. It is intended, however, that transfers of interests in the notes will be cleared and settled through Clearstream, Luxembourg or Euroclear, as applicable, and will be effected in accordance with

the rules and procedures of Clearstream, Luxembourg or Euroclear or their respective depositaries.

There is currently no market for the notes and it is uncertain whether such a market will develop. The initial purchasers expect, but are not obligated, to make a market in the notes solely to facilitate trading among QIBs (under Rule 144A) and non-U.S. persons (pursuant to the requirements of Regulation S). There is no assurance that either such market, if developed, will continue. If a secondary market does not develop, the spread between the bid price and the ask price for your notes may widen, thereby reducing the net proceeds to you from the sale of your notes.

Resales of the notes may be made only pursuant to a valid registration statement, under Rule 144A, pursuant to the requirements of Regulation S or pursuant to another exemption available under the Securities Act.

Any downgrade, withdrawal or qualification of the ratings of your notes, as a result of a change of circumstances, deterioration in the performance of the trust student loans, errors in analysis or otherwise, may adversely affect the market value of your notes and/or limit your ability to resell your notes.

The Notes May Be Assigned Lower Ratings Than Those Described In This Offering Memorandum By Different Rating Agencies

The sponsor, or an affiliate, will pay a fee to each of Moody's and Standard and Poor's (collectively, the "Rating Agencies") to assign the initial credit ratings to the notes. The Securities and Exchange Commission has said that being paid by the sponsor, issuer or an initial purchaser to issue or maintain a credit rating on asset-backed securities creates a conflict of interest for rating agencies, and that this conflict is particularly acute because arrangers of asset-backed securities transactions provide repeat business to such rating agencies.

The sponsor has not requested a rating of the notes by any rating agency other than the Rating Agencies. However, other nationally recognized statistical rating organizations ("NRSROs") may assign their own ratings to any class or classes of

notes at any time, even prior to the closing date. NRSROs have different methodologies, criteria, models and requirements, which may result in ratings that are lower than those assigned by the Rating Agencies. Depending upon the level of the ratings assigned, what NRSROs are involved, what their stated reasons are for assigning a lower rating, and other factors, if an NRSRO issues a lower rating, the liquidity and market value of the particular class or classes of notes could be materially and adversely affected. In addition, the mere possibility that such a rating could be issued may affect price levels in any secondary market that may develop.

*Retention Of A Class Of Notes
By The Depositor Or Its Affiliate
May Reduce The Liquidity Of
Such Class Of Notes*

All or a portion of any class of notes may be retained by the depositor or its affiliate. The market for any class of notes so retained may be less liquid than would otherwise be the case. In addition, if the retained notes of any class are subsequently sold in the secondary market, demand and market price for the notes of such class already in the market could be adversely affected.

*Current Illiquid Market
Conditions May Continue In The
Future*

Despite recent federal market interventions and programs, the current period of general market illiquidity may continue or even worsen and may adversely affect the secondary market for your notes. Accordingly, you may not be able to sell your notes when you want to do so or you may be unable to obtain the price that you wish to receive for your notes and, as a result, you may suffer a loss on your investment.

DEFINED TERMS

In later sections, we use a few terms that we define in the Glossary at the end of this offering memorandum. These terms appear in bold face on their first use and in initial capital letters in all cases.

FORMATION OF THE TRUST

The Trust

SLM Private Education Loan Trust 2010-C is a statutory trust newly formed in accordance with Delaware law on May 4, 2010 under a short-form trust agreement. The short-form trust agreement will be amended on the closing date pursuant to an amended and restated trust agreement to be dated as of the closing date among the depositor, the trustee, the Delaware trustee and the indenture trustee. We refer to the short-form trust agreement and the amended and restated trust agreement together as the “trust agreement.”

After its formation, the trust will not engage in any activity other than:

- acquiring, holding and managing the trust student loans and holding the other assets of the trust and related proceeds;
- issuing the notes;
- making payments on the notes;
- entering into the swap agreement and making the payments required thereunder; and
- engaging in other activities that are necessary, suitable or convenient to accomplish, or are incidental to, the foregoing.

The trust was initially capitalized with nominal equity of \$100, excluding any amounts to be deposited by the trust into the collection account and the reserve account. The depositor will use the net proceeds of the sale of the notes to pay to the trust the amounts to be deposited by the trust into the collection account and the reserve account. The trust will purchase the trust student loans from the depositor under a sale agreement to be dated as of the closing date among the depositor, the trust and the trustee. On the closing date, the depositor will use the net proceeds it receives from the sale of the trust student loans to pay the seller the purchase price for the trust student loans acquired under the purchase agreement. The seller, the SLM 2009-A trust, will use the proceeds of the sale of the trust student loans to the depositor to redeem the outstanding SLM 2009-A trust notes issued pursuant to the terms of the SLM 2009-A trust’s indenture. For more information see “—*The Seller*” below.

The property of the trust will consist of:

- the pool of trust student loans, legal title to which is held by the trustee on behalf of the trust;
- all funds collected on the trust student loans on or after the closing date;
- all moneys and investments from time to time on deposit in the **Trust Accounts**;
- its rights under the swap agreement and the related documents; and
- its rights under the transfer and servicing agreements, including the right to require the seller, the depositor or the servicer to repurchase trust student loans from it or to substitute student loans under certain conditions.

The sections “*Transfer and Servicing Agreements*,” “*Servicing and Administration*,” “*Description of the Notes*” and “*Additional Information Regarding The Notes*” in the base offering memorandum contain descriptions of the material provisions of the transaction documents.

The notes will be secured by the property of the trust. The Trust Accounts will be established and maintained in the name of the indenture trustee for the benefit of the noteholders. To facilitate servicing and to minimize administrative burden and expense, the servicer will act as custodian of the promissory notes representing the trust student loans and other related documents.

The trust’s principal offices are in Chicago, Illinois, in care of The Bank of New York Mellon Trust Company, National Association, as trustee, at its address shown below.

Capitalization of the Trust

The following table illustrates the capitalization of the trust as of the closing date, as if the issuance and sale of the securities had taken place on that date:

| | |
|---|-----------------|
| Floating Rate Class A-1 Student Loan-Backed Notes | \$451,000,000 |
| Floating Rate Class A-2 Student Loan-Backed Notes | 209,383,000 |
| Floating Rate Class A-3 Student Loan-Backed Notes | 300,000,000 |
| Floating Rate Class A-4 Student Loan-Backed Notes | 335,000,000 |
| Floating Rate Class A-5 Student Loan-Backed Notes | 406,059,000 |
| Equity..... | 100 |
| Total..... | \$1,701,442,100 |

Depositor

The depositor is SLM Education Credit Funding LLC, which is a Delaware limited liability company and a wholly-owned subsidiary of SLM Education Credit Finance Corporation, which we refer to as SLM ECFC. The depositor was formed on July 22, 2002. SLM ECFC is the sole member of the depositor.

Trustee

The trustee is The Bank of New York Mellon Trust Company, National Association, a national banking association organized under the laws of the United States. It maintains a trust address at 2 N. LaSalle Street, Suite 1020, Chicago, Illinois 60602. The Bank of New York Mellon Trust Company, National Association, has been, and currently is, serving as trustee for numerous securitization transactions and programs involving pools of student loan receivables.

The Bank of New York Mellon Trust Company, National Association, has provided the information in the prior paragraph. Other than the prior paragraph, The Bank of New York Mellon Trust Company, National Association, has not participated in the preparation of, and is not responsible for, any other information contained in this offering memorandum or the base offering memorandum.

The trustee will acquire on behalf of the trust legal title to all the trust student loans purchased on the closing date.

The trustee will act on behalf of the excess distribution certificateholder and represent and exercise the rights and interests of the excess distribution certificateholder under the trust agreement. Except as specifically delegated to the administrator in the administration agreement, the trustee will also execute and deliver all agreements required to be entered into on behalf of the trust.

The liability of the trustee in connection with the issuance and sale of the notes will consist solely of the express obligations specified in the trust agreement and sale agreement. The trustee will not be personally liable for any actions or omissions that were not the result of its own bad faith, willful misconduct or negligence. The trustee will be entitled to be indemnified by the administrator (at the direction of the depositor) for any loss, liability or expense (including reasonable attorneys' fees and expenses) incurred by it in connection with the performance of its duties under the indenture and the other transaction documents. See "*Description of the Notes*" in this offering memorandum and "*Transfer and Servicing Agreements*" in the base offering memorandum. Affiliates of the depositor maintain banking relations with the trustee.

The trustee may resign at any time. The administrator may also remove the trustee if it becomes insolvent or ceases to be eligible to continue as trustee. In the event of such a resignation or removal, the administrator will appoint a successor. The resignation or removal of the trustee and the appointment of a successor will become effective only when a successor accepts its appointment. To the extent expenses

incurred in connection with the replacement of the trustee are not paid by the trustee that is being replaced or by the successor trustee, the depositor will be responsible for the payment of such expenses.

Indenture Trustee and Paying Agent

The trust will issue the notes under an indenture to be dated as of the closing date. Under the indenture, The Bank of New York Mellon will act as indenture trustee and paying agent for the notes.

The Bank of New York Mellon is a New York banking corporation. Its principal corporate trust address is 101 Barclay Street, 4 West, New York, New York 10286. The Bank of New York Mellon has been, and currently is, serving as indenture trustee and trustee for numerous securitization transactions and programs involving pools of student loans. The Bank of New York Mellon is one of the largest corporate trust providers of trust services on securitization transactions.

The Bank of New York Mellon has provided the above information. Other than the above paragraph, The Bank of New York Mellon has not participated in the preparation of, and is not responsible for, any other information contained in this offering memorandum or the base offering memorandum.

Affiliates of the depositor maintain customary banking relations on arms-length terms with the indenture trustee.

The indenture trustee will act on behalf of the noteholders and represent their interests in the exercise of their rights under the indenture, subject to the limitations set forth in the indenture.

To the extent expenses incurred in connection with the replacement of an indenture trustee are not paid by the indenture trustee that is being replaced, the depositor will be responsible for the payment of such expenses.

The indenture trustee will not be personally liable for any actions or omissions that were not the result of its own bad faith, willful misconduct or negligence. The indenture trustee will be entitled to be indemnified by the administrator (at the direction of the trust) for any loss, liability or expense (including reasonable attorneys' fees and expenses) incurred by it in connection with the performance of its duties under the indenture and the other transaction documents. Upon the occurrence of an event of default, and in the event the administrator fails to reimburse the indenture trustee, the indenture trustee will be entitled to receive all such amounts owed from cashflow on the trust student loans prior to any amounts being distributed to the noteholders.

Delaware Trustee

BNY Mellon Trust of Delaware will be the Delaware trustee under the trust agreement. The Delaware trustee will act in the capacities required for a Delaware trust under the Delaware Statutory Trust Act.

BNY Mellon Trust of Delaware is a Delaware banking corporation with its principal place of business located at 100 White Clay Center, Suite 102, Newark, Delaware 19711. BNY Mellon Trust of Delaware has and is currently serving as Delaware trustee for numerous securitization transactions and programs involving pools of student loan receivables.

BNY Mellon Trust of Delaware has provided the information in the prior paragraph. Other than the prior paragraph, BNY Mellon Trust of Delaware has not participated in the preparation of, and is not responsible for, any other information contained in this offering memorandum or the base offering memorandum.

The liability of the Delaware trustee in connection with the issuance and sale of the notes will consist solely of the express obligations specified in the trust agreement. The Delaware trustee will not be personally liable for any actions or omissions that were not the result of its own bad faith, willful misconduct or negligence. The Delaware trustee will be entitled to be indemnified by the administrator (at the direction of the depositor) for any loss, liability or expense (including reasonable attorneys' fees and expenses) incurred by it in connection with the performance of its duties under the trust agreement. See "*Description of the Notes*" in this offering memorandum and "*Transfer and Servicing Agreements*" in the base offering memorandum. The depositor and its affiliates maintain banking relations with the Delaware trustee and/or its affiliates.

The Delaware trustee may resign at any time. The administrator may also remove the Delaware trustee if it becomes insolvent or ceases to be eligible to continue as Delaware trustee. In the event of such a resignation or removal, the administrator will appoint a successor. The resignation or removal of the Delaware trustee and the appointment of a successor will become effective only when a successor accepts its appointment. To the extent expenses incurred in connection with the replacement of the Delaware trustee are not paid by the successor Delaware trustee, the depositor will be responsible for the payment of such expenses.

PRIVATE EDUCATION LOANS

The following five tables contain information concerning the managed private education loans and the off-balance sheet private education loans of SLM Corporation and its consolidated subsidiaries, the direct or indirect parent of the depositor.

SLM Corporation analyzes its student loan portfolio on a "managed basis," under which it views both on-balance sheet student loans and off-balance sheet student loans owned by the securitization trusts as a single portfolio, and the related on-balance sheet financings are combined with off-balance sheet debt. When private education loans in SLM Corporation's securitization trusts settling before September 30, 2005 became 180 days delinquent, SLM Corporation previously exercised its contingent call option to repurchase these loans at par value out of the related trust and recorded a loss for the difference between the par value paid and the fair market value of the loan at the time of purchase. Beginning in October 2008, SLM Corporation decided to no longer exercise its contingent call option. On a managed basis, the losses recorded under GAAP for

loans repurchased at day 180 are reversed and the full amount is charged-off at day 212. SLM Corporation does not hold the contingent call option for any trusts settled after September 30, 2005.

As of March 31, 2009, SLM Corporation changed its methodology used to present charge-offs related to private education loans to more clearly reflect the expected loss. Net income, provision for loan loss expense, the net loan balance, default rate and expected recovery rate assumptions are not impacted by this change. Based on SLM Corporation's historic experience, SLM Corporation expects to recover a portion of loans that default. This expected recovery is taken into account in arriving at SLM Corporation's periodic provision for loan loss expense. Previously, once a loan has been delinquent for 212 days, SLM Corporation has charged off 100% of the loan balance, even though SLM Corporation had provisioned for the estimated loss of the defaulted loan balance, comprised of the full loan balance less the expected recovery.

SLM Corporation changed its methodology to charge-off the estimated loss of the defaulted loan balance to be consistent with the amount included in the provision. Actual recoveries are applied against the remaining loan balance that was not charged off. If actual periodic recoveries are less than originally expected, the difference results in immediate additional provision for expense and charge-off of such amount.

This revised methodology results in a charge-off equal to the amount provided for through the allowance for loan loss. As a result, SLM Corporation believes that this methodology better reflects the actual events occurring. Although there is diversity in practice on how charge-offs are presented, this method is more comparable to other financial institutions in how charge-offs and the related charge-off and allowance ratios are presented. SLM Corporation emphasizes that although the presentation improves the various charge-off and allowance ratios, the change does not reflect an improvement in the collectability of SLM Corporation's loan portfolio.

As of December 31, 2009, SLM Corporation assumes it will collect, on average, 27% of a defaulted loan's balance over an extended period of time. This recovery assumption is based on historic recovery rates achieved and is updated, as appropriate, on a quarterly basis.

SLM Corporation believes this change to be an immaterial correction of previous disclosures. Following are tables depicting the "Allowance for Private Education Loan Losses" as corrected for this change.

The table below presents delinquency trends for our managed private education loans as of March 31, 2010 and December 31, 2009, 2008, 2007, 2006 and 2005.

SLM CORPORATION
Managed Private Education Loans
Loan Status and Delinquency
(dollars in millions, except as noted)
(unaudited)

| | As of March 31, | | As of December 31, | | | | | | | | | |
|--|-----------------|-------|--------------------|-------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|
| | 2010 | | 2009 | | 2008 | | 2007 | | 2006 | | 2005 | |
| | Balance | % | Balance | % | Balance | % | Balance | % | Balance | % | Balance | % |
| Loans in-school/grace/deferment ¹ | \$ 11,452 | | \$ 11,456 | | \$ 13,620 | | \$ 13,114 | | \$ 10,826 | | \$ 7,980 | |
| Loans in forbearance ² | 1,338 | | 1,420 | | 1,562 | | 2,391 | | 1,181 | | 917 | |
| Loans in repayment and percentage of each status: | | | | | | | | | | | | |
| Loans current | 21,699 | 88% | 21,408 | 88% | 18,591 | 90% | 13,639 | 92% | 10,633 | 91% | 7,757 | 93% |
| Loans delinquent 31-60 days ³ | 842 | 3 | 979 | 4 | 866 | 4 | 508 | 3 | 472 | 4 | 302 | 4 |
| Loans delinquent 61-90 days ³ | 576 | 2 | 491 | 2 | 417 | 2 | 260 | 2 | 192 | 2 | 112 | 1 |
| Loans delinquent 91-120 days ³ | 562 | 2 | 451 | 2 | 321 | 2 | 181 | 1 | 139 | 1 | 68 | 1 |
| Loans delinquent 121-150 days ³ | 412 | 2 | 365 | 1 | 203 | 1 | 107 | 1 | 85 | 1 | 35 | 1 |
| Loans delinquent 151-180 days ³ | 273 | 1 | 367 | 2 | 170 | 1 | 81 | 0 | 59 | 0 | 21 | 0 |
| Loans delinquent greater than 180 days ^{3,4} | 342 | 2 | 305 | 1 | 144 | 0 | 90 | 1 | 63 | 1 | 20 | 0 |
| Total managed private education loans in repayment..... | 24,706 | 100% | 24,366 | 100% | 20,712 | 100% | 14,866 | 100% | 11,643 | 100% | 8,315 | 100% |
| Total managed private education loans, gross..... | 37,496 | | 37,242 | | 35,894 | | 30,371 | | 23,650 | | 17,212 | |
| Private education loans unamortized discount | (912) | | (908) | | (896) | | (823) | | (668) | | (493) | |
| Total managed private education loans..... | 36,584 | | 36,334 | | 34,998 | | 29,548 | | 22,982 | | 16,719 | |
| Private Education Loan receivable for partially charged-off loans..... | 797 | | 728 | | 314 | | 146 | | 64 | | 46 | |
| Managed private education loan allowance for losses | (2,019) | | (1,967) | | (1,813) | | (1,366) | | (458) | | (328) | |
| Managed private education loans, net..... | \$ 35,362 | | \$ 35,095 | | \$ 33,499 | | \$ 28,328 | | \$ 22,588 | | \$ 16,437 | |
| Percentage of loans in repayment..... | | 65.9% | | 65.4% | | 57.7% | | 48.9% | | 49.2% | | 48.3% |
| Delinquencies as a percentage of loans in repayment | | 12.2% | | 12.1% | | 10.2% | | 8.3% | | 8.7% | | 6.7% |
| Loans in forbearance as a percentage of loans in repayment and forbearance ² .. | | 5.1% | | 5.5% | | 7.0% | | 13.9% | | 9.2% | | 9.9% |

- 1 Loans for borrowers who still may be attending school or engaging in other permitted educational activities and are not yet required to make payments on the loans, e.g., residency periods for medical students or a grace period for bar exam preparation.
- 2 Loans for borrowers who have requested an extension of a grace period generally during employment transition or who have temporarily ceased making full payments due to hardship or other factors, consistent with the established loan program servicing policies and procedures.
- 3 The period of delinquency is based on the number of days scheduled payments are contractually past due.
- 4 Prior to March 31, 2009, SLM Corporation's policies and procedures provided for managed private education loans to be charged-off after 212 days past due.

The table below presents changes in the allowance for loan losses for our managed private education loans for the three months ended March 31, 2010 and the years ended December 31, 2009, 2008, 2007, 2006 and 2005, as currently reported.

SLM CORPORATION
Managed Private Education Loans
Loan Loss Experience
(dollars in thousands, except as noted)
(unaudited)

| | Three months ended March 31, | Years ended December 31, | | | | |
|---|------------------------------------|--------------------------|------------|------------|------------|------------|
| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| Total charge-offs | \$ 284,478 | \$1,298,558 | \$ 473,782 | \$ 325,646 | \$ 143,514 | \$ 115,854 |
| Charge-offs as a percentage of average managed private education loans in repayment ¹ | 4.68% | 5.97% | 2.85% | 2.46% | 1.44% | 1.60% |
| Charge-offs as a percentage of average managed private education loans in repayment and forbearance | 4.43% | 5.60% | 2.49% | 2.17% | 1.30% | 1.45% |
| Ending managed private education loans (in millions) ² | \$ 38,293 | \$ 37,971 | \$ 36,208 | \$ 30,517 | \$ 23,714 | \$ 17,258 |
| Ending managed private education loans in repayment (in millions) ¹ ... | \$ 24,706 | \$ 24,366 | \$ 20,712 | \$ 14,866 | \$ 11,643 | \$ 8,315 |
| Average managed private education loans in repayment (in millions) ¹ ... | \$ 24,646 | \$ 21,734 | \$ 16,621 | \$ 13,254 | \$ 9,978 | \$ 7,254 |
| Average managed private education loans in repayment and forbearance (in millions) .. | \$ 26,028 | \$ 23,209 | \$ 19,059 | \$ 15,040 | \$ 11,028 | \$ 7,963 |

1 Excludes loans for borrowers who still may be attending school or engaging in other permitted educational activities and are not yet required to make payments on the loans, e.g., residency periods for medical students or a grace period for bar exam preparation. Excludes loans for borrowers who have requested an extension of a grace period generally during employment transition or who have temporarily ceased making full payments due to hardship or other factors, consistent with the established loan program servicing policies and procedures.

2 Represents gross private education loans, plus the receivable for partially charged-off loans.

The table on the following page presents details on our traditional and non-traditional managed private education loans for the three months ended March 31, 2010 and the years ended December 31, 2009, 2008, 2007 and 2006, as currently reported. Comparable details are not available for the year ended December 31, 2005.

In the context of SLM Corporation's private education loan business, the term "non-traditional loans" is used to describe private education loans made to certain borrowers that have or are expected to have a high default rate as a result of a number of factors, including having a lower tier credit rating, low program completion and graduation rates or, where the borrower is expected to graduate, a low expected income relative to the borrower's cost of attendance.

SLM CORPORATION
Managed Private Education Loans
Traditional/Non-Traditional
(dollars in thousands)
(unaudited)

| | <u>March 31, 2010</u> | | | <u>December 31, 2009</u> | | | <u>December 31, 2008</u> | | | <u>December 31, 2007</u> | | | <u>December 31, 2006</u> | | |
|---|-----------------------|------------------------|--------------|--------------------------|------------------------|--------------|--------------------------|------------------------|--------------|--------------------------|------------------------|--------------|--------------------------|------------------------|--------------|
| | <u>Traditional</u> | <u>Non-Traditional</u> | <u>Total</u> | <u>Traditional</u> | <u>Non-Traditional</u> | <u>Total</u> | <u>Traditional</u> | <u>Non-Traditional</u> | <u>Total</u> | <u>Traditional</u> | <u>Non-Traditional</u> | <u>Total</u> | <u>Traditional</u> | <u>Non-Traditional</u> | <u>Total</u> |
| Ending total loans ¹ | \$ 33,630 | \$ 4,663 | \$ 38, 293 | \$ 33,223 | \$ 4,747 | \$ 37,970 | \$ 31,101 | \$ 5,107 | \$ 36,208 | \$ 25,848 | \$ 4,669 | \$ 30,517 | \$ 20,037 | \$ 3,677 | \$ 23,714 |
| Ending loans in repayment | 21,883 | 2,823 | 24,706 | 21,453 | 2,913 | 24,366 | 17,715 | 2,997 | 20,712 | 12,711 | 2,155 | 14,866 | 9,821 | 1,822 | 11,643 |
| Private Education Loan allowance for losses..... | 1,125 | 894 | 2,019 | 1,056 | 911 | 1,967 | 859 | 954 | 1,813 | 495 | 871 | 1,366 | 209 | 249 | 458 |
| Charge-offs as a percentage of average loans in repayment ² | 3.2% | 15.9% | 4.7% | 3.6% | 21.4% | 6.0% | 1.4% | 11.1% | 2.9% | 1.2% | 9.5% | 2.5% | 0.6% | 6.3% | 1.4% |
| Allowance as a percentage of ending total loan balance ¹ ... | 3.3% | 19.2% | 5.3% | 3.2% | 19.2% | 5.2% | 2.8% | 18.7% | 5.0% | 1.9% | 18.7% | 4.5% | 1.0% | 6.8% | 1.9% |
| Allowance as a percentage of ending loans in repayment..... | 5.1% | 31.7% | 8.2% | 4.9% | 31.3% | 8.1% | 4.8% | 31.8% | 8.8% | 3.9% | 40.4% | 9.2% | 2.1% | 13.7% | 3.9% |
| Average coverage of charge-offs ² | 1.6 | 2.0 | 1.7 | 1.6 | 1.5 | 1.5 | 4.2 | 3.5 | 3.8 | 3.6 | 4.6 | 4.2 | 4.2 | 2.7 | 3.2 |
| Delinquencies as a percentage of private education loans in repayment..... | 9.8% | 30.5% | 12.2% | 9.5% | 31.4% | 12.1% | 7.1% | 28.9% | 10.2% | 5.2% | 26.3% | 8.3% | 5.4% | 26.0% | 8.7% |
| Delinquencies greater than 90 days as a percentage of private education loans in repayment..... | 4.9% | 18.1% | 6.4% | 4.6% | 17.5% | 6.1% | 2.6% | 12.7% | 4.0% | 1.7% | 11.1% | 3.1% | 1.5% | 10.6% | 3.0% |
| Loans in forbearance as a percentage of loans in repayment and forbearance.... | 4.9% | 7.0% | 5.1% | 5.3% | 7.1% | 5.5% | 6.7% | 9.0% | 7.0% | 12.8% | 19.4% | 13.9% | 8.7% | 11.9% | 9.2% |

1 Represents gross private education loans, plus the receivable for partially charged-off loans.

2 Full year actuals for the years ended December 31, 2009, 2008, 2007 and 2006.

The table below presents delinquency trends for our off-balance sheet private education loans as of December 31, 2009, 2008, 2007, 2006 and 2005. Upon the adoption of the Financial Accounting Standards Board's topic updates to Accounting Standards Codification 810, "Consolidation," on January 1, 2010, SLM Corporation consolidated all of its off-balance sheet securitization trusts.

SLM CORPORATION
Off-Balance Sheet Private Education Loans
Loan Status and Delinquency
(dollars in millions)
(Unaudited)

| | As of December 31, | | | | | | | | | |
|--|--------------------|-------|------------------|-------|------------------|-------|------------------|-------|-----------------|-------|
| | 2009 | | 2008 | | 2007 | | 2006 | | 2005 | |
| | Balance | % | Balance | % | Balance | % | Balance | % | Balance | % |
| Loans in-school/grace/deferment ¹ | \$ 2,546 | | \$ 3,461 | | \$ 4,963 | | \$ 5,608 | | \$ 3,679 | |
| Loans in forbearance ² | 453 | | 700 | | 1,417 | | 822 | | 614 | |
| Loans in repayment and percentage of each status: | | | | | | | | | | |
| Loans current | 8,987 | 90% | 8,843 | 93% | 7,403 | 95% | 6,419 | 95% | 4,446 | 96% |
| Loans delinquent 31-60 days ³ | 332 | 3 | 315 | 3 | 202 | 3 | 222 | 3 | 136 | 3 |
| Loans delinquent 61-90 days ³ | 151 | 2 | 121 | 1 | 84 | 1 | 60 | 1 | 35 | 1 |
| Loans delinquent 91-120 days ³ | 156 | 2 | 106 | 1 | 65 | 1 | 52 | 1 | 24 | 0 |
| Loans delinquent 121-150 days ³ | 130 | 1 | 63 | 1 | 34 | 0 | 25 | 0 | 8 | 0 |
| Loans delinquent 151-180 days ³ | 128 | 1 | 49 | 1 | 23 | 0 | 11 | 0 | 4 | 0 |
| Loans delinquent greater than 180 days ^{3,4} | 103 | 1 | 33 | 0 | 8 | 0 | 3 | 0 | 0 | 0 |
| Total off-balance sheet private education loans in repayment | 9,987 | 100% | 9,530 | 100% | 7,819 | 100% | 6,792 | 100% | 4,653 | 100% |
| Total off-balance sheet private education loans, gross | 12,986 | | 13,691 | | 14,199 | | 13,222 | | 8,946 | |
| Private education loans unamortized discount | (349) | | (361) | | (355) | | (303) | | (188) | |
| Total off-balance sheet private education loans | 12,637 | | 13,330 | | 13,844 | | 12,919 | | 8,758 | |
| Private Education Loan receivable for partially charged-off loans | 229 | | 92 | | 28 | | - | | - | |
| Off-balance sheet private education loan allowance for losses | (524) | | (505) | | (362) | | (86) | | (78) | |
| Off-balance sheet private education loans, net | <u>\$ 12,342</u> | | <u>\$ 12,917</u> | | <u>\$ 13,510</u> | | <u>\$ 12,833</u> | | <u>\$ 8,680</u> | |
| Percentage of private education loans in repayment | | 76.9% | | 69.6% | | 55.1% | | 51.4% | | 52.0% |
| Delinquencies as a percentage of private education loans in repayment | | 10.0% | | 7.2% | | 5.3% | | 5.5% | | 4.4% |
| Loans in forbearance as a percentage of loans in repayment and forbearance | | 4.3% | | 6.8% | | 15.3% | | 10.8% | | 11.7% |

- 1 Loans for borrowers who still may be attending school or engaging in other permitted educational activities and are not yet required to make payments on the loans, e.g., residency periods for medical students or a grace period for bar exam preparation.
- 2 Loans for borrowers who have requested an extension of a grace period generally during employment transition or who have temporarily ceased making full payments due to hardship or other factors, consistent with the established loan program servicing policies and procedures.
- 3 The period of delinquency is based on the number of days scheduled payments are contractually past due.
- 4 Prior to March 31, 2009, SLM Corporation's policies and procedures provided for off-balance sheet private education loans to be charged-off after 212 days past due.

The table below presents changes in the allowance for loan losses for our off-balance sheet private education loans for the years ended December 31, 2009, 2008, 2007, 2006 and 2005, as currently reported. Upon the adoption of the Financial Accounting Standards Board's topic updates to Accounting Standards Codification 810, "Consolidation," on January 1, 2010, SLM Corporation consolidated all of its off-balance sheet securitization trusts.

SLM CORPORATION
Off-Balance Sheet Private Education Loans
Loan Loss Experience
(dollars in thousands, except as noted)
(unaudited)

| | Years ended December 31, | | | | |
|--|--------------------------|------------|-----------|-----------|----------|
| | 2009 | 2008 | 2007 | 2006 | 2005 |
| Total charge-offs | \$ 422,891 | \$ 153,541 | \$ 79,304 | \$ 24,680 | \$ 2,628 |
| Charge-offs as a percentage of average off-balance sheet private education loans in repayment ¹ | 4.41% | 1.90% | 1.09% | 0.43% | 0.07% |
| Charge-offs as a percentage of ending off-balance sheet private education loans in repayment and forbearance | 4.16% | 1.64% | 0.94% | 0.38% | 0.06% |
| Ending off-balance sheet private education loans, gross (in millions) ² | \$ 13,215 | \$ 13,782 | \$ 14,227 | \$ 13,222 | \$ 8,946 |
| Average off-balance sheet private education loans in repayment (in millions) ¹ | \$ 9,597 | \$ 8,088 | \$ 7,305 | \$ 5,721 | \$ 4,002 |
| Ending off-balance sheet private education loans in repayment (in millions) ¹ | \$ 9,987 | \$ 9,530 | \$ 7,819 | \$ 6,792 | \$ 4,653 |
| Average off-balance sheet private education loans in repayment and forbearance (in millions) . | \$ 10,158 | \$ 9,385 | \$ 8,425 | \$ 6,440 | \$ 4,477 |

1 Excludes loans for borrowers who still may be attending school or engaging in other permitted educational activities and are not yet required to make payments on the loans, e.g., residency periods for medical students or a grace period for bar exam preparation. Excludes loans for borrowers who have requested an extension of a grace period generally during employment transition or who have temporarily ceased making full payments due to hardship or other factors, consistent with the established loan program servicing procedures and policies.

2 Represents gross private education loans, plus the receivable for partially charged-off loans.

The foregoing five tables reflect information with respect to all active private education loans of SLM Corporation and its consolidated subsidiaries and may not be representative or indicative of the loss or delinquency performance of the trust student loans. SLM Corporation owns private education loans that differ from the trust student loans. Loan losses, loan status and delinquency status may be influenced by a variety of economic, social and geographic conditions and other factors beyond our control. We cannot assure you that the actual loan losses, loan status and delinquency status of the trust student loans will be similar to that set forth above.

USE OF PROCEEDS

The trust will use the net proceeds of the sale of the notes to make the initial deposits to the collection account and the reserve account and to purchase the trust student loans from the depositor on the closing date under the sale agreement.

The depositor will then use the proceeds paid to the depositor by the trust to pay to the seller the purchase price due to the seller for the trust student loans purchased by the depositor under the purchase agreement.

Expenses incurred to establish the trust and issue the notes (other than fees that are due to the initial purchasers) are payable by the depositor. Expenses to be paid by the depositor are estimated to be \$1,178,490.

THE TRUST STUDENT LOAN POOL

General

The trustee, on behalf of the trust, will purchase the pool of trust student loans from the depositor on the closing date, and the trust will be entitled to collections on and proceeds of the trust student loans on and after that date. The depositor will purchase the trust student loans from the seller under the purchase agreement on the closing date.

Eligible Trust Student Loans

Each trust student loan as of the statistical cutoff date:

- contains terms in accordance with those required by the loan program under which it was originated (the Undergraduate and Graduate Student Loan Programs, the Law Loan Programs, the MBA Loan Programs, the Medical Loan Programs and the Private Consolidation Loan Program, as applicable), the purchase agreement, and other applicable requirements;
- is not more than 60 days past due; and
- does not have a borrower who is noted in the related records of the servicer as being currently involved in a bankruptcy proceeding.

No trust student loan, as of the statistical cutoff date, was subject to any prior obligation to sell that loan to a third party.

For a description of each loan program under which the private education loans were originated, see *Appendices A through D* and *Appendix G* to the base offering memorandum. In addition, certain exceptions to the underwriting standards described in the base offering memorandum may be made in the event that compensating factors are demonstrated by a borrower.

The Seller

SLM Private Education Loan Trust 2009-A is a Delaware statutory trust formed on January 6, 2009 under a trust agreement dated the same date. We sometimes refer to SLM Student Loan Trust 2009-A as SLM 2009-A trust or the seller. SLM Trust 2009-A was formed to purchase private education loans from an affiliate of SLM Corporation and issue notes secured by such private education loans under an indenture dated as of March 12, 2009, as amended, modified or otherwise supplemented. SLM 2009-A trust will use the proceeds of the sale of the trust student loans to the depositor to redeem the SLM 2009-A notes pursuant to the terms of the SLM 2009-A trust indenture.

Certain Expenses

Expenses incurred in connection with the acquisition of the trust student loans and the establishment of the trust (including the expenses of accountants, initial purchasers and rating agencies) are paid by Sallie Mae, Inc. and/or the depositor. Such expenses are not paid from proceeds of the sale of the notes.

Characteristics of the Trust Student Loans

The tables contained in **Annex A** to this offering memorandum provide a description of specified characteristics of the trust student loans as of the statistical cutoff date. The aggregate outstanding principal balance of the trust student loans in each of the tables in Annex A includes the principal balance due from borrowers, plus accrued interest to be capitalized of approximately \$140,890,799 as of the statistical cutoff date.

Unless otherwise specified, all information with respect to the trust student loans presented in this offering memorandum or in Annex A is as of May 1, 2010, which is the statistical cutoff date.

Insurance of Student Loans

The trust student loans are not guaranteed, insured or reinsured by the United States or any state-sponsored guarantee agency or private insurer.

Cure Period for Trust Student Loans

The depositor, the seller or the servicer, as applicable, will be obligated to purchase, or to substitute qualified substitute student loans for, any trust student loan in the event of a material breach of certain representations, warranties or covenants concerning such trust student loan, following a period during which the breach may be cured. The cure period will be 270 days. In each case the cure period begins on the date on which the breach is discovered. The purchase or substitution will be made not later than the end of the 270-day cure period.

RECENT DEVELOPMENTS

On April 15, 2010, the “Fairness for Struggling Students Act” (S. 3219) and the “Private Student Loan Bankruptcy Fairness Act” (H.R. 5043) were separately introduced in the Senate and the House of Representatives, respectively. Either bill, if enacted, would make it easier for borrowers to have private education loan debt discharged in bankruptcy proceedings. If enacted as proposed, the bankruptcy legislation would have an adverse impact on the trust student loans by permitting borrowers of trust student loans to have their obligations wholly or partially extinguished in a bankruptcy proceeding. See “*Risk Factors—Risk Of Bankruptcy Discharge Of Private Education Loans.*”

DESCRIPTION OF THE NOTES

General

The notes will be issued under an indenture. The following summary describes some terms of the notes, the indenture, the trust agreement and the swap agreement. The base offering memorandum describes other terms of the notes. See “*Description of the Notes*” and “*Additional Information Regarding the Notes*” in the base offering memorandum. The following summary does not cover every detail and is subject to the provisions of the notes, the indenture, the trust agreement and the swap agreement.

Form and Denomination of the Notes

Book-Entry Registration

Initially, the notes will be issued in book-entry format in minimum denominations of \$100,000 and \$1,000 in excess thereof. Notes offered and sold to a **QIB** under Rule 144A will be represented by one or more **Rule 144A Global Notes**. Notes offered and sold pursuant to the requirements of **Regulation S** will be represented by one or more **Regulation S Global Notes**. Rule 144A Global Notes and Regulation S Global Notes are collectively referred to in this offering memorandum as “**Global Notes.**”

The Global Notes will be deposited upon issuance with a custodian for **DTC**, in New York, New York and will be registered in the name of Cede & Co., as nominee for DTC, in each case for credit to an account of a direct or indirect participant of DTC as described below. Beneficial interests in Rule 144A Global Notes may not be exchanged

for interests in Regulation S Global Notes at any time except in the limited circumstances described below. See “—*Exchanges Between Regulation S Global Notes and Rule 144A Global Notes*” below.

The Global Notes, and interests or participations therein, will be subject to certain restrictions on transfer and will bear a restrictive legend as described under “*Description of the Notes—Transfer Restrictions*” below. In addition, transfer of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its direct and indirect participants (including, if applicable, those of **Clearstream, Luxembourg** and **Euroclear**), which may change from time to time.

While the notes are represented by Global Notes, all references to actions by the noteholders will refer to actions taken by DTC upon instructions from its participating organizations and all references in this offering memorandum to distributions, notices, reports and statements to noteholders will refer to distributions, notices, reports and statements to DTC or its nominee, as the registered noteholder, for distribution to owners of the notes in accordance with DTC’s procedures.

Investors in the Rule 144A Global Notes may hold their interests therein directly through DTC, if they are DTC participants, or indirectly through organizations which are participants in such system, including Clearstream, Luxembourg and Euroclear. Clearstream, Luxembourg and Euroclear will hold omnibus positions on behalf of their respective participants, through customer’s securities accounts in Clearstream, Luxembourg’s and Euroclear’s names on the books of their respective depositories. The depositories in turn will hold the positions in customer’s securities accounts in the depositories’ names on the books of DTC.

According to information provided by DTC, DTC is:

- a limited-purpose trust company organized under the New York Banking Law;
- a “banking organization” within the meaning of the New York Banking Law;
- a member of the Federal Reserve System;
- a “clearing corporation” within the meaning of the New York Uniform Commercial Code; and
- a “clearing agency” registered under the provisions of Section 17A of the Securities Exchange Act of 1934, as amended.

DTC holds securities for its participants and facilitates the clearance and settlement among its participants of securities transactions, including transfers and pledges, in deposited securities through electronic book-entry changes in its participants’ accounts. This eliminates the need for physical movement of securities. DTC participants include securities brokers and dealers, banks, trust companies, clearing corporations and other organizations. Indirect access to the DTC system is also available to others

including securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly. The rules applicable to DTC and its participants are on file with the **SEC**.

Transfers between participants on the DTC system will occur in accordance with DTC rules. Transfers between participants on the Clearstream, Luxembourg system and participants on Euroclear will occur in accordance with their respective rules and operating procedures.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg participants or Euroclear participants, on the other, will be effected by DTC in accordance with DTC rules on behalf of the relevant **European Clearing System** by that system's depository. However, these cross-market transactions will require delivery of instructions to the relevant European Clearing System by the counterparty in that system in accordance with its rules and procedures and within its established deadlines. The relevant European Clearing System will, if the transaction meets its settlement requirements, deliver instructions to its depository to take action to effect final settlement on its behalf by delivering or receiving securities through DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream, Luxembourg participants and Euroclear participants may not deliver instructions directly to their system's depository.

Because of time-zone differences, credits of securities in Clearstream, Luxembourg or Euroclear as a result of a transaction with a DTC participant will be made during the subsequent securities settlement processing and dated the business day following the DTC settlement date. The credits for any transactions in these securities settled during this processing will be reported to the relevant Clearstream, Luxembourg participant or Euroclear participant on that business day. Cash received in Clearstream, Luxembourg or Euroclear as a result of sales of securities by or through a Clearstream, Luxembourg participant or a Euroclear participant to a DTC participant will be received and available on the DTC settlement date. However, such cash will not be available in the relevant Clearstream, Luxembourg or Euroclear cash account until the business day following the DTC settlement date.

Purchases of Global Notes held through the DTC system must be made by or through DTC participants, which will receive a credit for the Global Notes on DTC's records. The ownership interest of each actual noteholder is in turn to be recorded on the DTC participants' and indirect participants' records. Noteholders will not receive written confirmation from DTC of their purchase. However, noteholders are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the DTC participant or indirect participant through which the noteholder entered into the transaction. Transfers of ownership interests in the Global Notes are to be accomplished by entries made on the books of DTC participants acting on behalf of the noteholders. Noteholders will not receive notes representing their ownership interest in offered Global Notes unless use of the book-entry system for the Global Notes is discontinued.

To facilitate subsequent transfers, all securities deposited by DTC participants with DTC are registered in the name of DTC's nominee, Cede & Co. The deposit of securities with DTC and their registration in the name of Cede & Co. effects no change in beneficial ownership. DTC has no knowledge of the actual holders of the Global Notes; DTC's records reflect only the identity of the DTC participants to whose accounts the Global Notes are credited, which may or may not be the actual beneficial owners of the Global Notes. The DTC participant will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to DTC participants, by DTC participants to indirect participants, and by DTC participants and indirect participants to global noteholders will be governed by arrangements among them and by any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. will consent or vote on behalf of the Global Notes. Under its usual procedures, DTC mails an omnibus proxy to the indenture trustee as soon as possible after the record date, which assigns Cede & Co.'s consenting or voting rights to those DTC participants to whose accounts the Global Notes are credited on the record date, identified in a listing attached to the proxy.

Principal and interest payments on the notes will be made to DTC. DTC's practice is to credit its participants' accounts on the applicable distribution date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on that distribution date. Standing instructions, customary practices, and any statutory or regulatory requirements as may be in effect from time to time will govern payments by DTC participants to noteholders. These payments will be the responsibility of the DTC participant and not of DTC, the indenture trustee, the trustee, the initial purchasers or the paying agent. Payment of principal and interest on the notes to DTC is the responsibility of the indenture trustee, disbursement of the payments to DTC participants is the responsibility of DTC, and disbursement of the payments to noteholders is the responsibility of DTC participants and indirect participants.

DTC may discontinue providing its services as a securities depository for the Global Notes at any time by giving reasonable notice to the indenture trustee and paying agent. Under these circumstances, if a successor securities depository is not obtained, **Definitive Notes** are required to be printed and delivered.

According to DTC, the foregoing information about DTC has been provided for informational purposes only and is not intended to serve as a representation, warranty, or contract modification of any kind.

Clearstream, Luxembourg is a company with limited liability incorporated under the laws of Luxembourg. Clearstream, Luxembourg holds securities for its participating organizations and facilitates the clearance and settlement of securities transactions between Clearstream, Luxembourg participants through electronic book-entry changes in accounts of Clearstream, Luxembourg participants, thereby eliminating the need for physical movement of notes. Transactions may be settled by Clearstream, Luxembourg in multiple currencies, including U.S. dollars.

Clearstream, Luxembourg participants are financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Clearstream, Luxembourg is also available to others, including banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream, Luxembourg participant, either directly or indirectly.

Euroclear was created in 1968 to hold securities for its participants and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment. This eliminates the need for physical movement of notes. Transactions may be settled in multiple currencies, including U.S. dollars.

Euroclear is owned by Euroclear Clearance System Public Limited Company and operated through a license agreement by Euroclear. Euroclear is regulated and examined by the Belgian Banking and Finance Commission and the National Bank of Belgium.

Euroclear participants include banks, including central banks, securities brokers and dealers and other professional financial intermediaries. Indirect access to Euroclear is also available to other firms that maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Securities clearance accounts and cash accounts with Euroclear are governed by the terms and conditions governing use of Euroclear and the related operating procedures of Euroclear. These terms and conditions govern transfers of securities and cash within Euroclear, withdrawal of securities and cash from Euroclear, and receipts of payments for securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific notes to specific securities clearance accounts. Euroclear acts under these terms and conditions only on behalf of Euroclear participants and has no record of or relationship with persons holding through Euroclear participants.

Clearstream, Luxembourg and Euroclear have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Distributions on the Global Notes held through Clearstream, Luxembourg or Euroclear will be credited to the cash accounts of Clearstream, Luxembourg participants or Euroclear participants in accordance with the relevant system's rules and procedures, to the extent received by its depository. These distributions must be reported for tax purposes in accordance with U.S. tax laws and regulations. Clearstream, Luxembourg or Euroclear, as the case may be, will take any other action permitted to be taken by a noteholder on behalf of a Clearstream, Luxembourg participant or Euroclear participant only in accordance with its rules and procedures, and depending on its depository's ability to effect these actions on its behalf through DTC.

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of interests in Global Notes among participants of DTC, Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform these procedures and these procedures may be discontinued at any time.

Exchanges Between Regulation S Global Notes and Rule 144A Global Notes

Beneficial interests in a Regulation S Global Note may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Note only if such exchange occurs in connection with a transfer of the notes pursuant to Rule 144A and, prior to the expiration of the **Distribution Compliance Period**, the transferring owner of the beneficial interest in the applicable Global Note first delivers to the indenture trustee a written certificate in the form specified in the indenture to the effect that the transfer is being made to a person that the transferor reasonably believes is a QIB, purchasing for its own account or the account of a QIB in a transaction meeting the requirements of Rule 144A and in accordance with all applicable securities laws of the states of the U.S. and other jurisdictions.

Beneficial interests in a Rule 144A Global Note may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Note, whether before or after the Distribution Compliance Period, only if the transferring owner of the beneficial interest in the applicable Global Note first delivers to the indenture trustee a written certificate in the form specified in the indenture to the effect that such transfer is being made in compliance with the transfer restrictions applicable to the notes and pursuant to and in accordance with Rule 903 or Rule 904 of Regulation S.

Transfers involving an exchange of a beneficial interest in a Regulation S Global Note for a beneficial interest in a Rule 144A Global Note or vice versa will be effected in DTC by means of an instruction originated by the indenture trustee through the DTC Deposit/Withdrawal Custodian system. Any beneficial interest in a Rule 144A Global Note that is transferred to a person who takes delivery in the form of an interest in a Regulation S Global Note or vice versa will, upon transfer, cease to be an interest in the former Global Note and will become an interest in the latter Global Note and accordingly, will be subject to all transfer restrictions and other procedures applicable to a beneficial interest in such other Global Note for so long as it remains such an interest.

Definitive Notes

Notes will be issued as Definitive Notes, rather than in book-entry form to DTC or its nominee, only if one of the following events occurs:

- the indenture trustee advises the administrator in writing, that DTC is no longer willing or able to discharge properly its responsibilities as depository for the notes, and the administrator is not able to locate a qualified successor; or
- after the occurrence of an event of default, the indenture trustee, at the written direction of noteholders holding a majority of the aggregate outstanding principal balance of the notes, advises the indenture trustee,

the paying agent and the administrator, that the continuation of a book-entry system is no longer in the best interests of the beneficial owners of the Global Notes.

If either of these events occurs, DTC is required to notify all of its participants of the availability of Definitive Notes. Global Notes will be serially numbered if issued in definitive form.

No noteholder will be entitled to receive a Definitive Note representing its interest, except as described in the preceding paragraphs.

Definitive Notes will be transferable and exchangeable at the offices of the note registrar, which is initially the paying agent located at 101 Barclay Street, 4 West, New York, New York 10286. The note registrar must at all times have specified offices in New York. The note registrar will not impose a service charge for any registration of transfer or exchange, but may require payment of an amount sufficient to cover any tax or other governmental charge. The note registrar will not be required to register the transfer or exchange of Definitive Notes within the 30 days preceding a distribution date for the Definitive Notes.

Payment, transfer and exchange of the Definitive Notes may also be performed at any time in Luxembourg.

Interest

Interest will accrue on the outstanding principal balances of the notes at their respective interest rates. Interest will accrue during each applicable accrual period and will be payable to the noteholders entitled to distributions on each applicable distribution date. Interest accrued as of any applicable distribution date but not paid on that distribution date will be due on the next applicable distribution date together with an amount equal to interest on the unpaid amount at the applicable rate per annum. Interest payments on the notes entitled to distributions for any applicable distribution date will generally be funded from **Available Funds** and from amounts on deposit in the reserve account to the extent necessary and available. See “—*Distributions*” and “—*Credit Enhancement*.” If these sources are insufficient to pay the **Interest Distribution Amount** for that distribution date, the shortfall will be allocated pro rata to the noteholders entitled to distributions on that distribution date, based upon the total amount of interest then payable on each class of the notes entitled to distributions on that distribution date.

Interest will be payable on each class of notes on each distribution date. Each class of notes will bear an annual interest rate equal to the sum of one-month LIBOR and the applicable spread listed in the table below:

| Class of Notes | Spread |
|-----------------------|---------------|
| Class A-1 | plus 1.65% |
| Class A-2 | plus 2.65% |
| Class A-3 | plus 3.50% |
| Class A-4 | plus 4.25% |
| Class A-5 | plus 4.75% |

The administrator will determine one-month LIBOR for each accrual period on the second business day before the beginning of that accrual period, as described under “*Additional Information Regarding the Notes—Determination of Indices—LIBOR*” in the base offering memorandum. The first accrual period for the notes will consist of the number of days from and including the closing date to but excluding the initial distribution date.

At the sole discretion of the noteholders representing 100% of the outstanding principal balance of any class of notes, the related spread to one-month LIBOR on such class of notes may be reduced, as determined by such noteholders in their sole discretion, effective as of the beginning of the next accrual period, and as shall be specified in writing to the indenture trustee, the administrator and the trust. Upon receipt of such written instructions by the indenture trustee and effective as of the beginning of the next accrual period, the related class of notes will bear an annual interest rate equal to one-month LIBOR plus the applicable reduced spread, as determined by the related noteholders. Following any such reduction of the related spread to one-month LIBOR on such class of notes, the spread may not be subsequently increased except pursuant to the terms of a supplemental indenture and under no circumstances may a spread to one-month LIBOR on such class of notes at any time exceed the spread to one-month LIBOR on such class of notes effective on the closing date.

Notice of Interest Rates

Information concerning the past and current LIBOR and the interest rates applicable to the notes will be available on the administrator’s website at <http://www.salliemae.com/about/investors/debtasset/slmsltrusts/issuedetails/2010-C.htm> or by telephoning the administrator at (800) 321-7179 between the hours of 9 a.m. and 4 p.m. Eastern time on any business day and will also be available through Reuters Page LIBOR01 or Bloomberg L.P. If any class of notes is listed on the Luxembourg Stock Exchange, the administrator will also cause the Luxembourg Stock Exchange to be notified of the current interest rate for each class of notes listed on the exchange prior to the first day of each accrual period and of the first day and last day of each related accrual period.

Principal

Principal payments will be made to the noteholders of each class of notes on each distribution date in an amount generally equal to the related **Principal Distribution Amount** for that distribution date, until the principal balance of the related class of notes is reduced to zero. Principal payments on the notes will generally be derived from **Available Funds** and the other sources of funds available for payment to the notes described in this offering memorandum (subject to all prior required distributions). See “*Distributions*” and “*Credit Enhancement*” in this offering memorandum.

Trust Accounts

The administrator will establish and maintain in the name of the indenture trustee the collection account and the reserve account for the benefit of the noteholders.

Funds in the Trust Accounts will be invested in eligible investments as provided in the indenture. See “*Servicing and Administration—Accounts—Eligible Investments*” in the base offering memorandum.

Distributions

Deposits into the Collection Account. On the closing date, the trust will make an initial deposit into the collection account of cash or eligible investments equal to approximately \$6,734,917 plus the excess, if any, of the **Pool Balance** as of the statistical cutoff date over the Pool Balance as of the closing date. On or before the business day immediately prior to each distribution date, the servicer and the administrator will provide the indenture trustee with certain information as to the preceding collection period, including the amount of Available Funds received from the trust student loans and the aggregate purchase amount of the trust student loans to be purchased from the trust by the seller, the depositor or the servicer.

The servicer will deposit all payments on the trust student loans and all proceeds of the trust student loans collected by it during each collection period into the collection account within two business days of receipt. See “*Servicing and Administration—Payments on Student Loans*” in the base offering memorandum.

Distributions from the Collection Account. On or before each distribution date, the administrator will instruct the indenture trustee to make the deposits and distributions set forth below, in the amounts and in the order of priority shown below.

These deposits and distributions will be made to the extent of the Available Funds for that distribution date, plus funds deposited into the collection account from the reserve account, if any, for payment of items (1) through (4) and on the respective maturity date of each class of notes, item (5) to the extent necessary to reduce the outstanding principal balance of the related class of notes to zero, and, in the case of the final distribution upon termination of the trust, for payment of items (1) through (11):

- (1) to the servicer, the primary servicing fee due on that distribution date;
- (2) to the administrator, the administration fee due on that distribution date and all prior unpaid administration fees;
- (3) to the swap counterparty, any swap payments payable to the swap counterparty by the trust under the swap agreement (other than swap termination payments which are payable under items (4) and (9) below);

- (4) pro rata, based on the aggregate principal balance of the notes and the amount of any swap termination payment due and payable by the trust to the swap counterparty under this item (4):
 - (a) pro rata, based on the amounts payable, to the noteholders, the Interest Distribution Amount; and
 - (b) to the swap counterparty, the amount of any swap termination payments due to the swap counterparty under the swap agreement resulting from (i) a termination event or event of default where the trust is the sole affected party or defaulting party, respectively, or (ii) a “Tax Event” or “Illegality” (each as defined in the swap agreement), irrespective of which party is the affected party; provided, that if any amounts allocable to the notes are not needed to pay the Interest Distribution Amount as of such distribution date, such amounts will be applied to pay the portion, if any, of any swap termination payment referred to above remaining unpaid;
- (5) sequentially, first, to the class A-1 noteholders, second, to the class A-2 noteholders, third, to the class A-3 noteholders, fourth, to the class A-4 noteholders, and fifth, to the class A-5 noteholders, in that order, until the principal balances thereof have been reduced to zero, the **Principal Distribution Amount**, if any;
- (6) to the reserve account, the amount required to reinstate the amount in the reserve account up to the **Specified Reserve Account Balance**;
- (7) to the indenture trustee, the trustee and the Delaware trustee, any unpaid fees and expenses, including without limitation any indemnity amounts, to the extent such amounts have not been paid by the administrator;
- (8) to the servicer, the aggregate unpaid amount of the carryover servicing fee, if any;
- (9) to the swap counterparty, the amount of any swap termination payments owed by the trust to the swap counterparty under the swap agreement and not payable in clause (4) above;
- (10) in the event the trust student loans are not sold on the earliest possible date on which the Pool Balance is less than 10% of the initial Pool Balance, on each subsequent distribution date, sequentially, in reduction of principal, first, to the class A-1 noteholders, second, to the class A-2 noteholders, third, to the class A-3 noteholders, fourth, to the class A-4 noteholders, and fifth, to the class A-5 noteholders, in that order, until the principal balances thereof have been reduced to zero; and

(11) to the excess distribution certificateholder, any remaining amounts after application of the preceding clauses.

Notwithstanding the foregoing, the indenture trustee shall be entitled to reimburse itself, the trustee and the Delaware trustee for any fees and expenses (including without limitation any indemnity amounts) owed to such parties under the indenture or the trust agreement, as applicable, prior to making any payments under clauses (1) through (11) above, to the extent such parties' full amount of fees and expenses (including without limitation any indemnity amounts) are not reimbursed by the administrator. Distributions to the indenture trustee, the trustee and the Delaware trustee paid from the trust prior to other distributions of Available Funds will not exceed \$150,000 per annum in the absence of an event of default under the indenture. However, in the event that there is an event of default under the indenture (with no acceleration of the maturity of the notes by declaration of noteholders holding a majority of the outstanding principal balance of the notes) as a result of an uncured default in the observance or performance by the trust of any covenant or agreement, then such payments shall not exceed \$150,000 per annum until either an acceleration of the maturity of the notes (by declaration of noteholders holding a majority of the outstanding principal balance of the notes) has occurred in connection with such event of default or another event of default (other than another event of default as a result of an uncured default in the observance or performance by the trust of any covenant or agreement that does not lead to an acceleration of the maturity of the related class of notes) under the indenture has occurred, in which case the \$150,000 per annum cap will not be applicable.

Priority of Payments Following Certain Events of Default Under the Indenture

After any of the following:

- an event of default under the indenture relating to the payment of principal on any class of notes at its maturity date or to the payment of interest on the notes which in either case has resulted in an acceleration of the maturity of the notes;
- an event of default under the indenture relating to an insolvency event or a bankruptcy with respect to the trust which has resulted in an acceleration of the maturity of the notes; or
- a liquidation of the trust assets following any event of default under the indenture;

the priority of payments changes. In particular, payments on the notes on each distribution date following the acceleration of the maturity of such notes as provided above will be made in the following order of priority:

- (1) pro rata, to the indenture trustee, for annual fees and any other amounts due and owing to it under the indenture, and to the trustee and Delaware trustee, if applicable, for annual fees and any other amounts due and owing to them under the trust agreement (but, in each case, only to the extent not paid by the administrator or the depositor);
- (2) to the servicer, the primary servicing fee due on that distribution date;
- (3) to the administrator, the administration fee due on that distribution date and all prior unpaid administration fees;
- (4) to the swap counterparty, any swap payments payable to the swap counterparty by the trust under the swap agreement (other than swap termination payments which are payable under items (5) and (8) below);
- (5) pro rata, based on the aggregate principal balance of the notes and the amount of any swap termination payment due and payable by the trust to a swap counterparty under this item (5):
 - (a) pro rata, based on the amounts payable, to the noteholders, the Interest Distribution Amount; and
 - (b) to the swap counterparty, the amount of any swap termination payments due to the swap counterparty under the swap agreement resulting from (i) a termination event or event of default where the trust is the sole affected party or defaulting party, respectively, or (ii) a "Tax Event" or "Illegality" (each as defined in the swap agreement), irrespective of which party is the affected party; provided, that if any amounts allocable to the notes are not needed to pay the Interest Distribution Amount as of such distribution date, such amounts will be applied to pay the portion, if any, of any swap termination payment referred to above remaining unpaid;
- (6) pro rata, based on the aggregate principal balance of the notes, to the noteholders, an amount sufficient to reduce the respective principal balances of the notes to zero;
- (7) to the servicer, all carryover servicing fees, if any;
- (8) to the swap counterparty, the amount of any swap termination payments owed by the trust to the swap counterparty under the swap agreement and not payable in item (5) above; and
- (9) to the excess distribution certificateholder, any remaining funds.

Voting Rights and Remedies

Noteholders will have the voting rights and remedies set forth in the base offering memorandum. See “*Description of the Notes—The Indenture—Events of Default; Rights Upon Event of Default*” in the base offering memorandum.

Credit Enhancement

Reserve Account. The reserve account will be created with an initial deposit by the trust on the closing date of cash or eligible investments in an amount equal to \$6,734,917. The reserve account may be replenished on each distribution date by a deposit into it of the amount, if any, necessary to reinstate the balance of the reserve account to the Specified Reserve Account Balance from the amount of Available Funds remaining after payment for that distribution date of the items specified in clauses (1) through (5) under “*—Distributions—Distributions from the Collection Account*” above.

If the market value of cash and eligible investments in the reserve account on any distribution date is sufficient, when taken together with amounts on deposit in the collection account, to pay the remaining principal balance of and accrued interest on the notes, any payments owing to the swap counterparty and any servicing and administration fees, amounts on deposit in the reserve account will be so applied on that distribution date.

If the amount on deposit in the reserve account on any distribution date after giving effect to all deposits or withdrawals from the reserve account on that distribution date is greater than the Specified Reserve Account Balance for that distribution date, subject to certain limitations, the administrator will instruct the indenture trustee in writing to deposit the amount of the excess into the collection account to be included as part of Available Funds on that distribution date.

Amounts held from time to time in the reserve account will continue to be held for the benefit of the trust. Funds will be withdrawn from amounts on deposit in the reserve account on any distribution date to the extent that the amount of Available Funds on that distribution date is insufficient to pay any of the items specified in clauses (1) through (4) under “*—Distributions—Distributions from the Collection Account*” above. These funds also will be withdrawn at maturity of a class of notes or on the final distribution upon termination of the trust to the extent that the amount of Available Funds at that time is insufficient to pay the items specified in clause (5) and, in the case of the final distribution upon termination of the trust, clauses (1) through (11) under “*—Distributions—Distributions from the Collection Account*” above.

The reserve account is intended to enhance the likelihood of timely distributions of interest to the noteholders and the payment in full of the notes at their respective maturity dates. In some circumstances, however, amounts on deposit in the reserve account could be reduced to zero. See “*Swap Agreement*” in this offering memorandum.

Overcollateralization. On the closing date, the sum of the initial Pool Balance and the initial deposit into the reserve account will be greater than the aggregate principal balance of the notes. Overcollateralization is intended to provide credit enhancement for the notes. In general, the **Overcollateralization Percentage** is intended to equal 100% minus the then current aggregate principal balance of the notes divided by the **Asset Balance**. The initial Overcollateralization Percentage will be approximately 37.00%. The amount of overcollateralization will vary from time to time depending on the rate and timing of principal payments on the trust student loans, capitalization of interest, certain borrower fees and the incurrence of losses on the trust student loans. In general, overcollateralization will not exceed the **Specified Overcollateralization Amount**.

Administration Fee

As compensation for the performance of the administrator's obligations under the administration agreement and as reimbursement for its related expenses, the administrator will be entitled to an administration fee in an amount equal to \$6,667 per collection period payable proportionately in arrears on each distribution date.

Servicing Compensation

The servicer will be entitled to receive the servicing fee in an amount equal to the primary servicing fee and the carryover servicing fee as compensation for performing the functions as servicer for the trust. The primary servicing fee for any month is equal to $\frac{1}{12}$ of an amount not to exceed 0.70% of the outstanding principal balance of the trust student loans, calculated as of the closing date or the first day of the preceding calendar month, as the case may be. The primary servicing fee will be payable in arrears out of Available Funds and amounts on deposit in the collection account and the reserve account on each distribution date, beginning in August 2010. Primary servicing fees due and payable to the servicer will include amounts from any prior distribution dates that remain unpaid.

The carryover servicing fee is the sum of:

- the amount of specified increases in the costs incurred by the servicer;
- the amount of specified conversion, transfer and removal fees;
- any amounts described in the first two bullets that remain unpaid from prior distribution dates; and
- interest on any unpaid amounts.

The carryover servicing fee, including interest on any unpaid amounts computed at the 91-day treasury bill rate plus 2%, determined in the manner set forth under "*Additional Information Regarding the Notes—Determination of Indices—91-day Treasury Bill Rate*" in the base offering memorandum, will be payable to the servicer on each distribution date out of Available Funds after payment on that distribution date of

the items specified in clauses (1) through (7) under “—Distributions—Distributions from the Collection Account.” The carryover servicing fee will be subject to increases agreed to by the administrator, the trustee and the servicer, to the extent that a demonstrable and significant increase occurs in the costs incurred by the servicer in providing its services under the servicing agreement, such as those due to changes in applicable governmental regulations or postal rates.

Trust Fees

The table below sets forth the fees payable by or on behalf of the trust.

| Party | Amount |
|--|---|
| Servicer | The primary servicing fee ⁽¹⁾ for any month is equal to $\frac{1}{12}$ of an amount not to exceed 0.70% of the outstanding principal balance of the trust student loans, plus the amount of any carryover servicing fee. |
| Indenture Trustee ⁽²⁾ | \$5,000 per annum, payable in advance. |
| Trustee ⁽³⁾ | \$5,000 per annum, payable in advance. |
| Administrator ⁽¹⁾ | \$6,667 per month, payable in arrears. |

(1) To be paid before any amounts are distributed to the noteholders.

(2) To be paid by the administrator pursuant to a separate agreement with the indenture trustee, and may be paid by the trust if there is an event of default under the indenture, and such amount has not previously been paid.

(3) To be paid by the administrator pursuant to a separate agreement with the trustee, and may be paid by the trust if there is an event of default under the indenture, and such amount has not previously been paid.

Transfer Restrictions

The following information relates to the form, transfer and delivery of the notes. Because of the following restrictions, purchasers of the notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the notes.

The notes are being offered and sold by the initial purchasers only to QIBs in transactions meeting the requirements of Rule 144A or to non-U.S. Persons outside the United States pursuant to the requirements of Regulation S.

Any ownership interest represented by a beneficial interest in a Rule 144A Global Note may be transferred to another entity who wishes to hold notes in the form of an interest in a Rule 144A Global Note; provided, that, the applicable transferor and transferee are deemed to have represented and warranted that such transfer is being made to a transferee that (i) the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; (ii) is acquiring such notes in reliance on an exemption from registration under the Securities Act other than Rule 144A; or (iii) is acquiring such notes pursuant to an effective registration statement under the Securities Act.

After the Distribution Compliance Period, any ownership interest represented by a beneficial interest in the Regulation S Global Note may be transferred to a person who wishes to hold notes in the form of an interest in the Regulation S Global Note; provided, that, the applicable transferee is deemed to have represented and warranted that it is not a U.S. Person and such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S and all other applicable securities laws.

After the related Distribution Compliance Period, such deemed representations and warranties will no longer apply to transfers of notes where the related beneficial interest is held through the Regulation S Global Note, but all such transfers will continue to be subject to the transfer restrictions contained in the legend appearing on the face of such Global Note, as described below.

Transfers of interests from a Regulation S Global Note for an interest in a Rule 144A Global Note, and vice versa, may be made at any time, but only if the intended transferor and transferee can be deemed to represent and warrant that such transferee fulfills the conditions set forth above to hold a beneficial interest in the applicable Global Note. Any interest in the notes represented by an interest in a Rule 144A Global Note that is transferred to a person who takes delivery in the form of an interest in a Regulation S Global Note, and vice versa, will, upon transfer, cease to be an interest in such original Rule 144A Global Note or Regulation S Global Note, as the case may be, and become an interest in a Regulation S Global Note or a Rule 144A Global Note, as applicable, and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to an interest in the applicable form of Global Note.

Each purchaser of notes that represent a beneficial interest in a Global Note will be deemed to have represented and agreed, and each purchaser of a Definitive Note will be required to certify in writing, among other things to be set forth in the indenture, that:

(a) (1) the purchaser is a QIB and is acquiring such notes for its own account or as a fiduciary or agent for others (which others also must be QIBs) for investment purposes and not for distribution in violation of the Securities Act, and it is able to bear the economic risk of an investment in the notes and has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of purchasing the notes, or, (2) the purchaser is a non-U.S. Person outside the United States, acquiring the notes pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S;

(b) the purchaser understands that the notes are being offered only in a transaction that does not require registration under the Securities Act and, if such purchaser decides to resell or otherwise transfer such notes, then it agrees that it will resell or transfer such notes only (1) so long as such notes are eligible for resale pursuant to Rule 144A, to a person whom the seller reasonably believes is a QIB acquiring the notes for its own account or as a fiduciary or agent for others (which others must also be QIBs) to whom notice is given that the resale or other transfer is being made in reliance on Rule 144A, (2) pursuant to an effective registration statement under

the Securities Act, (3) pursuant to an exemption from registration under the Securities Act other than Rule 144A, or, if applicable, (4) to a purchaser who is a non-U.S. Person outside the United States, acquiring the notes pursuant to an exemption from registration under the Securities Act in accordance with Rule 903 or Rule 904 of Regulation S or, in each case in accordance with any applicable United States state securities or “Blue Sky” laws or any securities laws of any other jurisdiction;

(c) unless the relevant legend set out below has been removed from the relevant notes, the purchaser shall notify each transferee of the notes that (1) such notes have not been registered under the Securities Act, (2) the holder of such notes is subject to the restrictions on the resale or other transfer thereof described in paragraph (b) above, (3) such transferee shall be deemed to have represented (i) as to its status as a QIB or as a non-U.S. Person acquiring the notes pursuant to an exemption from registration under the Securities Act in accordance with Rule 903 or Rule 904 of Regulation S, as the case may be, (ii) if such transferee is a QIB, that such transferee is acquiring the notes for its own account or as a fiduciary or agent for others (which others also must be QIBs) (or that is acquiring such notes in reliance on an exemption under the Securities Act other than Rule 144A or pursuant to an effective registration statement under the Securities Act), (iii) if applicable, if such transferee is a non-U.S. Person outside the United States, that such transferee is acquiring the notes pursuant to an exemption from registration under the Securities Act in accordance with the requirements of Rule 903 or Rule 904 of Regulation S, and (iv) that such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing;

(d) if the purchaser is acquiring its interest in any note by, for or with the assets of, a benefit plan, such acquisition or holding of the note will not constitute or otherwise result in: (1) in the case of a benefit plan subject to Title I of **ERISA** and/or Section 4975 of the **Code**, a non-exempt prohibited transaction in violation of Section 406 of ERISA and/or Section 4975 of the Code which is not covered by a class or other applicable exemption and (2) in the case of a benefit plan subject to a substantially similar federal, state, local or foreign law, a non-exempt violation of such substantially similar law. Any transfer found to have been made in violation of such deemed representation shall be null and void and of no effect; and

(e) (1) the purchaser understands that each Rule 144A Global Note and any **Rule 144A Definitive Note** (collectively, the “**Rule 144A Certificates**”) will bear the following legend unless determined otherwise in accordance with applicable law:

“THIS NOTE HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), ANY UNITED STATES STATE SECURITIES OR “BLUE SKY” LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION, AND, AS A MATTER OF U.S. LAW, MAY NOT BE OFFERED OR SOLD IN VIOLATION OF THE ACT OR SUCH OTHER LAWS. THIS NOTE MAY BE TRANSFERRED ONLY IN MINIMUM DENOMINATIONS OF \$100,000 AND \$1,000 INCREMENTS IN EXCESS THEREOF. THE HOLDER HEREOF, BY PURCHASING OR ACCEPTING THIS NOTE IS HEREBY DEEMED TO HAVE AGREED FOR THE BENEFIT OF THE TRUST AND THE INITIAL PURCHASERS THAT IT WILL RESELL,

PLEDGE OR OTHERWISE TRANSFER THIS NOTE, AS A MATTER OF U.S. LAW, ONLY (A) (1) SO LONG AS THIS NOTE IS ELIGIBLE FOR RESALE, PURSUANT TO RULE 144A PROMULGATED UNDER THE ACT ("RULE 144A"), TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER, AS DEFINED IN RULE 144A (A "QUALIFIED INSTITUTIONAL BUYER"), THAT IS ACQUIRING THIS NOTE FOR ITS OWN ACCOUNT OR AS A FIDUCIARY OR AGENT FOR OTHERS (WHICH OTHERS MUST ALSO BE QUALIFIED INSTITUTIONAL BUYERS) TO WHOM NOTICE IS GIVEN THAT THE RESALE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (2) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE ACT OTHER THAN RULE 144A, (3) TO A PERSON WHO IS NOT A "U.S. PERSON" (AS DEFINED IN REGULATIONS PROMULGATED UNDER THE ACT ("REGULATIONS")) OUTSIDE THE UNITED STATES ACQUIRING THIS NOTE IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATIONS PROMULGATED UNDER THE ACT OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT, IN EACH CASE IN ACCORDANCE WITH ANY UNITED STATES STATE SECURITIES OR "BLUE SKY" LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION. UPON ACQUISITION OR TRANSFER OF A NOTE OR A BENEFICIAL INTEREST IN A NOTE, AS THE CASE MAY BE, BY, FOR OR WITH THE ASSETS OF, (1) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 ("ERISA")), WHETHER OR NOT SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, (2) A PLAN DESCRIBED IN SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), WHETHER OR NOT SUBJECT TO SECTION 4975 OF THE CODE OR (3) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF A PLAN'S INVESTMENT IN THE ENTITY (A "BENEFIT PLAN"), SUCH NOTEHOLDER SHALL BE DEEMED TO HAVE REPRESENTED THAT SUCH ACQUISITION OR HOLDING OF THIS NOTE WILL NOT CONSTITUTE OR OTHERWISE RESULT IN: (I) IN THE CASE OF A BENEFIT PLAN SUBJECT TO TITLE I OF ERISA AND/OR SECTION 4975 OF THE CODE, A NON-EXEMPT PROHIBITED TRANSACTION IN VIOLATION OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE WHICH IS NOT COVERED BY A CLASS OR OTHER APPLICABLE EXEMPTION AND (II) IN THE CASE OF A BENEFIT PLAN SUBJECT TO A SUBSTANTIALLY SIMILAR FEDERAL, STATE, LOCAL OR FOREIGN LAW, A NON-EXEMPT VIOLATION OF SUCH SUBSTANTIALLY SIMILAR LAW. ANY TRANSFER FOUND TO HAVE BEEN MADE IN VIOLATION OF SUCH DEEMED REPRESENTATION SHALL BE NULL AND VOID AND OF NO EFFECT.

THIS NOTE AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES UNDERTAKEN OR REPRESENTED BY THE HOLDER, FOR REALES AND OTHER TRANSFERS OF THIS NOTE, TO REFLECT ANY CHANGE IN APPLICABLE LAWS OR REGULATIONS (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS NOTE AND ANY BENEFICIAL OWNER OF ANY INTEREST THEREIN SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF OR THEREOF, TO HAVE AGREED TO ANY SUCH

AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS NOTE AND ANY NOTES ISSUED IN EXCHANGE OR SUBSTITUTION HEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON) AND AGREES TO TRANSFER THIS NOTE ONLY IN ACCORDANCE WITH ANY SUCH AMENDMENT OR SUPPLEMENT IN ACCORDANCE WITH APPLICABLE LAW IN EFFECT AT THE DATE OF SUCH TRANSFER”; or

(2) The purchaser understands that each Regulation S Global Note and any **Regulation S Definitive Note** (collectively, the “**Regulation S Certificates**”) will bear the following legend unless determined otherwise in accordance with applicable law:

“THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), ANY UNITED STATES STATE SECURITIES OR “BLUE SKY” LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION, AND, AS A MATTER OF U.S. LAW, PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING OF THE NOTES AND THE CLOSING OF THE OFFERING OF THE NOTES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO A “U.S. PERSON” (AS DEFINED IN REGULATION S PROMULGATED UNDER THE ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT, IN EACH CASE IN ACCORDANCE WITH ANY UNITED STATES STATE SECURITIES OR “BLUE SKY” LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION. THIS NOTE MAY BE TRANSFERRED ONLY IN MINIMUM DENOMINATIONS OF \$100,000 AND \$1,000 INCREMENTS IN EXCESS THEREOF.

UPON ACQUISITION OR TRANSFER OF A NOTE OR A BENEFICIAL INTEREST IN A NOTE, AS THE CASE MAY BE, BY, FOR OR WITH THE ASSETS OF, (1) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (“ERISA”)), WHETHER OR NOT SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, (2) A PLAN DESCRIBED IN SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), WHETHER OR NOT SUBJECT TO SECTION 4975 OF THE CODE OR (3) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF A PLAN’S INVESTMENT IN THE ENTITY (A “BENEFIT PLAN”), SUCH NOTEHOLDER SHALL BE DEEMED TO HAVE REPRESENTED THAT SUCH ACQUISITION OR HOLDING OF THIS NOTE WILL NOT CONSTITUTE OR OTHERWISE RESULT IN: (I) IN THE CASE OF A BENEFIT PLAN SUBJECT TO TITLE I OF ERISA AND/OR SECTION 4975 OF THE CODE, A NON-EXEMPT PROHIBITED TRANSACTION IN VIOLATION OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE WHICH IS NOT COVERED BY A CLASS OR OTHER APPLICABLE EXEMPTION AND (II) IN THE CASE OF A BENEFIT PLAN SUBJECT TO A SUBSTANTIALLY SIMILAR FEDERAL, STATE, LOCAL OR FOREIGN LAW, A NON-EXEMPT VIOLATION OF SUCH SUBSTANTIALLY SIMILAR LAW. ANY TRANSFER FOUND TO HAVE BEEN MADE IN VIOLATION OF SUCH DEEMED REPRESENTATION SHALL BE NULL AND VOID AND OF NO EFFECT.”

Upon the transfer, exchange or replacement of a Rule 144A Certificate or a Regulation S Certificate bearing the applicable legends set forth above, or upon specific request for removal of the legends, the trust, the indenture trustee or the note registrar will deliver only replacement Rule 144A Certificates or Regulation S Certificates, as the case may be, that bear such applicable legends, or will refuse to remove such applicable legends, unless there is delivered to the trust, the indenture trustee and the note registrar such satisfactory evidence (which may include a legal opinion) as may reasonably be required by the trust, the note registrar and the indenture trustee that neither the applicable legends nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

Transfers of interests in the notes represented by Global Notes within the European Clearing Systems will be in accordance with the usual rules and operating procedures of the relevant European Clearing System, which are generally the same as those set forth in *Appendix J* to the base offering memorandum.

The laws of some states of the United States of America require that certain persons receive individual certificates in respect of their holding of notes. Consequently, the ability to transfer interests in a Global Note to such persons will be limited. Because the European Clearing Systems only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Global Note to pledge such interest to persons or entities which do not participate in the relevant European Clearing System, or otherwise take actions in respect of such interest, may be affected by the lack of a Definitive Note representing such interest.

For a further description of restrictions on the transfer of notes, see “*Plan of Distribution*” below.

Although each of the European Clearing Systems has agreed to the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants and account holders of Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the trust, the registrar, the indenture trustee, any authentication agent, the initial purchasers, any transfer agent or any paying agent will have any responsibility for the performance by any European Clearing System or their respective direct or indirect participants or account holders of their respective obligations under the rules and procedures governing their respective operations.

Optional Purchase

The servicer may purchase or arrange for the purchase of all remaining trust student loans on any distribution date on or after the first distribution date when the Pool Balance is less than 10% of the initial Pool Balance.

The exercise of this purchase option will result in the early retirement of the remaining notes. The purchase price will equal the amount required to prepay in full, including all accrued and unpaid interest, the remaining trust student loans as of the end of the preceding collection period, but not less than a prescribed minimum purchase amount.

This prescribed minimum purchase amount is the amount that would be sufficient to:

- pay any amounts that would be due and owing to the swap counterparty if the swap agreement were terminated at such time;
- pay to noteholders the interest payable on the related distribution date; and
- reduce the outstanding principal balance of each class of notes then outstanding on the related distribution date to zero.

See “*The Student Loan Pools—Termination*” in the base offering memorandum.

In addition to the optional purchase right described above, the servicer also will have the option, but not the obligation, to purchase any trust student loan on any date; provided that the servicer may not purchase trust student loans if the cumulative aggregate principal balance of all trust student loans so purchased exceeds 2% of the initial Pool Balance, including any such purchase to be made on such date. The purchase price for any trust student loan purchased by the servicer using this option will be equal to the outstanding principal balance of such trust student loan plus accrued and unpaid interest through the date of purchase.

Auction of Trust Assets

The indenture trustee may, and at the written direction of either the administrator or noteholders holding a majority of the outstanding principal balance of all of the notes shall, either itself or through an agent, offer for sale all remaining trust student loans at the end of the first collection period when the Pool Balance is less than 10% of the initial Pool Balance.

If such an auction takes place, the trust auction date will be the third business day before the related distribution date. An auction may be consummated only if the servicer has first waived its optional right to purchase all of the remaining trust student loans as described above. The servicer will waive its option to purchase all of the remaining trust student loans if it fails to notify the trustee and the indenture trustee, in writing, that it intends to exercise its purchase option before the indenture trustee or its agent accepts a bid to purchase the trust student loans. The depositor and its affiliates, including SLM ECFC and the servicer, and unrelated third parties may offer bids to purchase the trust student loans. The depositor or any affiliate may not submit a bid representing greater than fair market value of the trust student loans.

If an auction is conducted and at least two bids are received, the indenture trustee or its agent will solicit and re-solicit new bids from all participating bidders until only one bid remains or the remaining bidders decline to resubmit bids. The indenture trustee or its agent will accept the highest remaining bid if it equals or exceeds the higher of:

- the minimum purchase amount described under “—*Optional Purchase*” above (plus any amounts owed to the servicer as carryover servicing fees); or
- the fair market value of the trust student loans as of the end of the related collection period.

If at least two bids are not received or the highest bid after the re-solicitation process does not equal or exceed the minimum purchase amount described above, the indenture trustee or its agent will not complete the sale. The indenture trustee or its agent may, and at the direction and at the sole cost and expense of the depositor will be required to, consult with a financial advisor which may include an initial purchaser of the notes or the administrator, to determine if the fair market value of the trust student loans has been offered. See “*The Student Loan Pools—Termination*” in the base offering memorandum.

The net proceeds of any auction sale will be used to retire any outstanding notes on the related distribution date.

If the sale is not completed, the indenture trustee or its agent may, and at the written direction of either the administrator or noteholders holding a majority of the outstanding principal balance of all of the notes shall, solicit bids for sale of the trust student loans after future collection periods upon terms similar to those described above, including the servicer’s waiver of its option to purchase all of the remaining trust student loans. The indenture trustee or its agent may or may not succeed in soliciting acceptable bids for the trust student loans, either on the trust auction date or subsequently.

If the trust student loans are not sold on the earliest possible date on which the Pool Balance is less than 10% of the initial Pool Balance as described above, on each subsequent distribution date, the amount of Available Funds remaining after giving effect to payment of clauses (1) through (9) under “*Description of the Notes—Distributions—Distributions from the Collection Account*” in this offering memorandum will be distributed to the noteholders as accelerated payments of note principal.

STATIC POOLS

If we provide information concerning the static pool data of previous private education loan securitizations of the sponsor, such information will be found by clicking on the link for this transaction, labeled “**2010-C**,” on the sponsor’s website at <http://www.salliemae.com/about/investors/StaticPoolindex.htm>. If made available, this webpage will present the static pool data of the sponsor’s previous securitizations involving similar assets in the form of published charts. Any information presented

therein is for comparative purposes only, and, is not to be deemed a part of this offering memorandum, or an annex, appendix or exhibit hereto, especially with respect to pools that were established prior to January 1, 2006. We caution you that this pool of trust student loans may not perform in a similar manner to the pools of student loans in other trusts. We are under no obligation to provide this information.

PREPAYMENTS, EXTENSIONS, WEIGHTED AVERAGE LIVES AND EXPECTED MATURITIES OF THE NOTES

The rate of payment of principal of the notes and the yield on the notes will be affected by prepayments on the trust student loans that may occur as described below. Therefore, payments on the notes could occur significantly earlier than expected. Consequently, the actual maturities of the notes could be significantly earlier, average lives of the notes could be significantly shorter, and periodic balances could be significantly lower, than expected. Each trust student loan is prepayable in whole or in part, without penalty, by the borrowers at any time, or as a result of a borrower's default, death, disability or bankruptcy and subsequent liquidation with respect thereto. The rate of such prepayments cannot be predicted and may be influenced by a variety of economic, social, competitive and other factors, including as described below. In general, the rate of prepayments may tend to increase to the extent that alternative financing becomes available on more favorable terms or at interest rates significantly below the interest rates applicable to the trust student loans. Prepayments could increase as a result of certain borrower benefit programs, among other factors. In addition, the depositor is obligated to repurchase any trust student loan (or substitute an eligible student loan) as a result of a breach of any of its representations and warranties relating to trust student loans contained in the sale agreement, and the servicer is obligated to purchase any trust student loan pursuant to the servicing agreement as a result of a breach of certain covenants with respect to such trust student loan, in each case where such breach materially adversely affects the interests of the trust in that trust student loan and is not cured within the applicable cure period. See "*Transfer and Servicing Agreements—Purchase of Student Loans by the Depositor; Representations and Warranties of the Sellers*" and "*Servicing and Administration—Servicer Covenants*" in the base offering memorandum. See also "*Summary of Terms—Termination of the Trust*" in this offering memorandum regarding the servicer's option to purchase the trust student loans when the Pool Balance is less than 10% of the initial Pool Balance and the auction of the trust student loans if the servicer does not exercise such option.

On the other hand, the rate of principal payments and the yield on the notes will be affected by scheduled payments with respect to, and maturities and average lives of, the trust student loans. These may be lengthened as a result of, among other things, grace periods, deferral periods, forbearance periods, or repayment term or monthly payment amount modifications agreed to by the servicer. Therefore, payments on the notes could occur significantly later than expected. Consequently, actual maturities and weighted average lives of the notes could be significantly longer than expected and periodic balances could be significantly higher than expected. The rate of payment of principal of the notes and the yield on the notes may also be affected by the rate of defaults resulting in losses on defaulted trust student loans which have been liquidated,

by the severity of those losses and by the timing of those losses. In addition, the maturity of certain of the trust student loans could extend beyond the latest legal maturity date for the notes.

The rate of prepayments on the trust student loans cannot be predicted due to a variety of factors, some of which are described above, and any reinvestment risks resulting from a faster or slower incidence of prepayment of the trust student loans will be borne entirely by the noteholders. Such reinvestment risks may include the risk that interest rates and the relevant spreads above particular interest rate indices are lower at the time noteholders receive payments from the trust than such interest rates and such spreads would otherwise have been if such prepayments had not been made or had such prepayments been made at a different time.

Exhibit I, “*Prepayments, Extensions, Weighted Average Lives and Expected Maturities of the Notes*” attached to this offering memorandum, shows, for each class of notes, the weighted average lives, expected maturity dates and percentages of the original principal balances remaining at certain distribution dates based on various assumptions.

SWAP AGREEMENT

On the closing date, the trust will enter into an interest rate swap agreement with The Royal Bank of Scotland plc, which is an **Eligible Swap Counterparty**. We sometimes refer to the interest rate swap agreement as the “swap agreement.”

As of the closing date, the **Significance Percentage** of the swap agreement is less than 10%.

The interest rate swap agreement will be documented under a 1992 ISDA Master Agreement (Multicurrency-Cross Border) modified to reflect the terms of the notes, the indenture, the administration agreement and the trust agreement. The swap agreement will terminate on the July 2025 distribution date. The swap agreement may terminate earlier than that date if an event of default, termination event or additional termination event occurs, or due to prepayments on the trust student loans.

Under the swap agreement, on or before the third business day preceding each distribution date while the swap agreement is still in effect, the swap counterparty will make the payments described below to the administrator on behalf of the trust.

Under the swap agreement, the swap counterparty will pay to the trust an amount equal to the product of:

- one-month LIBOR, as determined for the accrual period related to the applicable distribution date,

- a notional amount equal to the aggregate outstanding principal balance of the notes as of the previous distribution date (after giving effect to payments of principal on such previous distribution date) (or, for the initial distribution date, the outstanding principal balance of the notes as of the closing date); and
- a fraction, the numerator of which is the actual number of days elapsed in the related accrual period and the denominator of which is 360.

In exchange for the swap counterparty's payments under the swap agreement, the trust will pay to the swap counterparty, on or before each distribution date while the swap agreement is still in effect, prior to interest payments on the notes, an amount equal to the product of:

- the prime rate published in *The Wall Street Journal* in the "Credit Markets" section, "Money Rates" table as of the second business day before the first calendar day of the immediately preceding calendar month (or if *The Wall Street Journal* is not published on any such date the first preceding day for which that rate is published in *The Wall Street Journal*) minus 2.75%;
- a notional amount equal to the aggregate outstanding principal balance of the notes as of the previous distribution date (after giving effect to payments of principal on such previous distribution date) (or, for the initial distribution date, the outstanding principal balance of the notes as of the closing date); and
- a fraction, the numerator of which is the actual number of days elapsed in the related accrual period and the denominator of which is 365 or 366, as the case may be.

In the event that the prime rate as of any date of determination is less than 2.75%, the net amount payable by the swap counterparty will be correspondingly increased.

For purposes of the swap agreement, one-month LIBOR for each accrual period will be determined as of the LIBOR determination date for the applicable accrual period in the same manner as applies to the notes, as described under "*Additional Information Regarding the Notes—Determination of Indices—LIBOR*" in the base offering memorandum.

Modifications and Amendment of the Swap Agreement. The trust agreement and the indenture will contain provisions permitting the trustee, with written notice to the indenture trustee, to enter into amendments to the swap agreement to cure any ambiguity in, or correct or supplement any provision of the swap agreement, so long as the administrator determines that the amendment will not adversely affect the interest of the noteholders.

Default Under the Swap Agreement. Events of default under the swap agreement are limited to:

- the failure of the trust or the swap counterparty to pay or deliver any amount when due under the swap agreement after giving effect to the applicable grace period;
- the occurrence of certain events of bankruptcy and insolvency; and
- the following other standard events of default under the 1992 ISDA Master Agreement, as modified by the terms of the swap agreement: “Breach of Agreement” (not applicable to the trust), “Credit Support Default”, “Misrepresentation” (not applicable to the trust), “Default Under Specified Transaction” (not applicable to the trust), “Cross-Default” (not applicable to the trust) and “Merger Without Assumption” (not applicable to the trust), as described in Sections 5(a)(ii), 5(a)(iii), 5(a)(iv), 5(a)(v), 5(a)(vi) and 5(a)(viii), respectively, of the 1992 ISDA Master Agreement.

Termination Events. The swap agreement will contain usual and customary termination events, as well as additional termination events. The additional termination events include (i) the failure of the swap counterparty to comply with certain requirements associated with the downgrade of its credit ratings and (ii) the occurrence of certain other trust related events, in each case as specified in the swap agreement.

Early Termination of the Swap Agreement. Upon the occurrence of any event of default under the swap agreement, an acceleration of the maturity of the notes and liquidation of the trust assets, a termination event or an additional termination event, the non-defaulting party or the sole non-affected party, as the case may be, will have the right to designate an early termination date. The trust may not designate an early termination date without the consent of the administrator.

Upon any early termination of the swap agreement, either the trust or the swap counterparty, as the case may be, may be liable to make a termination payment to the other, regardless of which party has caused that termination. The amount of that termination payment will be based on the value of the swap transaction as computed in accordance with the procedures in the swap agreement. In the event that the trust is required to make a termination payment following an event of default, termination event or additional termination event under the swap agreement, the payment will be payable *pari passu* with the Interest Distribution Amount unless (i) an event of default occurs with respect to which the swap counterparty is the defaulting party or (ii) a termination event (other than “Illegality” or a “Tax Event”, as described in Sections 5(b)(i) and 5(b)(ii), respectively, of the 1992 ISDA Master Agreement) or additional termination event occurs with respect to which the swap counterparty is the sole affected party, in which case such payment will be payable after the payment of certain additional amounts on the related distribution date, as described under “*Description of the Notes—Distributions—Distributions from the Collection Account*” and “*—Priority of Payments Following Certain Events of Default Under the Indenture.*”

Upon termination of the swap agreement, the administrator, on behalf of the trust will attempt to enter into a replacement swap agreement on substantially the same terms as the original swap agreement. However, no assurance can be given that this will be possible under then existing economic or market conditions or that the trust will have sufficient funds available for this purpose.

Swap Counterparty. The swap counterparty for the swap agreement is The Royal Bank of Scotland plc (the “Royal Bank”).

The Royal Bank of Scotland Group plc (the “Group”) is the holding company of a large global banking and financial services group. Headquartered in Edinburgh, the Group operates in the United Kingdom, the United States and internationally through its two principal subsidiaries, the Royal Bank and National Westminster Bank Plc (“NatWest”). Both the Royal Bank and NatWest are major United Kingdom clearing banks whose origins go back over 275 years. In the United States, the Group’s subsidiary Citizens Financial Group, Inc. (“Citizens”) is a large commercial banking organization. The Group has a large and diversified customer base and provides a wide range of products and services to personal, commercial and large corporate and institutional customers in over 50 countries.

The Group’s operations are conducted principally through the Royal Bank and its subsidiaries (including NatWest) other than ABN AMRO businesses and the general insurance business (primarily Direct Line Group and Churchill Insurance).

Legal separation of ABN AMRO Bank N.V. occurred on April 1, 2010, with the shares in that entity being transferred by RBS Holdings N.V. to a holding company called ABN AMRO Group N.V., which is owned by the Dutch State. Certain assets within RBS Holdings N.V. continue to be shared by the Consortium Members. RBS Holdings N.V. is a fully operational bank within the Group and is independently rated and licensed and regulated by the Dutch Central Bank.

HM Treasury currently holds 68.39% of the issued ordinary share capital of the Group. This was reduced from 70.30% following completion of the preference share conversion on March 31, 2010. On December 22, 2009, RBSG issued £25.5 billion of B Shares to HM Treasury. The B Shares are convertible, at the option of the holder at any time, into Ordinary Shares. HM Treasury has agreed that it shall not exercise rights of conversion in respect of the B Shares if and to the extent that following any such conversion it would hold more than 75% of the total issued shares in RBSG. Furthermore, HM Treasury has agreed that it shall not be entitled to vote in respect of the B Shares or the Dividend Access Share held by it to the extent that votes cast on such shares, together with any other votes which HM Treasury is entitled to cast in respect of any other shares held by or on behalf of HM Treasury, would exceed 75% of the total votes eligible to be cast on a resolution proposed at a general meeting of the Group.

The Group had total assets of £1,696.5 billion and owners' equity of £77.7 billion at December 31, 2009. The Group's capital ratios at that date, which included the equity minority interest of the State of the Netherlands and Banco Santander (Santander) in ABN AMRO Holding N.V. (ABN AMRO), were a total capital ratio of 16.10%, a Core Tier 1 capital ratio of 11.00% and a Tier 1 capital ratio of 14.10%.

The short-term unsecured and unguaranteed debt obligations of the Royal Bank are currently rated "A-1" by **S&P**, "P-1" by **Moody's** and "F1+" by **Fitch**. The long-term senior unsecured and unguaranteed debt obligations of the Royal Bank are currently rated "A+" by S&P, "Aa3" by Moody's and "AA-" by Fitch.

The information in the preceding six paragraphs has been provided by the Royal Bank for use in this offering memorandum, and has not been verified by the depositor, the trust, the sponsor, the administrator, the servicer, the trustee, the indenture trustee or the initial purchasers. Except for the preceding six paragraphs, the Royal Bank has not been involved in the preparation of, and does not accept responsibility for, this offering memorandum or the accompanying base offering memorandum.

U.S. FEDERAL INCOME TAX CONSEQUENCES

It is possible that some or all of the notes will be issued with more than a statutorily defined de minimis amount of "original issue discount." For a discussion of the treatment of original issue discount, you should refer to the subsection entitled "*Original Issue Discount*" of the section entitled "*U.S. Federal Income Tax Consequences—Tax Consequences to Holders of Notes in General*" in the base offering memorandum. For a further discussion of U.S. federal income tax consequences to holders of the notes, you should refer to the section entitled "*U.S. Federal Income Tax Consequences*" and "*Appendix J—Global Clearance, Settlement and Tax Documentation Procedures*" in the base offering memorandum.

Furthermore, it is anticipated that all or a portion of one or more classes of notes may be retained by the depositor or its affiliate and from time to time resold by such depositor or its affiliate. Upon the date of resale of any notes so retained, such notes will be deemed reissued as new notes for U.S. federal income tax purposes. To the extent that the purchase price paid on resale is greater than the principal amount of the note, the difference will be treated as bond premium. To the extent that the purchase price paid on resale is less than the principal amount of the note, and the difference is more than a statutorily defined de minimis amount, the difference will be treated as original issue discount. For a discussion of the treatment of bond premium and original issue discount (including the exception for de minimis amounts), you should refer to the subsections entitled "Original Issue Discount" and "*Amortizable Bond Premium*" of the section entitled "*U.S. Federal Income Tax Consequences—Tax Consequences to Holders of Notes in General*" in the base offering memorandum.

EUROPEAN UNION DIRECTIVE ON THE TAXATION OF SAVINGS INCOME

The European Union has adopted a directive regarding the taxation of savings income. For a description of the tax implications of such directive that may arise with respect to certain holders of the Notes, see “*European Union Directive on the Taxation of Savings Income*” in the base offering memorandum.

ERISA CONSIDERATIONS

The Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and Section 4975 of the Code impose certain restrictions on employee benefit plans or other retirement arrangements (including individual retirement accounts and Keogh plans) and any entities whose underlying assets include plan assets by reason of a plan’s investment in these plans or arrangements (including certain insurance company general accounts) (collectively, “Plans”).

ERISA also imposes various duties on persons who are fiduciaries of Plans subject to ERISA and prohibits certain transactions between a Plan and its so-called Parties in Interest under ERISA or Disqualified Persons under the Code (“Parties in Interest”). Particularly, the depositor, the servicer, the trustee, the indenture trustee, the administrator, any initial purchaser, the swap counterparty or any of their respective affiliates may be the fiduciary for one or more Plans. In addition, because these parties may receive certain benefits from the sales of the notes, the purchase of the notes using Plan assets over which any of them has investment authority should not be made if it could be deemed a violation of the prohibited transaction rules of ERISA and the Code for which no exemption is available.

If the notes were treated as “equity” for purposes of the Plan Asset Regulations (as defined in the base offering memorandum), a Plan purchasing the notes could be treated as holding the trust student loans and the other assets of the trust as further described under “*ERISA Considerations*” in the base offering memorandum. If, however, the notes are treated as debt for purposes of the Plan Asset Regulations, the trust student loans and the other assets of the trust should not be deemed to be assets of an investing Plan. Although there is little guidance on this, the notes, which are denominated as debt, should be treated as debt and not as “equity interests” for purposes of the Plan Asset Regulations, as further described in the base offering memorandum. However, acquisition of the notes could still cause prohibited transactions under Section 406 of ERISA and Section 4975 of the Code if a note is acquired or held by a Plan with respect to which any of the trust, the depositor, any initial purchaser, the trustee, the indenture trustee or certain of their respective affiliates is a Party in Interest.

Some employee benefit plans, such as governmental plans described in Section 3(32) of ERISA, certain church plans described in Section 3(33) of ERISA and foreign plans, are not subject to the prohibited transaction provisions of ERISA and Section 4975 of the Code. However, these plans may be subject to the provisions of other applicable federal, state, local or foreign law similar to the provisions of ERISA and Section 4975 of the Code (“Similar Law”). Moreover, if a plan is not subject to

ERISA requirements but is qualified and exempt from taxation under Sections 401(a) and 501(a) of the Code, the prohibited transaction rules in Section 503 of the Code will apply.

Before making an investment in the notes, a Plan or other employee benefit plan investor must determine whether, and each fiduciary causing the notes to be purchased by, on behalf of or using the assets of a Plan or other employee benefit plan, will be deemed to have represented that:

- the Plan's purchase or holding of the notes will not constitute or otherwise result in a non-exempt prohibited transaction in violation of Section 406 of ERISA or Section 4975 of the Code which is not covered by a statutory exemption or a class or other applicable exemption from the prohibited transaction rules as described in the base offering memorandum; and
- the purchase or holding of the notes by any employee benefit plan subject to a Similar Law will not cause a non-exempt violation of that Similar Law.

Before making an investment in the notes, Plan fiduciaries are strongly encouraged to consult with their legal advisors concerning the impact of ERISA and the Code and the potential consequences of the investment in their specific circumstances. Moreover, in addition to determining whether the investment constitutes a direct or indirect prohibited transaction with a Party in Interest and whether exemptive relief is available to cover that transaction, each Plan fiduciary should take into account, among other considerations:

- **whether the fiduciary has the authority to make the investment;**
- **the diversification by type of asset of the Plan's portfolio;**
- **the Plan's funding objective; and**
- **whether under the fiduciary standards of investment prudence and diversification an investment in the notes is appropriate for the Plan, also taking into account the overall investment policy of the Plan and the composition of the Plan's investment portfolio.**

ACCOUNTING CONSIDERATIONS

Various factors may influence the accounting treatment applicable to an investor's acquisition and holding of asset-backed securities. Accounting standards, and the application and interpretation of such standards, are subject to change from time to time. Before making an investment in the notes, potential investors are strongly encouraged to consult their own accountants for advice as to the appropriate accounting treatment for their class of notes.

REPORTS TO NOTEHOLDERS

Monthly and annual reports concerning the trust will be delivered to noteholders. See “*Reports to Noteholders*” in the base offering memorandum. These reports also will be available at the office of the Luxembourg listing agent for so long as any class of notes is listed on the Luxembourg Stock Exchange. The first of these monthly distribution reports is expected to be available on or about August 30, 2010. See “*Reports to Noteholders*” in the base offering memorandum.

Except in very limited circumstances, you will not receive these reports directly from the trust. Instead, you will receive them through Cede & Co., as nominee of DTC and registered holder of the notes. See “*Additional Information Regarding the Notes—Book-Entry Registration*” in the base offering memorandum.

The administrator will not send reports directly to the beneficial holders of the notes. However, these reports may be viewed at the sponsor’s website: <http://www.salliemae.com/about/investors/debtasset/slmsltrusts/issuedetails/2010-C.htm>. The reports will not be audited nor will they constitute financial statements prepared in accordance with generally accepted accounting principles.

NOTICE TO CANADIAN RESIDENTS

Resale Restrictions

The distribution of the notes in Canada is being made only on a private placement basis exempt from the requirement that we prepare and file a offering memorandum with the securities regulatory authorities in each province where trades of notes are made. Any resale of the notes in Canada must be made under applicable securities laws which will vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the notes.

Representations of Purchasers

By purchasing notes in Canada and accepting a purchase confirmation a purchaser is representing to us and the dealer from whom the purchase confirmation is received that:

- the purchaser is entitled under applicable provincial securities laws to purchase the notes without the benefit of a offering memorandum qualified under those securities laws,
- where required by law, the purchaser is purchasing as principal and not as agent,
- the purchaser has reviewed the text above under “—*Resale Restrictions*”, and

- the purchaser acknowledges and consents to the provision of specified information concerning its purchase of the notes to the regulatory authority that by law is entitled to collect the information.

Further details concerning the legal authority for this information is available on request.

Rights of Action – Ontario Purchasers Only

Under Ontario securities legislation, certain purchasers who purchase notes offered by this offering memorandum during the period of distribution will have a statutory right of action for damages, or while still the owner of the notes, for rescission against us in the event that this offering memorandum contain a misrepresentation without regard to whether the purchaser relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of 180 days from the date the purchaser first had knowledge of the facts giving rise to the cause of action and three years from the date on which payment is made for the notes. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the notes. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against us. In no case will the amount recoverable in any action exceed the price at which the notes were offered to the purchaser and if the purchaser is shown to have purchased the notes with knowledge of the misrepresentation, we will have no liability. In the case of an action for damages, we will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the notes as a result of the misrepresentation relied upon. These rights are in addition to, and without derogation from, any other rights or remedies available at law to an Ontario purchaser. The foregoing is a summary of the rights available to an Ontario purchaser. Ontario purchasers should refer to the complete text of the relevant statutory provisions.

Enforcement of Legal Rights

All of our directors and officers as well as any experts named herein may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon us or those persons. All or a substantial portion of our assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against us or those persons in Canada or to enforce a judgment obtained in Canadian courts against us or those persons outside of Canada.

Taxation and Eligibility for Investment

Canadian purchasers of notes should consult their own legal and tax advisors with respect to the tax consequences of an investment in the notes in their particular circumstances and about the eligibility of the notes for investment by the purchaser under relevant Canadian legislation.

NOTICE TO INVESTORS

Each initial purchaser will represent and agree that:

- (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell the notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the “FSMA”);
- it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity, within the meaning of section 21 of the FSMA, received by it in connection with the issue or sale of any notes in circumstances in which section 21(1) of the FSMA does not apply to the trust; and
- it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

No action has been or will be taken by the depositor or the initial purchasers that would permit a public offering of the notes in any country or jurisdiction, where action for that purpose is required. Accordingly, the notes may not be offered or sold, directly or indirectly, and neither this offering memorandum and the base offering memorandum, nor any circular, supplement, form of application, advertisement or other material may be distributed in or from or published in any country or jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose hands all or any part of this offering memorandum come are required by the depositor and the initial purchasers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, sell or deliver notes or have in their possession or distribute this offering memorandum, in all cases at their own expense.

The depositor has not authorized any offer of the notes to the public in the United Kingdom within the meaning of the FSMA. The notes may not lawfully be offered or sold to persons in the United Kingdom except in circumstances which do not result in an offer to the public in the United Kingdom within the meaning of these regulations or otherwise in compliance with all applicable provisions of these regulations and the FSMA.

LISTING INFORMATION

Application has been made for the notes to be listed on the Official List of the Luxembourg Stock Exchange and to be traded on the Luxembourg Stock Exchange's Euro MTF Market. We cannot assure you that this application will be granted. You should consult with Deutsche Bank Luxembourg S.A., the Luxembourg listing agent for the notes, at 2 Boulevard Konrad Adenauer, L-1115 Luxembourg, phone number (352) 421 22 639 to determine whether the notes are listed on the Luxembourg Stock Exchange. Copies of the indenture, the trust agreement, the forms of the notes, the administration agreement, the servicing agreement, the sale agreement, the purchase agreement and the swap agreement will be available at the offices of the Luxembourg listing agent. So long as any class of notes is listed on the Luxembourg Stock Exchange, and its rules so require, notices relating to that class of notes, including if such class is delisted, will also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort*) and/or on the Luxembourg Stock Exchange's website at <http://www.bourse.lu>. The Luxembourg Stock Exchange will also be advised if any class of notes is delisted.

The notes, the indenture, the administration agreement and the swap agreement are governed by the laws of the State of New York. The trust agreement is governed by the laws of the State of Delaware. The swap agreement also contains provisions under which the parties to the swap agreement submit to the non-exclusive jurisdiction of the New York courts.

If the notes are listed on the Luxembourg Stock Exchange and Definitive Notes are issued and the rules of the Luxembourg Stock Exchange require a Luxembourg transfer agent, a Luxembourg transfer agent will be appointed and notices will also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort*) and/or on the Luxembourg Stock Exchange's website at <http://www.bourse.lu>. We will maintain a Luxembourg transfer agent as long as required by the rules of the Luxembourg Stock Exchange.

The notes have been accepted for clearing and settlement through Clearstream, Luxembourg and Euroclear on the closing date.

As long as the notes are listed on the Luxembourg Stock Exchange, monthly distribution reports and annual servicing and administration reports concerning the trust and its activities will be available at the office of the Luxembourg listing agent and may be obtained free of charge. The first of these monthly distribution reports is expected to be available on or about August 30, 2010.

As of the date of this offering memorandum, none of the trust, the trustee or the indenture trustee is involved in any litigation or arbitration proceeding relating to the issuance of the notes. The depositor is not aware of any proceedings relating to the issuance of the notes, whether pending or threatened.

The depositor has taken all reasonable care to confirm that the information contained in this offering memorandum and the base offering memorandum is true and accurate in all material respects. In relation to the depositor, the trust, the seller or the notes, the depositor accepts full responsibility for the accuracy of the information contained in this offering memorandum and the base offering memorandum. Having made all reasonable inquiries, the depositor confirms that, to the best of its knowledge, there have not been omitted material facts the omission of which would make misleading any statements of fact or opinion contained in this offering memorandum or the base offering memorandum, when taken as a whole.

The depositor confirms that there has been no material adverse change in the assets of the trust since May 1, 2010, which is the statistical cutoff date, and the date of the information with respect to the assets of the trust set forth in this offering memorandum.

PLAN OF DISTRIBUTION

Subject to the terms and conditions of a note purchase agreement dated as of July 13, 2010 (the “**Note Purchase Agreement**”), the notes will be purchased by the initial purchasers listed below:

| Initial Purchaser | Class A-1 Notes | Class A-2 Notes | Class A-3 Notes | Class A-4 Notes | Class A-5 Notes |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Banc of America Securities LLC..... | \$ 107,112,000 | \$ 49,728,000 | \$ 71,250,000 | \$ 79,563,000 | \$ 96,439,000 |
| Barclays Capital Inc. | \$ 107,112,000 | \$ 49,728,000 | \$ 71,250,000 | \$ 79,563,000 | \$ 96,439,000 |
| Credit Suisse Securities (USA) LLC..... | \$ 107,112,000 | \$ 49,728,000 | \$ 71,250,000 | \$ 79,563,000 | \$ 96,439,000 |
| RBS Securities Inc. | \$ 107,112,000 | \$ 49,728,000 | \$ 71,250,000 | \$ 79,563,000 | \$ 96,439,000 |
| RBC Capital Markets Corporation..... | \$ 22,552,000 | \$ 10,471,000 | \$ 15,000,000 | \$ 16,748,000 | \$ 20,303,000 |
| Total..... | \$451,000,000 | \$209,383,000 | \$300,000,000 | \$335,000,000 | \$406,059,000 |

The proceeds to the depositor from the sale of the notes are expected to be approximately \$1,629,365,531 before deducting expenses payable by the depositor estimated to be approximately \$1,178,490, which will yield net proceeds to the depositor of approximately \$1,628,187,041.

The depositor or its affiliate may retain all or a portion of one or more classes of notes for its own account. Some or all of any such retained notes may be resold by the depositor or its affiliate at any time in one or more negotiated transactions at varying prices to be determined at the time of sale. See “*Risk Factors—Retention Of A Class Of Notes By The Depositor Or Its Affiliate May Reduce The Liquidity Of Such Class Of Notes*” in this offering memorandum.

The notes will be offered by the initial purchasers, from time to time, only to QIBs under Rule 144A or to non-U.S. Persons pursuant to Regulation S. Until the end of any Distribution Compliance Period, an offer or sale of the notes within the United States of America by any dealer may violate the registration requirements of the Securities Act if such offer or sale is made other than pursuant to Rule 144A.

Each initial purchaser has agreed that, except as permitted by the Note Purchase Agreement, it will not offer, sell or deliver the notes (1) as part of its distribution at any time or (2) prior to the end of each Distribution Compliance Period, within the United States of America or to, or for the account or benefit of, U.S. Persons, and it will have sent to each affiliate to which it sells notes during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the notes within the United States of America or to, or for the account or benefit of, U.S. Persons.

The Note Purchase Agreement provides that the depositor, SLM ECFC and SLM Corporation will indemnify the initial purchasers against certain civil liabilities, including liabilities under the Securities Act and contribute to payments the initial purchasers may be required to make in respect thereof.

RATINGS OF THE NOTES

It is a condition to the issuance and sale of the notes that they be rated at issuance in the highest investment rating category by Moody's and S&P. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating agency.

A rating addresses only the likelihood of the timely payment of stated interest and the payment of principal at final maturity, and does not address the timing or likelihood of principal distributions prior to final maturity.

LEGAL MATTERS

Mark L. Heleen, Executive Vice President and General Counsel of SLM Corporation, or any Deputy General Counsel or Associate General Counsel of Sallie Mae, Inc., acting as counsel to the seller, the servicer, the administrator and the depositor, and Bingham McCutchen LLP, New York, New York, as special counsel to the seller, the trust, the servicer, the administrator, the sponsor and the depositor, will give opinions on specified legal matters for the seller, the trust, the servicer, the administrator, the sponsor and the depositor.

Shearman & Sterling LLP will give opinions on specified federal income tax matters for the trust. Richards, Layton & Finger, P.A., as Delaware counsel for the trust, will give opinions on specified legal matters for the trust, including specified Delaware state income tax matters.

Cadwalader, Wickersham & Taft LLP and Shearman & Sterling LLP also will give opinions on specified legal matters for the initial purchasers.

GLOSSARY FOR OFFERING MEMORANDUM

“Asset Balance” means, with respect to any distribution date, an amount equal to the sum of (i) the Pool Balance as of the last day of the related collection period; and (ii) the amount on deposit in the reserve account on that distribution date after payment of the items specified in clauses (1) through (5) under *“Description of the Notes—Distributions—Distributions from the Collection Account”* in this offering memorandum, which will in no case be less than zero; provided, however, that, as of the closing date, the Asset Balance shall equal \$2,700,701,733.

“Available Funds” means, as to each distribution date, the sum of the following amounts with respect to the related collection period:

- with respect to the initial distribution date, all amounts deposited into the collection account on the closing date;
- all collections received by the servicer from borrowers on the trust student loans;
- all Recoveries received during that collection period;
- the aggregate purchase amounts received during that collection period for those trust student loans repurchased by the depositor or purchased by the servicer or the seller;
- amounts received by the trust pursuant to the servicing agreement during that collection period related to yield or principal adjustments;
- investment earnings for that distribution date earned on amounts on deposit in the Trust Accounts and any interest remitted by the administrator to the collection account prior to such distribution date;
- amounts transferred from the reserve account in excess of the applicable Specified Reserve Account Balance; and
- amounts received from the swap counterparty for that distribution date; provided, that, in the event of a termination of the swap agreement, any swap termination payments received will be used, to the extent required therefor, to enter into a replacement swap agreement and will not constitute Available Funds until such time as the inclusion of such amounts as a part of Available Funds satisfies the **Rating Agency Condition**;

provided, that if on any distribution date there would not be sufficient funds to pay all of the items specified in clauses (1) through (6) under *“Description of the Notes—Distributions—Distributions from the Collection Account”* in this offering memorandum, after application of Available Funds, as defined above, and application of amounts

available from the reserve account to pay any of the items specified in clauses (1) through (4) under “*Description of the Notes—Distributions—Distributions from the Collection Account*” in this offering memorandum and, on the respective maturity dates of each class of notes, clause (5), *then* Available Funds for that distribution date will include, in addition to the Available Funds as defined above, amounts on deposit in the collection account, or amounts held by the administrator, or which the administrator reasonably estimates to be held by the administrator, for deposit into the collection account which would have constituted Available Funds for the distribution date succeeding that distribution date, up to the amount necessary to pay such items, and the Available Funds for the succeeding distribution date will be adjusted accordingly.

“**Charged-Off Loan**” means a trust student loan which is written-off in accordance with the servicer’s policies and procedures, which as of the date hereof generally occurs when such loan becomes 212 days past due.

“**Clearstream, Luxembourg**” means Clearstream Banking, société anonyme, or any successor thereto.

“**Code**” means The Internal Revenue Code of 1986, as amended.

“**Definitive Note**” means the Rule 144A Definitive Note or the Regulation S Definitive Note.

“**Distribution Compliance Period**” has the meaning assigned to the term “distribution compliance period” in Regulation S.

“**DTC**” means The Depository Trust Company, or any successor thereto.

“**Eligible Swap Counterparty**” means an entity, which may be an initial purchaser or an affiliate of an initial purchaser, engaged in the business of entering into derivative instrument contracts that satisfies the Rating Agency Condition.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended.

“**Euroclear**” means the Euroclear System in Europe, or any successor thereto.

“**European Clearing Systems**” means, collectively, Clearstream, Luxembourg and Euroclear.

“**Fitch**” means Fitch, Inc., also known as Fitch Ratings, or any successor rating agency.

“**Global Note**” means the Rule 144A Global Note or the Regulation S Global Note.

“Interest Distribution Amount” means, for any distribution date, the sum of:

- (a) the amount of interest accrued at the respective note interest rates for the related accrual period on the aggregate outstanding balance of the notes on the applicable immediately preceding distribution date (or in the case of the initial distribution date, the closing date) after giving effect to all principal distributions to noteholders on preceding distribution dates, and
- (b) the **Note Interest Shortfall** for that distribution date.

“Moody’s” means Moody’s Investors Service, Inc., or any successor rating agency.

“Note Interest Shortfall” means, for any distribution date, the sum for all of the notes of the excess of:

- (a) the amount of interest (excluding carryover amounts) that was payable on the preceding distribution date to each class of notes, *over*
- (b) the amount of interest actually distributed with respect to each such class on that preceding distribution date,

plus interest on the amount of such excess, if any, to the extent permitted by law, at the interest rate applicable for each such class of notes from that preceding distribution date to the current distribution date.

“Overcollateralization Percentage” means 100% minus the then current aggregate principal balance of the notes divided by the Asset Balance.

“Pool Balance” means, as of the last day of a collection period, the aggregate principal balance of the trust student loans as of the beginning of such collection period, including accrued interest as of the beginning of such collection period that is expected to be capitalized, plus interest and fees that accrue during such collection period that are capitalized or are to be capitalized and which were not included in the prior Pool Balance, as reduced by:

- all payments received by the trust through the last day of such collection period from borrowers (other than Recoveries);
- all amounts received by the trust through that date for trust student loans repurchased by the depositor or purchased by the seller or the servicer;
- the aggregate principal balance of all trust student loans that became Charged-Off Loans during such collection period; and
- the amount of any adjustments to balances of the trust student loans that the servicer makes under the servicing agreement through the last day of such collection period.

“Principal Distribution Amount” means, with respect to any distribution date, an amount not less than zero equal to:

$$N - (AB - SOA)$$

Where:

N = the sum of the aggregate outstanding principal balance of all of the notes as of such distribution date (before giving effect to any distributions on such distribution date);

AB = the Asset Balance for such distribution date; and

SOA = the Specified Overcollateralization Amount for such distribution date.

Notwithstanding the foregoing, (i) on or after the maturity date for the class A-1, class A-2, class A-3, class A-4 or class A-5 notes, the Principal Distribution Amount shall not be less than the amount that is necessary to reduce the outstanding principal balance of the class A-1, class A-2, class A-3, class A-4 or class A-5 notes, as applicable, to zero and (ii) the Principal Distribution Amount shall not exceed the aggregate outstanding principal balance of all of the notes as of any distribution date (before giving effect to any distributions on such distribution date).

“QIB” means Qualified Institutional Buyer, as defined under Rule 144A.

“Rating Agency Condition” means the written confirmation or reaffirmation, as the case may be, from each rating agency then rating the notes that any intended action will not result in the downgrading or withdrawal of its then-current rating of any class of notes.

“Recoveries” means, as of any date of determination, all amounts received by the trust in respect of a Charged-Off Loan after such trust student loan became a Charged-Off Loan.

“Regulation S” means Regulation S under the Securities Act.

“Regulation S Certificate” means each Regulation S Global Note and any Regulation S Definitive Note.

“Regulation S Definitive Note” means Notes offered and sold in reliance on Regulation S and represented by one or more notes in fully registered, definitive form.

“Regulation S Global Note” means Notes offered and sold in reliance on Regulation S and represented by one or more notes in fully registered, global form.

“Rule 144A” means Rule 144A under the Securities Act.

“Rule 144A Certificate” means each Rule 144A Global Note and any Rule 144A Definitive Note.

“Rule 144A Definitive Note” means Notes offered and sold to a QIB, pursuant to Rule 144A, which will be represented by one or more notes in fully registered, definitive form.

“Rule 144A Global Note” means Notes offered and sold to a QIB, pursuant to Rule 144A, which will be represented by one or more notes in fully registered, global form.

“S&P” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, or any successor rating agency.

“SEC” means the United States Securities and Exchange Commission.

“Securities Act” means the United States Securities Act of 1933, as amended.

“Significance Estimate” means, as of the closing date, with respect to the swap agreement, the reasonable good faith estimate of the maximum probable exposure of the trust to the swap counterparty, which estimate is made in the same manner as that utilized in the sponsor’s internal risk management process for similar instruments.

“Significance Percentage” means, as of the closing date, the percentage that the Significance Estimate represents of the notes.

“Specified Overcollateralization Amount” means, as of any distribution date, the greater of 43% of the Asset Balance and \$27,007,017.

“Specified Reserve Account Balance” means the lesser of \$6,734,917 and the aggregate outstanding principal balance of the notes.

“Trust Accounts” means, collectively, the collection account and the reserve account.

“U.S. Person” has the meaning assigned to the term “U.S. person” in Regulation S.

**CHARACTERISTICS OF
THE TRUST STUDENT LOAN POOL**

The following tables provide a description of specified characteristics of the trust student loans as of May 1, 2010, which is the statistical cutoff date. The aggregate outstanding principal balance of the trust student loans in each of the following tables includes the principal balance due from borrowers, plus accrued interest of \$140,890,799 as of the statistical cutoff date to be capitalized upon commencement of repayment.

The distribution by interest rates applicable to the trust student loans on any date following the statistical cutoff date may vary significantly from that in the following tables as a result of variations in the rates of interest applicable to the trust student loans. Moreover, the information below about the remaining terms to scheduled maturity of the trust student loans as of the statistical cutoff date may vary significantly from the actual terms to maturity of the trust student loans as a result of defaults or prepayments or of the granting of deferment and forbearance periods.

Percentages and dollar amounts in any table may not total 100% or the trust student loan balance, as applicable, due to rounding.

COMPOSITION OF THE TRUST STUDENT LOANS AS OF THE STATISTICAL CUTOFF DATE

| | |
|--|-----------------|
| Aggregate Outstanding Principal Balance | \$2,693,966,816 |
| Aggregate Outstanding Principal Balance—Treasury Bill | \$ 7,340,147 |
| Percentage of Aggregate Outstanding Principal Balance—Treasury Bill | 0.27% |
| Aggregate Outstanding Principal Balance—Prime | \$2,677,895,511 |
| Percentage of Aggregate Outstanding Principal Balance—Prime | 99.40% |
| Aggregate Outstanding Principal Balance—Prime Monthly Reset | \$2,497,468,544 |
| Percentage of Aggregate Outstanding Principal Balance—Prime Monthly Reset | 92.71% |
| Aggregate Outstanding Principal Balance—Prime Quarterly Reset | \$ 73,477,740 |
| Percentage of Aggregate Outstanding Principal Balance—Prime Quarterly Reset | 2.73% |
| Aggregate Outstanding Principal Balance—Prime Annual Reset | \$ 106,949,227 |
| Percentage of Aggregate Outstanding Principal Balance—Prime Annual Reset | 3.97% |
| Aggregate Outstanding Principal Balance—Fixed | \$ 8,731,158 |
| Percentage of Aggregate Outstanding Principal Balance—Fixed | 0.32% |
| Number of Borrowers | 176,101 |
| Average Outstanding Principal Balance Per Borrower | \$ 15,298 |
| Number of Loans | 220,020 |
| Weighted Average Remaining Term to Scheduled Maturity | 194 months* |
| Weighted Average Annual Interest Rate | 5.12% |
| Weighted Average Margin—Treasury Bill | 2.74% |
| Weighted Average Margin—Prime | 1.89% |
| Weighted Average Annual Interest Rate—Fixed | 2.45% |

* Trust student loans of borrowers who are in-school are assumed to have a term to maturity of either 180 or 240 months, depending on the particular loan program. Upon entering repayment, those borrowers may change their repayment term to a term which is within the range permitted by their particular loan program. The actual term to maturity may be greater or lesser than the 180 or 240 month assumption used in estimating the weighted average term to scheduled maturity for the trust student loans.

In the tables in this Annex A, we have determined the remaining terms to scheduled maturity from the statistical cutoff date to the stated maturity dates of the trust student loans without giving effect to any deferment or forbearance periods that may be granted in the future. See *Appendix A* to the base offering memorandum and “*The Depositor*,” “*The Sponsor, Servicer and Administrator*” and “*The Sellers*” in the base offering memorandum.

**DISTRIBUTION OF THE TRUST STUDENT LOANS
BY LOAN PROGRAM AS OF THE STATISTICAL CUTOFF DATE**

| <u>Loan Program</u> | <u>Number of Loans</u> | <u>Aggregate Outstanding Principal Balance</u> | <u>Percent of Pool by Outstanding Principal Balance</u> |
|---|------------------------|--|---|
| Undergraduate & Graduate Loan Programs ⁽¹⁾ | 203,587 | \$2,253,460,447 | 83.6% |
| Law Loan Programs | 4,417 | 69,618,380 | 2.6 |
| MBA Loan Programs | 2,276 | 42,474,137 | 1.6 |
| Medical Loan Programs | 2,172 | 35,180,276 | 1.3 |
| Consolidation Loan Programs | 7,568 | 293,233,574 | 10.9 |
| Total | <u>220,020</u> | <u>\$2,693,966,816</u> | <u>100.0%</u> |

(1) Includes approximately \$23,710,738 of Signature Loans for students attending 2-year institutions.

**DISTRIBUTION OF THE TRUST STUDENT LOANS
BY INTEREST RATES AS OF THE STATISTICAL CUTOFF DATE**

| <u>Interest Rates</u> | <u>Number of Loans</u> | <u>Aggregate Outstanding Principal Balance</u> | <u>Percent of Pool by Outstanding Principal Balance</u> |
|--|------------------------|--|---|
| Less than or equal to 3.00% | 28,054 | \$ 347,209,664 | 12.9% |
| 3.01% to 3.50% | 28,258 | 439,680,051 | 16.3 |
| 3.51% to 4.00% | 24,368 | 299,102,727 | 11.1 |
| 4.01% to 4.50% | 23,902 | 311,564,755 | 11.6 |
| 4.51% to 5.00% | 14,520 | 165,605,842 | 6.1 |
| 5.01% to 5.50% | 28,257 | 311,317,921 | 11.6 |
| 5.51% to 6.00% | 13,800 | 168,223,448 | 6.2 |
| 6.01% to 6.50% | 10,798 | 114,151,197 | 4.2 |
| 6.51% to 7.00% | 432 | 7,349,192 | 0.3 |
| 7.01% to 7.50% | 4,545 | 52,105,558 | 1.9 |
| 7.51% to 8.00% | 1,174 | 13,717,018 | 0.5 |
| 8.01% to 8.50% | 3,840 | 52,965,531 | 2.0 |
| Equal to or greater than 8.51% | 38,072 | 410,973,912 | 15.3 |
| Total | <u>220,020</u> | <u>\$2,693,966,816</u> | <u>100.0%</u> |

We have determined the interest rates shown in the table using the interest rates applicable to the trust student loans as of the statistical cutoff date. Because most of the trust student loans bear interest at rates that reset monthly, the above information will not necessarily remain applicable to the trust student loans on the closing date or any later date.

**DISTRIBUTION OF THE TRUST STUDENT LOANS BY
OUTSTANDING PRINCIPAL BALANCE PER BORROWER
AS OF THE STATISTICAL CUTOFF DATE**

| <u>Range of Outstanding Principal Balance</u> | <u>Number of Borrowers</u> | <u>Aggregate Outstanding Principal Balance</u> | <u>Percent of Pool by Outstanding Principal Balance</u> |
|---|--------------------------------|--|---|
| Less than \$5,000 | 33,778 | \$ 101,416,142 | 3.8% |
| \$ 5,000.00—\$ 9,999.99 | 43,986 | 325,213,365 | 12.1 |
| \$10,000.00—\$14,999.99 | 33,662 | 416,129,015 | 15.4 |
| \$15,000.00—\$19,999.99 | 22,629 | 392,876,493 | 14.6 |
| \$20,000.00—\$24,999.99 | 14,251 | 317,843,276 | 11.8 |
| \$25,000.00—\$29,999.99 | 8,951 | 244,399,291 | 9.1 |
| \$30,000.00—\$34,999.99 | 5,483 | 177,116,970 | 6.6 |
| \$35,000.00—\$39,999.99 | 3,658 | 136,480,092 | 5.1 |
| \$40,000.00—\$44,999.99 | 2,463 | 104,255,917 | 3.9 |
| \$45,000.00—\$49,999.99 | 1,727 | 81,683,464 | 3.0 |
| \$50,000.00—\$54,999.99 | 1,217 | 63,673,792 | 2.4 |
| \$55,000.00—\$59,999.99 | 872 | 49,965,946 | 1.9 |
| \$60,000.00—\$64,999.99 | 676 | 42,177,198 | 1.6 |
| \$65,000.00—\$69,999.99 | 563 | 37,937,816 | 1.4 |
| \$70,000.00—\$74,999.99 | 436 | 31,576,419 | 1.2 |
| \$75,000.00—\$79,999.99 | 380 | 29,418,334 | 1.1 |
| \$80,000.00—\$84,999.99 | 257 | 21,152,272 | 0.8 |
| \$85,000.00—\$89,999.99 | 234 | 20,460,179 | 0.8 |
| \$90,000.00—\$94,999.99 | 163 | 15,079,691 | 0.6 |
| \$95,000.00—\$99,999.99 | 141 | 13,689,666 | 0.5 |
| \$100,000.00 and greater | 574 | 71,421,480 | 2.7 |
| Total | <u>176,101</u> | <u>\$2,693,966,816</u> | <u>100.0%</u> |

**DISTRIBUTION OF THE TRUST STUDENT LOANS BY
REMAINING TERM TO SCHEDULED MATURITY
AS OF THE STATISTICAL CUTOFF DATE**

| <u>Number of Months Remaining to Scheduled Maturity*</u> | <u>Number of Loans</u> | <u>Aggregate Outstanding Principal Balance</u> | <u>Percent of Pool by Outstanding Principal Balance</u> |
|--|----------------------------|--|---|
| 1 to 60 | 6,180 | \$ 11,233,624 | 0.4% |
| 61 to 120 | 9,552 | 43,615,598 | 1.6 |
| 121 to 180 | 111,758 | 1,266,836,334 | 47.0 |
| 181 to 240 | 78,243 | 995,557,582 | 37.0 |
| 241 to 300 | 11,876 | 230,505,789 | 8.6 |
| 301 to 360 | 2,393 | 143,963,626 | 5.3 |
| 361 and greater | 18 | 2,254,264 | 0.1 |
| Total | <u>220,020</u> | <u>\$2,693,966,816</u> | <u>100.0%</u> |

* Trust student loans of borrowers who are in-school are assumed to have a term to maturity of either 180 or 240 months, depending on the particular loan program. Upon entering repayment, those borrowers may select their repayment term, which term will be within the range permitted by their particular loan program. The actual term to maturity may be greater or less than the 180 or 240 month assumption used in estimating the remaining terms to scheduled maturity for the trust student loans.

**DISTRIBUTION OF THE TRUST STUDENT LOANS
BY CURRENT PAYMENT STATUS
AS OF THE STATISTICAL CUTOFF DATE**

| <u>Current Payment Status</u> | <u>Number of Loans</u> | <u>Aggregate Outstanding Principal Balance</u> | <u>Percent of Pool by Outstanding Principal Balance</u> |
|--------------------------------------|----------------------------|--|---|
| In-School | 45,420 | \$ 529,928,183 | 19.7% |
| Grace | 13,205 | 163,005,433 | 6.1 |
| Deferment | 24,046 | 288,616,484 | 10.7 |
| Forbearance | 5,380 | 90,184,410 | 3.3 |
| Repayment | | | |
| First year in repayment | 45,964 | 566,705,051 | 21.0 |
| Second year in repayment | 49,063 | 551,380,395 | 20.5 |
| Third year in repayment | 27,803 | 304,644,584 | 11.3 |
| More than 3 years in repayment | 9,139 | 199,502,275 | 7.4 |
| Total | <u>220,020</u> | <u>\$2,693,966,816</u> | <u>100.0%</u> |

Current borrower payment status refers to the status of the borrower of each trust student loan as of the statistical cutoff date. The borrower:

- may still be attending school—*in-school*;
- may be in a grace period after completing school and prior to repayment commencing—*grace*;
- may be currently required to repay the loan—*repayment*; or
- may have temporarily ceased repaying the loan through a *deferment* or a *forbearance* period.

The weighted average number of months in repayment for all trust student loans currently in repayment is approximately 18.5, calculated as the term to scheduled maturity at the commencement of repayment less the number of months remaining to scheduled maturity as of the statistical cutoff date.

**SCHEDULED WEIGHTED AVERAGE REMAINING MONTHS IN
STATUS OF THE TRUST STUDENT LOANS BY
CURRENT PAYMENT STATUS AS OF THE
STATISTICAL CUTOFF DATE**

| <u>Current Payment Status</u> | <u>Scheduled Remaining Months in Status</u> | | | | |
|-------------------------------|---|--------------|------------------|--------------------|------------------|
| | <u>In-School</u> | <u>Grace</u> | <u>Deferment</u> | <u>Forbearance</u> | <u>Repayment</u> |
| In-School | 13.6 | 6.2 | — | — | 180.4 |
| Grace | — | 3.2 | — | — | 185.6 |
| Deferment | — | — | 15.7 | — | 190.8 |
| Forbearance | — | — | — | 1.2 | 198.3 |
| Repayment | — | — | — | — | 190.1 |

GEOGRAPHIC DISTRIBUTION OF THE TRUST STUDENT LOANS AS OF THE STATISTICAL CUTOFF DATE

| State | Number of Loans | Aggregate Outstanding Principal Balance | Percent of Pool by Outstanding Principal Balance |
|----------------------|--------------------|---|--|
| Alabama | 2,123 | \$ 21,860,293 | 0.8% |
| Alaska | 188 | 2,399,302 | 0.1 |
| Arizona | 2,027 | 25,183,762 | 0.9 |
| Arkansas | 586 | 6,003,226 | 0.2 |
| California | 16,672 | 250,250,605 | 9.3 |
| Colorado | 2,695 | 33,049,996 | 1.2 |
| Connecticut | 7,281 | 90,349,235 | 3.4 |
| Delaware | 948 | 12,502,776 | 0.5 |
| District of Columbia | 1,180 | 17,753,202 | 0.7 |
| Florida | 8,878 | 113,655,495 | 4.2 |
| Georgia | 4,939 | 63,217,418 | 2.3 |
| Hawaii | 632 | 7,654,583 | 0.3 |
| Idaho | 500 | 5,547,784 | 0.2 |
| Illinois | 13,113 | 156,287,288 | 5.8 |
| Indiana | 6,386 | 58,879,520 | 2.2 |
| Iowa | 799 | 8,728,114 | 0.3 |
| Kansas | 1,776 | 15,133,880 | 0.6 |
| Kentucky | 1,829 | 17,638,973 | 0.7 |
| Louisiana | 1,957 | 21,127,392 | 0.8 |
| Maine | 1,948 | 20,628,269 | 0.8 |
| Maryland | 4,805 | 66,050,577 | 2.5 |
| Massachusetts | 20,705 | 255,803,961 | 9.5 |
| Michigan | 6,824 | 67,795,463 | 2.5 |
| Minnesota | 4,782 | 49,659,337 | 1.8 |
| Mississippi | 887 | 8,496,397 | 0.3 |
| Missouri | 2,233 | 23,761,397 | 0.9 |
| Montana | 205 | 2,132,570 | 0.1 |
| Nebraska | 369 | 4,057,378 | 0.2 |
| Nevada | 771 | 10,766,625 | 0.4 |
| New Hampshire | 3,422 | 42,027,387 | 1.6 |
| New Jersey | 10,899 | 150,204,421 | 5.6 |
| New Mexico | 344 | 4,449,880 | 0.2 |
| New York | 21,467 | 294,796,212 | 10.9 |
| North Carolina | 3,342 | 38,985,141 | 1.4 |
| North Dakota | 203 | 1,717,836 | 0.1 |
| Ohio | 14,091 | 152,531,757 | 5.7 |
| Oklahoma | 1,608 | 16,541,164 | 0.6 |
| Oregon | 2,388 | 26,841,119 | 1.0 |
| Pennsylvania | 13,651 | 167,675,876 | 6.2 |
| Rhode Island | 1,777 | 22,319,963 | 0.8 |
| South Carolina | 1,786 | 21,210,793 | 0.8 |
| South Dakota | 118 | 1,283,439 | * |
| Tennessee | 2,243 | 25,094,153 | 0.9 |
| Texas | 8,494 | 99,559,237 | 3.7 |
| Utah | 495 | 7,790,779 | 0.3 |
| Vermont | 507 | 5,994,702 | 0.2 |
| Virginia | 6,528 | 77,422,793 | 2.9 |
| Washington | 3,100 | 37,906,978 | 1.4 |
| West Virginia | 1,076 | 9,991,392 | 0.4 |
| Wisconsin | 2,826 | 30,157,944 | 1.1 |
| Wyoming | 126 | 1,530,846 | 0.1 |
| Other | 1,491 | 21,558,187 | 0.8 |
| Total | <u>220,020</u> | <u>\$2,693,966,816</u> | <u>100.0%</u> |

* Represents a percentage greater than 0% but less than 0.05%.

We have based the geographic distribution shown in the table on the billing addresses of the borrowers of the trust student loans shown on the servicer's records as of the statistical cutoff date.

Each of the trust student loans provides or will provide for the amortization of its outstanding principal balance over a series of regular payments. Except as described below, each regular payment consists of an installment of interest which is calculated on the basis of the outstanding principal balance of the trust student loan. The amount received is applied first to interest accrued to the date of payment and the balance of the payment, if any, is applied to reduce the unpaid principal balance. Accordingly, if a borrower pays a regular installment before its scheduled due date, the portion of the payment allocable to interest for the period since the preceding payment was made will be less than it would have been had the payment been made as scheduled, and the portion of the payment applied to reduce the unpaid principal balance will be correspondingly greater. Conversely, if a borrower pays a monthly installment after its scheduled due date, the portion of the payment allocable to interest for the period since the preceding payment was made will be greater than it would have been had the payment been made as scheduled, and the portion of the payment applied to reduce the unpaid principal balance will be correspondingly less. In addition, if a borrower pays a monthly installment after its scheduled due date, the borrower may owe a fee on that late payment. If a late fee is applied, such payment will be applied first to the applicable late fee, second to interest and third to principal. As a result, the portion of the payment applied to reduce the unpaid principal balance may be less than it would have been had the payment been made as scheduled.

In either case, subject to any applicable deferment periods or forbearance periods, and except as provided below, the borrower pays a regular installment until the final scheduled payment date, at which time the amount of the final installment is increased or decreased as necessary to repay the then outstanding principal balance of that trust student loan.

SLM Education Credit Finance Corporation makes available through the servicer to some of its borrowers payment terms that may lengthen the remaining term of the student loans. For example, not all of the loans provide for level payments throughout the repayment term of the loans. Some student loans provide for interest only payments to be made for a designated portion of the term of the loans, with amortization of the principal of the loans occurring only when payments increase in the latter stage of the term of the loans. Other loans provide for a graduated phase in of the amortization of principal with a greater portion of principal amortization being required in the latter stages than would be the case if amortization were on a level payment basis. SLM Education Credit Finance Corporation also offers an income-sensitive repayment plan through the servicer, under which repayments are based on the borrower's income. Under that plan, ultimate repayment may be delayed up to five years. Borrowers under trust student loans will continue to be eligible for these graduated payment and income-sensitive repayment plans. See *"The Depositor," "The Sponsor, Servicer and Administrator"* and *"The Sellers"* in the base offering memorandum.

The following table provides certain information about trust student loans subject to the repayment terms described in the preceding paragraphs.

**DISTRIBUTION OF THE TRUST STUDENT LOANS BY
REPAYMENT TERMS AS OF
THE STATISTICAL CUTOFF DATE**

| <u>Loan Repayment Terms</u> | <u>Number of Loans</u> | <u>Aggregate Outstanding Principal Balance</u> | <u>Percent of Pool by Outstanding Principal Balance</u> |
|--|----------------------------|--|---|
| Level Repayment ⁽¹⁾ | 169,417 | \$2,009,228,014 | 74.6% |
| Other Repayment Options ⁽²⁾ | 50,603 | 684,738,802 | 25.4 |
| Total | <u>220,020</u> | <u>\$2,693,966,816</u> | <u>100.0%</u> |

- (1) Includes in-school and grace period loans.
(2) Includes, among others, interest-only period loans.

In the future, the servicer, at the request of the borrower and on behalf of the trust, may offer repayment terms similar to those described above to borrowers of trust student loans who are not entitled to these repayment terms as of the statistical cutoff date. If repayment terms are offered to and accepted by borrowers, the weighted average lives of the notes could be lengthened.

With respect to interest-only period loans, as of the statistical cutoff date, there are 47,444 loans with an aggregate outstanding principal balance of \$630,782,695 currently in an interest-only period. These interest-only period loans represent 23.4% of the trust student loans. As of the statistical cutoff date, the remaining interest-only periods for these loans ranged from 1 month to 48 months.

The following table provides information for the trust student loans as of the statistical cutoff date by year of disbursement.

**DISTRIBUTION OF THE TRUST STUDENT LOANS
BY YEAR OF DISBURSEMENT**

| <u>Disbursement Date</u> | <u>Number of Loans</u> | <u>Aggregate Outstanding Principal Balance</u> | <u>Percent of Pool by Outstanding Principal Balance</u> |
|--------------------------|----------------------------|--|---|
| 1996 | 13 | \$ 109,530 | * |
| 1997 | 58 | 517,053 | * |
| 1998 | 188 | 1,746,077 | 0.1% |
| 1999 | 325 | 3,180,115 | 0.1 |
| 2000 | 196 | 1,733,248 | 0.1 |
| 2001 | 349 | 3,574,542 | 0.1 |
| 2002 | 1,154 | 12,478,631 | 0.5 |
| 2003 | 3,993 | 45,804,884 | 1.7 |
| 2004 | 8,116 | 96,326,072 | 3.6 |
| 2005 | 15,114 | 183,843,282 | 6.8 |
| 2006 | 130,871 | 1,730,688,062 | 64.2 |
| 2007 | 59,643 | 613,965,320 | 22.8 |
| Total | <u>220,020</u> | <u>\$2,693,966,816</u> | <u>100.0%</u> |

* Represents a percentage greater than 0% but less than 0.05%.

The following tables provide summaries of FICO credit scores for the trust student loans. FICO credit scores are a statistical credit model developed by Fair Isaac and Company. The score is designed to be a relative measure of the degree of risk a potential borrower represents to a lender based upon credit-related data contained in an applicant’s credit bureau reports. FICO scores are influenced by a number of factors and can change over time. There can be no assurance that the FICO scores shown have not changed or will not change in the future. Where FICO scores for both the borrower and co-borrower of trust student loans are available, the greater of the borrower’s or co-borrower’s FICO score is shown unless otherwise indicated.

**DISTRIBUTION OF FICO CREDIT SCORES
AS OF A DATE NEAR THE LOAN APPLICATION FOR
ALL BORROWERS AND CO-BORROWERS⁽¹⁾**

| <u>FICO Score</u> | <u>Aggregate Outstanding Principal Balance</u> | <u>Percent of Pool by Outstanding Principal Balance</u> |
|---|--|---|
| Greater than zero and less than 630 | \$ 4,828,238 | 0.20% |
| 630—639 | 531,027 | * |
| 640—649 | 96,278,365 | 3.6 |
| 650—659 | 109,103,001 | 4.0 |
| 660—669 | 130,061,047 | 4.8 |
| 670—679 | 178,323,764 | 6.6 |
| 680—689 | 185,635,999 | 6.9 |
| 690—699 | 185,993,875 | 6.9 |
| 700—709 | 187,541,849 | 7.0 |
| 710—719 | 187,337,016 | 7.0 |
| 720—729 | 177,751,270 | 6.6 |
| 730—739 | 160,170,802 | 5.9 |
| 740—749 | 160,411,231 | 6.0 |
| 750—759 | 157,353,754 | 5.8 |
| 760—769 | 155,262,858 | 5.8 |
| 770—779 | 148,418,603 | 5.5 |
| 780—789 | 143,295,480 | 5.3 |
| 790—799 | 136,733,813 | 5.1 |
| 800—809 | 115,029,329 | 4.3 |
| 810—819 | 64,514,762 | 2.4 |
| 820—829 | 5,287,878 | 0.2 |
| 830—839 | 1,484,056 | 0.1 |
| 840—849 | 539,126 | * |
| N/A ⁽²⁾ | 2,079,673 | 0.1 |
| Total | <u>\$2,693,966,816</u> | <u>100.0%</u> |

(1) Co-borrowers include joint and several obligors.

(2) Includes trust student loans where no FICO scores were available.

* Represents a percentage greater than 0% but less than 0.05%.

The weighted average FICO score for the borrowers and co-borrowers of the trust student loans for which FICO scores are available as of a date near the date of the loan application was 727.

From November 2009 through February 2010, we requested and received reports from the credit bureaus containing new FICO scores for the borrowers and co-borrowers of private education loans owned by Sallie Mae and its affiliates.

Using information from the November 2009 through February 2010 credit bureau reports for borrowers and co-borrowers of the trust student loans where the FICO scores were updated, the weighted average FICO score (which may include some borrowers or co-borrowers whose trust student loans were not originally underwritten using credit scores) was 713, and approximately 13.0% of borrowers and co-borrowers of the trust student loans (by borrower count of the trust student loans) had FICO scores less than 630.

**DISTRIBUTION OF FICO CREDIT SCORES AS OF
A DATE NEAR THE LOAN APPLICATION FOR
LOANS WITH CO-BORROWERS⁽¹⁾**

| <u>FICO Score</u> | <u>Aggregate Outstanding Principal Balance</u> | <u>Percent by Outstanding Principal Balance</u> |
|---|--|---|
| Greater than zero and less than 630 | \$ 2,222,341 | 0.1% |
| 630—639 | 248,701 | * |
| 640—649 | 33,829,258 | 2.0 |
| 650—659 | 38,276,187 | 2.3 |
| 660—669 | 44,837,675 | 2.7 |
| 670—679 | 69,129,970 | 4.1 |
| 680—689 | 81,755,844 | 4.9 |
| 690—699 | 89,564,682 | 5.3 |
| 700—709 | 96,321,611 | 5.7 |
| 710—719 | 101,280,544 | 6.0 |
| 720—729 | 103,352,403 | 6.2 |
| 730—739 | 100,201,734 | 6.0 |
| 740—749 | 108,084,223 | 6.4 |
| 750—759 | 118,780,177 | 7.1 |
| 760—769 | 124,866,410 | 7.4 |
| 770—779 | 127,713,211 | 7.6 |
| 780—789 | 129,497,750 | 7.7 |
| 790—799 | 126,966,248 | 7.6 |
| 800—809 | 110,891,912 | 6.6 |
| 810—819 | 63,390,628 | 3.8 |
| 820—829 | 5,263,101 | 0.3 |
| 830—839 | 1,484,056 | 0.1 |
| 840—849 | 539,126 | * |
| N/A ⁽²⁾ | 1,353,732 | 0.1 |
| Total | <u>\$1,679,851,522</u> | <u>100.0%</u> |

(1) The FICO scores shown are for the co-borrower on the trust student loan.

(2) Includes trust student loans where no FICO scores were available.

* Represents a percentage greater than 0% but less than 0.05%.

The weighted average FICO score for co-borrower trust student loans for which FICO scores are available as of a date near the date of the loan application was 742. Using information from the November 2009 through February 2010 credit bureau reports for co-borrower trust student loans wherein such borrowers' or co-borrowers' FICO scores were updated, the weighted average FICO score (which may include some co-borrowers whose trust student loans were not originally underwritten using credit scores) was 733, and approximately 6.8% of co-borrower trust student loans (by borrower count within the population of trust student loans with co-borrowers) had FICO scores less than 630.

**DISTRIBUTION OF FICO CREDIT SCORES AS OF
A DATE NEAR THE LOAN APPLICATION FOR
LOANS WITHOUT CO-BORROWERS**

| <u>FICO Score</u> | <u>Aggregate Outstanding Principal Balance</u> | <u>Percent by Outstanding Principal Balance</u> |
|---|--|---|
| Greater than zero and less than 630 | \$ 2,605,898 | 0.3% |
| 630—639 | 282,326 | * |
| 640—649 | 62,449,106 | 6.2 |
| 650—659 | 70,826,814 | 7.0 |
| 660—669 | 85,223,372 | 8.4 |
| 670—679 | 109,193,794 | 10.8 |
| 680—689 | 103,880,155 | 10.2 |
| 690—699 | 96,429,192 | 9.5 |
| 700—709 | 91,220,238 | 9.0 |
| 710—719 | 86,056,473 | 8.5 |
| 720—729 | 74,398,867 | 7.3 |
| 730—739 | 59,969,068 | 5.9 |
| 740—749 | 52,327,009 | 5.2 |
| 750—759 | 38,573,577 | 3.8 |
| 760—769 | 30,396,448 | 3.0 |
| 770—779 | 20,705,392 | 2.0 |
| 780—789 | 13,797,730 | 1.4 |
| 790—799 | 9,767,565 | 1.0 |
| 800—809 | 4,137,417 | 0.4 |
| 810—819 | 1,124,133 | 0.1 |
| 820—829 | 24,777 | * |
| N/A ⁽¹⁾ | 725,941 | 0.1 |
| Total | <u>\$1,014,115,293</u> | <u>100.0%</u> |

(1) Includes trust student loans where no FICO scores were available.

* Represents a percentage greater than 0% but less than 0.05%.

The weighted average FICO score for trust student loans without co-borrowers for which FICO scores are available as of a date near the date of the loan application was 701. Using information from the November 2009 through February 2010 credit bureau report for trust student loans without co-borrowers wherein such borrowers' FICO scores were updated, the weighted average FICO score (which may include some borrowers whose trust student loans were not originally underwritten using credit scores) was 679, and approximately 21.8% of trust student loans without co-borrowers (by borrower count within the population of trust student loans without co-borrowers) had FICO scores less than 630.

EXHIBIT I

PREPAYMENTS, EXTENSIONS, WEIGHTED AVERAGE LIVES AND EXPECTED MATURITIES OF THE NOTES

Prepayments on pools of student loans can be measured or calculated based on a variety of prepayment models. The model used to calculate prepayments in this offering memorandum is the constant prepayment rate (or “CPR”) model.

The CPR model is based on prepayments assumed to occur at a constant percentage rate. CPR is stated as an annualized rate and is calculated as the percentage of the loan amount outstanding at the beginning of a period (including accrued interest to be capitalized), after applying scheduled payments, that is paid during that period. The CPR model assumes that student loans will prepay in each month according to the following formula:

$$\text{Monthly Prepayments} = \text{Balance after scheduled payments} \times (1-(1-\text{CPR})^{1/12})$$

Accordingly, monthly prepayments assuming a \$1,000 balance after scheduled payments would be as follows for the percentages of CPR listed below:

| CPR | 0% | 2% | 4% | 6% | 8% |
|--------------------------|--------|--------|--------|--------|--------|
| Monthly Prepayment | \$0.00 | \$1.68 | \$3.40 | \$5.14 | \$6.92 |

The CPR model does not purport to describe historical prepayment experience or to predict the prepayment rate of any actual student loan pool. The student loans will not prepay at any constant rate, nor will all of the student loans prepay at the same rate. You must make an independent decision regarding the appropriate principal prepayment scenarios to use in making any investment decision.

For purposes of calculating the information presented in the tables below, it is assumed, among other things, that:

- the statistical cutoff date for the trust student loans is May 1, 2010;
- the closing date will be July 22, 2010;
- all trust student loans (as grouped within the “rep lines” described below) are in repayment status (with accrued interest having been capitalized upon entering repayment), with the exception of grace status loans which remain in their current status until their status end date and then move to repayment and in-school status loans which are assumed to have up to either a 36-month grace period (with respect to trust student loans under the Medical Loan Programs), a 9-month grace period (with respect to LAWLOANS) or a 6-month grace period (with respect to all other trust student loans) before moving to repayment, and no trust student loan moves from repayment to any other status;

- no delinquencies or defaults occur on any of the trust student loans, no repurchases for breaches of representations, warranties or covenants occur, and all borrower payments are collected in full;
- index levels for calculation of payments is:
 - Prime Rate of 3.25%; and
 - One-month LIBOR rate of 0.35%;
- distributions begin on August 15, 2010, and payments are made on the 15th day of every month thereafter, whether or not the 15th is a business day;
- the interest rate for each class of outstanding notes at all times will be equal to:
 - class A-1 notes 2.00%;
 - class A-2 notes 3.00%;
 - class A-3 notes 3.85%;
 - class A-4 notes 4.60%; and
 - class A-5 notes 5.10%;
- an administration fee equal to \$6,667 is paid monthly by the trust to the administrator, beginning in August 2010;
- a servicing fee equal to $1/12^{\text{th}}$ of the then outstanding principal amount of the trust student loans times 0.70% is paid monthly by the trust to the servicer, beginning in August 2010;
- the collection account has an initial balance equal to \$0;
- the reserve account has an initial balance equal to \$6,734,917 and at all times a balance equal to the lesser of (1) \$6,734,917 and (2) the outstanding balance of the notes;
- under the interest rate swap, the trust will pay the assumed prime rate minus 2.75% in exchange for one-month LIBOR;
- the trust will not enter into any other swap or other interest rate hedging agreements;
- all payments are assumed to be made on the 15th of the month, and amounts on deposit in the collection account, including reinvestment income earned on such account in the previous month, are reinvested in eligible investments at the assumed reinvestment rate of 0.25% per annum through the end of the collection period;

- amounts on deposit in the reserve account are reinvested in eligible investments at the assumed reinvestment rate of 0.25% per annum from the previous distribution date through the current distribution date;
- prepayments on the trust student loans are applied monthly in accordance with CPR, as described above;
- there are no fees or expenses payable to the indenture trustee, the trustee and the Delaware trustee, including without limitation any indemnity amounts, that have not been paid by the administrator, at the time the Principal Distribution Amount is distributed to the related noteholders on each distribution date;
- no amounts are payable to the servicer as carryover servicing fees on any distribution date;
- an optional redemption by the servicer occurs on the distribution date immediately following the collection period during which the Pool Balance falls below 10% of the initial Pool Balance; and
- the pool of trust student loans consists of 1,438 representative loans (“rep lines”), which have been created for modeling purposes from individual trust student loans based on combinations of similar individual student loan characteristics, which include, but are not limited to, loan status, interest rate, loan type and index.

The following tables have been prepared based on the assumptions described above (including the assumptions regarding the characteristics and performance of the rep lines, which will differ from the characteristics and performance of the actual pool of trust student loans) and should be read in conjunction therewith. In addition, the diverse characteristics, remaining terms and loan ages of the trust student loans could produce slower or faster principal payments than indicated in the following tables, even if the dispersions of weighted average characteristics, remaining terms and loan ages are the same as the assumed characteristics.

Weighted Average Lives and Expected Maturities of the Notes at Various CPR Percentages

| | Weighted Average Life (years) ⁽¹⁾ | | | | |
|-----------------------|--|-------|-------|-------|-------|
| | 0% | 2% | 4% | 6% | 8% |
| Class A-1 Notes | 1.82 | 1.28 | 0.96 | 0.75 | 0.60 |
| Class A-2 Notes | 5.68 | 4.40 | 3.49 | 2.84 | 2.36 |
| Class A-3 Notes | 8.35 | 6.97 | 5.82 | 4.90 | 4.18 |
| Class A-4 Notes | 11.24 | 10.11 | 8.97 | 7.92 | 6.98 |
| Class A-5 Notes | 14.13 | 13.51 | 12.79 | 12.01 | 11.21 |

| Expected Maturity Date | | | | | |
|------------------------|------------------|-------------------|-------------------|------------------|-------------------|
| Class A-1 Notes | January 15, 2015 | November 15, 2013 | February 15, 2013 | August 15, 2012 | March 15, 2012 |
| Class A-2 Notes | May 15, 2017 | January 15, 2016 | December 15, 2014 | March 15, 2014 | August 15, 2013 |
| Class A-3 Notes | May 15, 2020 | January 15, 2019 | October 15, 2017 | October 15, 2016 | December 15, 2015 |
| Class A-4 Notes | March 15, 2023 | April 15, 2022 | April 15, 2021 | April 15, 2020 | April 15, 2019 |
| Class A-5 Notes | May 15, 2025 | November 15, 2024 | April 15, 2024 | August 15, 2023 | December 15, 2022 |

⁽¹⁾ The weighted average life of each class of notes (assuming a 360-day year consisting of twelve 30-day months) is determined by: (1) multiplying the amount of each principal payment on the related class of notes by the number of years from the closing date to the related distribution date, (2) adding the results, and (3) dividing that sum by the principal amount of the related class of notes as of the closing date.

Class A-1 Notes

Percentages Of Original Principal Of The Notes Remaining At Certain Distribution Dates At Various CPR Percentages

| Distribution Date | 0% | 2% | 4% | 6% | 8% |
|--------------------------|-----------|-----------|-----------|-----------|-----------|
| Closing Date..... | 100% | 100% | 100% | 100% | 100% |
| August 2010..... | 90% | 88% | 84% | 81% | 78% |
| August 2011..... | 61% | 47% | 36% | 28% | 20% |
| August 2012..... | 39% | 25% | 11% | 0% | 0% |
| August 2013..... | 23% | 4% | 0% | 0% | 0% |
| August 2014..... | 6% | 0% | 0% | 0% | 0% |
| August 2015..... | 0% | 0% | 0% | 0% | 0% |
| August 2016..... | 0% | 0% | 0% | 0% | 0% |
| August 2017..... | 0% | 0% | 0% | 0% | 0% |
| August 2018..... | 0% | 0% | 0% | 0% | 0% |
| August 2019..... | 0% | 0% | 0% | 0% | 0% |
| August 2020..... | 0% | 0% | 0% | 0% | 0% |
| August 2021..... | 0% | 0% | 0% | 0% | 0% |
| August 2022..... | 0% | 0% | 0% | 0% | 0% |
| August 2023..... | 0% | 0% | 0% | 0% | 0% |
| August 2024..... | 0% | 0% | 0% | 0% | 0% |
| August 2025..... | 0% | 0% | 0% | 0% | 0% |

Class A-2 Notes

Percentages Of Original Principal Of The Notes Remaining At Certain Distribution Dates At Various CPR Percentages

| Distribution Date | 0% | 2% | 4% | 6% | 8% |
|--------------------------|-----------|-----------|-----------|-----------|-----------|
| Closing Date..... | 100% | 100% | 100% | 100% | 100% |
| August 2010..... | 100% | 100% | 100% | 100% | 100% |
| August 2011..... | 100% | 100% | 100% | 100% | 100% |
| August 2012..... | 100% | 100% | 100% | 96% | 68% |
| August 2013..... | 100% | 100% | 70% | 33% | 0% |
| August 2014..... | 100% | 64% | 17% | 0% | 0% |
| August 2015..... | 74% | 17% | 0% | 0% | 0% |
| August 2016..... | 32% | 0% | 0% | 0% | 0% |
| August 2017..... | 0% | 0% | 0% | 0% | 0% |
| August 2018..... | 0% | 0% | 0% | 0% | 0% |
| August 2019..... | 0% | 0% | 0% | 0% | 0% |
| August 2020..... | 0% | 0% | 0% | 0% | 0% |
| August 2021..... | 0% | 0% | 0% | 0% | 0% |
| August 2022..... | 0% | 0% | 0% | 0% | 0% |
| August 2023..... | 0% | 0% | 0% | 0% | 0% |
| August 2024..... | 0% | 0% | 0% | 0% | 0% |
| August 2025..... | 0% | 0% | 0% | 0% | 0% |

Class A-3 Notes

Percentages Of Original Principal Of The Notes Remaining At Certain Distribution Dates At Various CPR Percentages

| Distribution Date | 0% | 2% | 4% | 6% | 8% |
|--------------------------|-----------|-----------|-----------|-----------|-----------|
| Closing Date..... | 100% | 100% | 100% | 100% | 100% |
| August 2010..... | 100% | 100% | 100% | 100% | 100% |
| August 2011..... | 100% | 100% | 100% | 100% | 100% |
| August 2012..... | 100% | 100% | 100% | 100% | 100% |
| August 2013..... | 100% | 100% | 100% | 100% | 98% |
| August 2014..... | 100% | 100% | 100% | 81% | 53% |
| August 2015..... | 100% | 100% | 75% | 42% | 11% |
| August 2016..... | 100% | 79% | 40% | 4% | 0% |
| August 2017..... | 91% | 46% | 5% | 0% | 0% |
| August 2018..... | 59% | 12% | 0% | 0% | 0% |
| August 2019..... | 24% | 0% | 0% | 0% | 0% |
| August 2020..... | 0% | 0% | 0% | 0% | 0% |
| August 2021..... | 0% | 0% | 0% | 0% | 0% |
| August 2022..... | 0% | 0% | 0% | 0% | 0% |
| August 2023..... | 0% | 0% | 0% | 0% | 0% |
| August 2024..... | 0% | 0% | 0% | 0% | 0% |
| August 2025..... | 0% | 0% | 0% | 0% | 0% |

Class A-4 Notes

Percentages Of Original Principal Of The Notes Remaining At Certain Distribution Dates At Various CPR Percentages

| Distribution Date | 0% | 2% | 4% | 6% | 8% |
|--------------------------|-----------|-----------|-----------|-----------|-----------|
| Closing Date..... | 100% | 100% | 100% | 100% | 100% |
| August 2010..... | 100% | 100% | 100% | 100% | 100% |
| August 2011..... | 100% | 100% | 100% | 100% | 100% |
| August 2012..... | 100% | 100% | 100% | 100% | 100% |
| August 2013..... | 100% | 100% | 100% | 100% | 100% |
| August 2014..... | 100% | 100% | 100% | 100% | 100% |
| August 2015..... | 100% | 100% | 100% | 100% | 100% |
| August 2016..... | 100% | 100% | 100% | 100% | 76% |
| August 2017..... | 100% | 100% | 100% | 73% | 45% |
| August 2018..... | 100% | 100% | 75% | 44% | 17% |
| August 2019..... | 100% | 81% | 46% | 16% | 0% |
| August 2020..... | 89% | 50% | 18% | 0% | 0% |
| August 2021..... | 55% | 20% | 0% | 0% | 0% |
| August 2022..... | 20% | 0% | 0% | 0% | 0% |
| August 2023..... | 0% | 0% | 0% | 0% | 0% |
| August 2024..... | 0% | 0% | 0% | 0% | 0% |
| August 2025..... | 0% | 0% | 0% | 0% | 0% |

Class A-5 Notes

Percentages Of Original Principal Of The Notes Remaining At Certain Distribution Dates At Various CPR Percentages

| Distribution Date | 0% | 2% | 4% | 6% | 8% |
|--------------------------|-----------|-----------|-----------|-----------|-----------|
| Closing Date..... | 100% | 100% | 100% | 100% | 100% |
| August 2010..... | 100% | 100% | 100% | 100% | 100% |
| August 2011..... | 100% | 100% | 100% | 100% | 100% |
| August 2012..... | 100% | 100% | 100% | 100% | 100% |
| August 2013..... | 100% | 100% | 100% | 100% | 100% |
| August 2014..... | 100% | 100% | 100% | 100% | 100% |
| August 2015..... | 100% | 100% | 100% | 100% | 100% |
| August 2016..... | 100% | 100% | 100% | 100% | 100% |
| August 2017..... | 100% | 100% | 100% | 100% | 100% |
| August 2018..... | 100% | 100% | 100% | 100% | 100% |
| August 2019..... | 100% | 100% | 100% | 100% | 93% |
| August 2020..... | 100% | 100% | 100% | 93% | 74% |
| August 2021..... | 100% | 100% | 92% | 73% | 58% |
| August 2022..... | 100% | 91% | 71% | 55% | 42% |
| August 2023..... | 86% | 66% | 51% | 0% | 0% |
| August 2024..... | 57% | 43% | 0% | 0% | 0% |
| August 2025..... | 0% | 0% | 0% | 0% | 0% |

PRINCIPAL OFFICES

ISSUING ENTITY

SLM PRIVATE EDUCATION LOAN TRUST 2010-C
2 N. LaSalle Street, Suite 1020
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DEPOSITOR

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THIS BASE OFFERING MEMORANDUM IS BEING PROVIDED ONLY TO (1) "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A ("RULE 144A") PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR (2) PERSONS (OTHER THAN U.S. PERSONS) OUTSIDE THE UNITED STATES OF AMERICA PURSUANT TO THE REQUIREMENTS OF REGULATIONS PROMULGATED UNDER THE SECURITIES ACT ("REGULATIONS"). REPRODUCTION OR FURTHER DISTRIBUTION OF THIS BASE OFFERING MEMORANDUM IS FORBIDDEN. THE NOTES DESCRIBED IN THIS BASE OFFERING MEMORANDUM WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, ANY UNITED STATES STATE SECURITIES OR "BLUE SKY" LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION.

BASE OFFERING MEMORANDUM
The SLM Private Education Loan Trusts
Issuing Entities
Student Loan-Backed Notes

SLM Education Credit Funding LLC
Depositor
Sallie Mae, Inc.
Sponsor, Servicer and Administrator

You should consider carefully the risk factors described in this base offering memorandum beginning on page 18 and in the offering memorandum supplement that accompanies this base offering memorandum.

The notes described herein represent obligations of the applicable issuing entity only. The notes are not obligations of or interests in the sponsor, administrator, servicer, depositor, any seller or any of their affiliates.

The notes are not guaranteed or insured by the United States of America or any U.S. governmental agency.

This base offering memorandum may be used to offer and sell any series of notes only if it is accompanied by the offering memorandum supplement for that series.

The Depositor

SLM Education Credit Funding LLC, a Delaware limited liability company, is the depositor. SLM Education Credit Finance Corporation is the sole member of SLM Education Credit Funding LLC.

The Notes

The depositor intends to form trusts to issue student loan-backed notes. Each issue of notes will have its own designation. We intend to sell the notes from time to time in amounts, at prices and on terms determined at the time of the offering and sale of the related series of notes. Each series will include one or more classes of notes secured by the assets of the trust for that issue.

A class of notes may:

- be senior and/or subordinate to other classes in its series; and
- receive payments from one or more forms of credit or cash flow enhancements designed to reduce the risk to investors caused by shortfalls in payments on the related student loans.

Each holder of a class of notes will have the right to receive payments of principal and interest at the rates, on the dates and in the manner described in the applicable supplement to this base offering memorandum.

Trust Assets

The assets of each trust will include:

- education loans to students or parents of students;
- specified types of credit enhancement; and
- other moneys, investments and property, including derivative instruments in some cases.

Each supplement to this base offering memorandum will describe, among other things, the specific amounts, prices and terms of the notes of the related series. The supplements will also provide details of the specific student loans, credit enhancement, derivative instruments and other assets of the related trust.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the notes or determined whether this base offering memorandum is accurate or complete. Any representation to the contrary is a criminal offense.

June 24, 2010

**IMPORTANT NOTICE ABOUT INFORMATION PRESENTED IN THIS
BASE OFFERING MEMORANDUM AND THE RELATED OFFERING
MEMORANDUM SUPPLEMENT**

For each issue, we will provide information to you about the notes in two separate documents that progressively provide more detail:

- this base offering memorandum, including the Appendices hereto, which provides general information, some of which may not apply to your series of notes (collectively, the “base offering memorandum”); and
- the related offering memorandum supplement, including all Annexes and Exhibits thereto (collectively, each an “offering memorandum supplement”), which describes the specific terms of your series of notes, including:
 - the timing of interest and principal payments;
 - financial and other information about the student loans and the other assets owned by the trust;
 - information about credit enhancement;
 - the ratings; and
 - the method of selling the notes.

In making any investment decision, you should rely only on the information contained or incorporated in this base offering memorandum and the related offering memorandum supplement. We have not authorized anyone to provide you with different information. We are not offering the notes in any state or other jurisdiction where the offer is prohibited.

Collectively, this base offering memorandum together with the related offering memorandum supplement for your series of notes constitute the related “offering memorandum” for your series of notes and should be read in its entirety prior to any purchase of any class of notes.

For certain information concerning the notes, we have provided cross-references to captions in this base offering memorandum and the accompanying offering memorandum supplement. Under each of those captions, further information about the notes is provided. The following table of contents and the table of contents in the related offering memorandum supplement indicate where these captions are located.

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BASE OFFERING MEMORANDUM SUMMARY

This summary highlights selected information concerning the notes. It does not contain all of the information that you might find important in making your investment decision. You should read the full description of this information which appears elsewhere in this document and in the offering memorandum supplement for your particular notes.

Principal Parties

- Issuing Entity Each issuing entity will be a Delaware statutory trust to be formed for each series of notes under a trust agreement between the depositor, a Delaware trustee and a trustee. We sometimes refer to an issuing entity as a “trust” in this base offering memorandum.
- Depositor..... The depositor is SLM Funding LLC, which is a Delaware limited liability company. SLM Education Credit Finance Corporation is the sole member of the depositor.
- Delaware Trustee and Trustee For each series of notes, the related offering memorandum supplement will specify the Delaware trustee and the trustee for the related issuing entity. See “*Formation of the Issuing Entities—Trustee*” in this base offering memorandum.
- Sponsor The sponsor is Sallie Mae, Inc. We sometimes refer to Sallie Mae, Inc. as SMI in this base offering memorandum.
- Servicer The servicer will be either SMI or another servicer specified in the offering memorandum supplement for your notes. SMI manages and operates the loan servicing functions for SLM Corporation and its affiliates and certain unrelated parties.
- Under the circumstances described in this base offering memorandum, the servicer may transfer its servicing obligations to other entities. It may also contract with other servicers or sub-servicers. The related offering memorandum supplement will describe any sub-servicers with whom the servicer has contracted. See “*Servicing and Administration—Matters Regarding the Servicer*” in this base offering memorandum.
- Sellers..... The sellers are SLM Education Credit Finance Corporation and/or other affiliates of the depositor as identified in the related offering memorandum supplement. We sometimes refer to SLM Education Credit Finance Corporation as SLM ECFC in this base offering memorandum.

- Originators To the extent that private credit student loans have been originated by one or more originators not affiliated with SMI or the depositor and constitute a material portion of the related loan pool, the identity of such originators will be disclosed, to the extent known. The requisite information concerning those originators, to the extent available, will be provided in the related offering memorandum supplement.
- Indenture Trustee For each series of notes, the related offering memorandum supplement will specify the indenture trustee for the notes. See “*Description of the Notes—The Indenture—The Indenture Trustee*” in this base offering memorandum.
- Administrator The administrator of the issuing entity will be either Sallie Mae, Inc. or a sub-administrator specified in the offering memorandum supplement for your notes. Under the circumstances described in this base offering memorandum, the administrator may transfer its obligations as administrator to an affiliate. The administrator may also contract with sub-administrators. If there is a sub-administrator, the identity of the sub-administrator will be specified in the offering memorandum supplement for your notes. The related offering memorandum supplement will describe any sub-administrators with whom the administrator has contracted. See “*Summary of Terms—Administrator*” in the related offering memorandum supplement.

The Notes

Each series of notes will include one or more classes of student loan-backed notes. The notes will be issued under an indenture between the issuing entity and the related indenture trustee.

The notes will be available for purchase in minimum denominations and additional amounts in excess thereof, as provided in the related offering memorandum supplement. The notes will be denominated in U.S. Dollars. The notes will be available initially in book-entry form only unless otherwise specified in the related offering memorandum supplement. Investors who hold the notes in book-entry form will be able to receive definitive notes only in the limited circumstances described in this base offering memorandum or in the related offering memorandum supplement.

See “*Additional Information Regarding the Notes—Book-Entry Registration*” and “*—Definitive Notes*” in this base offering memorandum.

Each class of notes will have a stated principal amount and will bear interest at the rate described in the related offering memorandum supplement. Interest rates may vary between the classes of notes in a particular series. The interest rate for a class of notes may be:

- fixed;
- variable;
- adjustable; or
- any combination of these rates.

The related offering memorandum supplement will specify:

- the stated principal amount of each class of notes; and
- the interest rate for each class of notes or the method for determining the interest rate.

See “*Description of the Notes—Principal and Interest on the Notes*” in this base offering memorandum and “*Summary of Terms—The Notes*” and “*—Information About the Notes*” in the related offering memorandum supplement.

If a series includes two or more classes of notes:

- the timing and priority of payments, seniority, interest rates and/or the method of determining interest rates or amount of payments of principal or interest may differ for each class; or
- payments of principal or interest on a class may or may not be made, depending on whether specified events occur.

The related offering memorandum supplement will provide this information.

Assets of the Issuing Entity

The assets of each issuing entity will include a pool of student loans which we refer to as “trust student loans” in this base offering memorandum. The trust student loans will only include student loans made under the programs described below which loans we refer to as “private credit student loans.” See Appendices A through G in this base offering memorandum for further information regarding private credit student loan programs.

None of the trust student loans will be originated under the Federal Family Education Loan Program which we refer to as the “FFELP” in this base offering memorandum.

The assets of each issuing entity will include rights to receive payments made on these trust student loans and any proceeds related to them.

We will purchase the student loans from SLM ECFC or another affiliate of SLM Corporation under one or more purchase agreements. The offering memorandum supplement for your notes will describe the seller or sellers that sold the loans to us. The student loans will be selected based on criteria listed in the related purchase agreement.

We will sell the student loans to the related issuing entity under a sale agreement. The related offering memorandum supplement will specify the aggregate principal balance of the loans sold to the issuing entity as of the cutoff date specified in that offering memorandum supplement. The property of each issuing entity will also include amounts on deposit in specific trust accounts. The accounts may include: a collection account, any reserve account, any pre-funding account, any capitalized interest account, any cash capitalization account and any other account identified in the related offering memorandum supplement. The property of each issuing entity may also include the right to receive payments under any swap agreements entered into by the issuing entity from time to time. See “*Formation of the Issuing Entities*” in this base offering memorandum.

An issuing entity’s assets may include various agreements with counterparties providing for interest rate swaps, interest rate caps and similar financial contracts. As applicable, these agreements will be described in the related offering memorandum supplement.

Collection Account

For each issuing entity, the administrator will establish and maintain one or more accounts to hold all payments made with respect to the trust student loans. We refer to each of these accounts collectively as the “collection account” in this base offering memorandum. The collection account will be in the name of the indenture trustee on behalf of the holders of the notes. The collection account will be an asset of the issuing entity. The related offering memorandum supplement will describe the permitted uses of funds in the collection account and the conditions for their application.

Reserve Account

The administrator will establish a reserve account for each series. The reserve account will be established in the name of the indenture trustee and will be an asset of the issuing entity. On the relevant closing date, we will make a deposit into the reserve account, as specified in the offering memorandum supplement. The initial deposit into the reserve account may be supplemented from time to time by additional deposits. The offering memorandum supplement will describe the conditions and amounts of these additional deposits.

The offering memorandum supplement for each issuing entity will describe when amounts in the reserve account will be available to cover shortfalls in payments due on the notes. It will also describe how amounts on deposit in the reserve account in excess of the required reserve account balance will be distributed.

Pre-Funding Account

The offering memorandum supplement for your notes will inform you if a portion of the net proceeds of the sale of the notes will be held in a pre-funding account and used to purchase additional student loans. If a pre-funding account is established, it will be in the name of the indenture trustee and will be an asset of the issuing entity. The offering memorandum supplement will describe the permitted uses of any funds in the pre-funding account, the conditions for their application and the length of time during which additional student loans may be purchased with amounts on deposit in the pre-funding account.

Capitalized Interest Account

The offering memorandum supplement for your notes will inform you if the administrator will establish and maintain a capitalized interest account as an asset of the issuing entity. If a capitalized interest account is established, it will be in the name of the indenture trustee and the related issuing entity will make an initial deposit from the net proceeds of the sale of the notes into that account as specified in the related offering memorandum supplement. This initial deposit will be in the form of either cash or eligible investments.

Funds in the capitalized interest account will be available to cover shortfalls in payments of primary servicing, administration, interest due to senior noteholders and payments due to each swap counterparty (other than any termination payments) pursuant to any swap agreement then in effect. Following such payments and after application of funds available in the collection account, but before application of funds in the reserve account, any funds

remaining in the capitalized interest account will be applied toward shortfalls in payments of interest to subordinate noteholders.

Other Accounts

The offering memorandum supplement for your notes will also describe any other accounts established for the related issuing entity. These accounts may include cash capitalization or cash collateral accounts and supplemental purchase accounts.

Pre-Funding Period

The offering memorandum supplement for your notes will inform you if there is a pre-funding period (and the length of such pre-funding period) during which the trust may acquire additional student loans with amounts on deposit in the pre-funding account. The length of the pre-funding period will not extend for more than one year from the date of issuance of the related series of notes. The portion of the proceeds for the pre-funding account will not involve more than 50% of the proceeds of the offering of the related series of notes. The additional student loans acquired during the pre-funding period will have the same general characteristics as the original trust student loans in the related pool.

Revolving Period

The offering memorandum supplement for your notes will inform you if there is a revolving period (and the length of such revolving period) during which the trust may acquire additional student loans using the cash flows from the related pool of trust student loans. The length of the revolving period will not extend for more than three years from the date of issuance of the related series of notes. The offering memorandum supplement for your notes will describe the characteristics or selection criteria for the additional trust student loans.

**Credit and Cash Flow or other
Enhancement or Derivative
Arrangements**

Credit or cash flow enhancement for any series of notes may include one or more of the items shown under “*Additional Information Regarding the Notes—Credit Enhancement and Other Support—General*” in this base offering memorandum.

If any credit or cash flow enhancement applies to an issuing entity or any of the notes issued by that issuing entity, the related offering memorandum supplement will describe the specific enhancement, the conditions for their application as well as the related counterparty, if applicable. A credit or cash flow enhancement may have limitations and exclusions from coverage. The related offering memorandum supplement will describe any such limitations or exclusions. See “*Additional*

Information Regarding the Notes—Credit Enhancement and Other Support” in this base offering memorandum.

Servicing Agreements

The servicer will enter into one or more servicing agreements covering the trust student loans held by each issuing entity. Under the servicing agreement, the servicer will be responsible for servicing, managing, maintaining custody of, and making collections on the trust student loans. See “*Servicing and Administration*” in this base offering memorandum.

Servicing Fee

The servicer will receive a servicing fee as specified in the related offering memorandum supplement. It will also receive reimbursement for expenses and charges, as specified in the related offering memorandum supplement. These amounts will be payable monthly.

The servicing fee and any portion of the servicing fee that remains unpaid from prior dates will be payable before any payments are made on the related notes unless any portion of the servicing fee is expressly subordinated to payments on the notes, as specified in the related offering memorandum supplement. See “*Servicing and Administration—Servicing Compensation*” in this base offering memorandum.

Administration Agreement

Sallie Mae, Inc., in its capacity as administrator, will enter into an administration agreement with each issuing entity, the depositor, the trustee, the servicer and the indenture trustee. Under this agreement, Sallie Mae, Inc. will undertake specific administrative duties for each issuing entity. See “*Servicing and Administration—Administration Agreement*” in this base offering memorandum.

Administration Fee

The administrator will receive an administration fee as specified in the related offering memorandum supplement. It may also receive reimbursement for expenses and charges, as specified in the related offering memorandum supplement. These amounts will be payable before any payments are made on the related notes, as specified in the related offering memorandum supplement. See “*Servicing and Administration—Administration Agreement*” in this base offering memorandum.

Purchase Agreements

For each issuing entity, the depositor will acquire the related student loans under one or more purchase agreements. We will assign our rights under the purchase agreements to the trustee, on behalf of the issuing entity. The issuing entity will further assign these rights to the indenture trustee as collateral

for the notes. See “*Transfer and Servicing Agreements*” in this base offering memorandum.

Sale Agreements

We will sell the trust student loans to the issuing entity under a sale agreement. The trustee will hold title to the trust student loans. The issuing entity will assign its rights under the sale agreement to the indenture trustee as collateral for the notes. See “*Transfer and Servicing Agreements*” in this base offering memorandum.

Representations and Warranties of the Depositor

Under the sale agreement for each issuing entity, the depositor, as the seller of the loans to the issuing entity, will make specific representations and warranties to the issuing entity concerning the student loans. We will have an obligation to repurchase any trust student loan if the issuing entity is materially and adversely affected by a breach of the depositor’s representations or warranties, unless we can cure the breach within the period specified in the applicable offering memorandum supplement. Alternatively, we may substitute qualified student loans rather than repurchasing the affected loans. Qualified substitute student loans are student loans that comply, on the date of substitution, with all of the representations and warranties made by us in the sale agreement. Qualified substitute student loans must also be substantially similar on an aggregate basis to the loans they are being substituted for with regard to the following characteristics:

- principal balance;
- status—in-school, grace, deferment, forbearance or repayment;
- program type (i.e., MEDLOANS, DENTALoans, Law Loans, MBA Loans, Signature Student Loans, EXCEL Loans, LawEXCEL Loans, MBA EXCEL Loans, MD EXCEL Loans, Dental EXCEL Loans, Direct-to-Consumer Loans, Private Consolidation Loans, Career Training Loans or EFG Loans);
- school type;
- total return;
- interest rate index; and
- remaining term to maturity.

Any required repurchase or substitution will occur on the date the next collection period ends after the applicable cure period has expired.

In addition, the depositor will have an obligation to reimburse the issuing entity for:

- any shortfall between the balance of the qualified substitute student loans and the balance of the loans being replaced; and
- any program payments lost as a result of a breach of our representations and warranties.

See *“Transfer and Servicing Agreements—Sale of Student Loans to the Trust; Representations and Warranties of the Depositor”* in this base offering memorandum.

Representations and Warranties of SLM Education Credit Finance Corporation and the Other Sellers Under the Purchase Agreements

In each purchase agreement, the related seller of the student loans will make representations and warranties to the depositor concerning the student loans sold through that purchase agreement. These representations and warranties will be similar to the representations and warranties we made under the related sale agreement. Under each purchase agreement, the related seller will have repurchase, substitution and reimbursement obligations that match our obligations under the sale agreement.

See *“Transfer and Servicing Agreements—Purchase of Student Loans by the Depositor; Representations and Warranties of the Sellers”* in this base offering memorandum.

Covenants of the Servicer

The servicer will agree to service the trust student loans in compliance with the servicing agreement. It will have an obligation to purchase from an issuing entity any trust student loan if the issuing entity is materially and adversely affected by a breach by the servicer of any of its covenants concerning that student loan. Alternatively, the servicer will have the right to substitute qualified student loans in those circumstances. Any breach that relates to compliance with the relevant loan program rules, as in effect on such date of determination will not be considered to have a material adverse effect (for example, any breach by the servicer that is cured within the applicable grace period will not be considered to have a material adverse effect).

If the servicer does not cure a breach within the grace period specified in the related servicing agreement, the purchase or substitution will be made on the collection period end date

immediately following the expiration of the applicable cure period, or as otherwise described in the related offering memorandum supplement.

In addition, the servicer will have an obligation to reimburse the issuing entity for:

- any shortfall between the aggregate principal balance of the qualified substitute student loans and the aggregate principal balance of the loans being replaced; and
- any relevant loan program payments lost as a result of a breach of the servicer's covenants.

See "*Servicing and Administration—Servicer Covenants*" in this base offering memorandum.

Optional Purchases

Subject to any limitations described in the related offering memorandum supplement, the servicer or another entity specified in that offering memorandum supplement may, at its option, purchase, or arrange for the purchase of, all remaining trust student loans owned by an issuing entity on any distribution date when the pool balance of the remaining student loans is 10% or less of the initial pool balance, together with the aggregate initial principal balances of all trust student loans acquired during any applicable pre-funding period, plus accrued interest to be capitalized as of the applicable cutoff dates, or such lesser percentage as set forth in the related offering memorandum supplement. The exercise of this purchase option will result in the early retirement of the notes issued by that issuing entity. See "*The Student Loan Pools—Termination*" in this base offering memorandum.

In addition, the servicer or another entity specified in the offering memorandum supplement may have an option to purchase or arrange for the purchase of some of the trust student loans at any time. If the servicer or another entity has this option, the related offering memorandum supplement will specify the percentage limitation required for such purchase together with the other limitations thereon.

Call Option and Collateral Call

If specified in the related offering memorandum supplement, the servicer or one of its affiliates specified in such offering memorandum supplement may exercise its option to call, in full, one or more classes of notes. If a class of notes has been called, it will either remain outstanding and be entitled to all interest and principal payments on such class of notes under the related indenture, or the servicer or its specified affiliate

will deposit an amount into the collection account sufficient to redeem the specified class of notes, subject to satisfaction of the rating agency condition. See “*Description of the Notes—Call Option on the Notes*” in this base offering memorandum. In addition, if specified in the related offering memorandum supplement and provided that the rating agency condition is satisfied, the servicer or one or more of its affiliates will have the right to purchase certain of the trust student loans in an amount sufficient to redeem one or more classes of notes.

See “*Description of the Notes—Collateral Call*” in this base offering memorandum.

Auction of Trust Assets

Subject to any limitations described in the related offering memorandum supplement, the indenture trustee will offer for sale by auction all remaining trust student loans at the end of the collection period in which their aggregate pool balance is 10% or less of the initial pool balance, together with the aggregate initial principal balances of all trust student loans acquired during any applicable pre-funding period, plus accrued interest to be capitalized as of the applicable cutoff dates, or such lesser percentage as set forth in the related offering memorandum supplement. An auction will occur only if the entity with the optional purchase right has first waived its optional purchase right. The auction of the remaining trust student loans will result in the early retirement of the notes issued by that issuing entity. See “*The Student Loan Pools—Termination*” in this base offering memorandum and “*Summary of Terms—Termination of the Trust—Auction of the Trust Assets*” in the related offering memorandum supplement.

Tax Considerations

On the closing date for a series, Shearman & Sterling LLP or another law firm identified in the related offering memorandum supplement, as federal tax counsel to the applicable issuing entity, will deliver an opinion stating that, for U.S. federal income tax purposes:

- the notes of that series will be characterized as debt; and
- the issuing entity will not be characterized as an association or a publicly traded partnership taxable as a corporation.

In addition, the law firm identified in the related offering memorandum supplement as Delaware tax counsel to the issuing entity will deliver an opinion stating that:

- the tax characterizations which apply for U.S. federal income tax purposes would apply for Delaware state income tax purposes; and
- holders of the notes that are not otherwise subject to Delaware state income taxation will not become subject to Delaware state tax as a result of their ownership of the notes.

By acquiring a note, you will agree to treat that note as indebtedness.

See “*U.S. Federal Income Tax Consequences*” and “*State Tax Consequences*” in this base offering memorandum.

ERISA Considerations

A fiduciary of any employee benefit plan or other retirement arrangement subject to Title I of ERISA or Section 4975 of the Internal Revenue Code of 1986, as amended, should carefully review with its legal advisors whether the plan’s purchase or holding of any class of notes could give rise to a transaction prohibited or otherwise impermissible under ERISA or the Internal Revenue Code. See “*ERISA Considerations*” in this base offering memorandum and in the related offering memorandum supplement.

Ratings

All of the notes will be rated in at least one of the four highest rating categories by at least two nationally recognized statistical rating organizations. The offering memorandum supplement for each issuing entity will specify the ratings for the notes being issued.

Private Placement

No series or class of notes within a series will be offered to the public on its date of issuance and unless and until a valid registration statement is declared effective for any series or class of notes within a series, such notes will only be permitted to be bought or sold pursuant to an exemption from the registration requirements set forth in the Securities Act of 1933, as amended (the “Securities Act”). Such allowable registration exemptions will be more fully set forth in the related offering memorandum supplement.

RISK FACTORS

You should carefully consider the following risk factors in deciding whether to purchase any notes. You should also consider the additional risk factors described in each offering memorandum supplement. All of these risk factors could affect your investment in or return on the notes.

Because The Notes May Not Provide Regular Or Predictable Payments, You May Not Receive The Return On Your Investment That You Expected

The notes may not provide a regular or predictable schedule of payments or payment on any specific date. Accordingly, you may not receive the return on your investment that you expected.

The Notes Are Not Suitable Investments For All Investors

The notes are complex investments that should be considered only by investors who, either alone or with their financial, tax and legal advisors, have the expertise to analyze the prepayment, reinvestment, default and market risk, and tax consequences of such an investment, as well as the interaction of these factors.

If A Secondary Market For Your Notes Does Not Develop, The Value Of Your Notes May Diminish

The notes will be a new issue without an established trading market. While we intend to list the notes on a European exchange if specified in the related offering memorandum supplement, we do not intend to list the notes on any exchange in the United States. We cannot assure you that a listing on a European exchange will be accepted nor, in any event, that a secondary market for the notes will develop. If a secondary market does not develop, the spread between the bid price and the asked price for your notes may widen, thereby reducing the net proceeds to you from the sale of your notes.

The Issuing Entity Will Have Limited Assets From Which To Make Payments On The Notes, Which May Result In Losses

An issuing entity will not have, nor will it be permitted to have, significant assets or sources of funds other than the trust student loans. If so provided in the related offering memorandum supplement, the issuing entity may have a reserve account, any other accounts established in the issuing entity's name, any derivative contracts and other credit or cash flow enhancements.

Consequently, you must rely upon payments on the trust student loans from the borrowers and, if available, amounts on deposit in the trust accounts, amounts received from derivative counterparties and the other specified credit or cash flow enhancements to repay your notes. If these sources of funds are unavailable or insufficient to make payments on your notes, you may experience a loss on your investment.

Private Credit Student Loans May Have Greater Risk Of Default

Private credit student loans are made to students who may have higher debt burdens than student loan borrowers as a whole. Borrowers of private credit student loans typically have already borrowed up to the maximum annual or aggregate limits under the FFELP. As a result, borrowers of private credit student loans may be more likely than other student loan borrowers as a whole to default on their payments or have a higher rate of forbearances. Failures by borrowers to pay timely the principal and interest on their private credit student loans or an increase in deferments or forbearances could affect the timing and amount of available funds for any collection period and adversely affect an issuing entity's ability to pay principal and interest on your notes. In addition, the private credit student loans are not secured by any collateral of the borrowers and are not insured by any FFELP guaranty agency or by any governmental agency. Consequently, if a borrower defaults on a private credit student loan, you will bear the risk of loss to the extent that the reserve account or other specified credit enhancement for your notes is insufficient or unavailable to cover such default.

Past Charge-Off Rates On SLM Corporation's Private Credit Student Loans May Not Be Indicative Of Future Charge-Off Rates

Sallie Mae, Inc., as the servicer, has agreed to service the trust student loans on the same terms as they service substantially similar loans owned by SLM Corporation and its affiliates. SLM Corporation and its subsidiaries have established forbearance policies for their private credit student loans under which they provide the borrower with temporary relief from payment of principal or interest in exchange for a processing fee paid by the borrower, which is waived under certain circumstances. During the forbearance period, generally granted in three-month increments, interest that the borrower otherwise would have paid is typically capitalized at the end of the forbearance term. At December 31, 2009, approximately 5.50% of SLM Corporation's managed private credit student loans in repayment and forbearance were in forbearance. Forbearance is used most heavily when the borrower's loan enters repayment; however, borrowers may apply for forbearance multiple times and a significant number of private credit student loan borrowers have taken advantage of this option. When a borrower ends forbearance and enters repayment, the account is considered current. Accordingly, a borrower who may have been delinquent in his payments or may not have made any recent payments on his account will be accounted for as a borrower in current repayment status when the borrower exits the

forbearance period. In addition, past charge-off rates on SLM Corporation's private credit student loans may not be indicative of future charge-off rates because of, among other things, the use of forbearance and the effect of future changes to the forbearance policies. If their forbearance policies prove over time to be less effective on cash collections than they expect or if they limit the circumstances under which forbearance may be granted under their forbearance policies, these changes could have a material adverse effect on the amount of future charge-offs and the ultimate default rate changes.

In addition, future charge-off rates can be higher than anticipated due to a variety of factors such as downturns in the economy, regulatory or operational changes in debt management operations' effectiveness, and other unforeseeable future trends. You will bear the risk of loss if actual future performance in charge-offs and delinquency is worse than estimated.

Interests Of Other Persons In Private Credit Student Loans Could Be Superior To An Issuing Entity's Interest, Which May Result In Reduced Payments On Your Notes

Another person could acquire an interest in a private credit student loan that is superior to an issuing entity's interest in that student loan because the promissory notes evidencing private credit student loans will not be segregated or marked as belonging to an issuing entity and will not be held by a third-party custodian on behalf of the indenture trustee. The seller will cause financing statements to be filed with the appropriate governmental authorities to perfect an issuing entity's interest in the related private credit student loans. The servicer will also mark its books and records accordingly. However, the servicer will continue to hold the promissory notes evidencing private credit student loans. If another party purchases (or takes a security interest in) one or more private credit student loans for new value in the ordinary course of business and obtains possession of those promissory notes evidencing private credit student loans without actual knowledge of the issuing entity's interests, the new purchaser (or secured party) might acquire an interest in those private credit student loans superior to the interest of the applicable issuing entity.

You May Incur Losses Or Delays In Payments On Your Notes If Borrowers Default On The Student Loans

If defaults occur on the trust student loans and the credit enhancement described in the related offering memorandum supplement is insufficient, you may suffer a delay in payment or losses on your notes.

***You Will Bear Prepayment And
Extension Risk Due To Actions
Taken By Individual Borrowers And
Other Variables Beyond Our Control***

A borrower may prepay a student loan in whole or in part, at any time. The rate of prepayments on the student loans may be influenced by a variety of economic, social, competitive and other factors, including changes in interest rates, the availability of alternative financings and the general economy. Various loan consolidation programs, including those offered by affiliates of the depositor, available to eligible borrowers may increase the likelihood of prepayments. In addition, an issuing entity may receive unscheduled payments due to defaults and purchases by the servicer or the depositor. Because a pool may include thousands of student loans, it is impossible to predict the amount and timing of payments that will be received and paid to noteholders in any period. Consequently, the length of time that your notes are outstanding and accruing interest may be shorter than you expect.

On the other hand, the trust student loans may be extended as a result of grace periods, deferment periods and, under some circumstances, forbearance periods. This may lengthen the remaining term of the student loans and delay principal payments to you. In addition, the amount available for distribution to you will be reduced if borrowers fail to pay timely the principal and interest due on the trust student loans. Consequently, the length of time that your notes are outstanding and accruing interest may be longer than you expect.

Any optional purchase right, any provision for the auction of the student loans, and, if applicable, the possibility that any pre-funded amount may not be fully used to purchase additional student loans create additional uncertainty regarding the timing of payments to noteholders.

The effect of these factors is impossible to predict. To the extent they create reinvestment risk, you will bear that risk.

***You May Be Unable To Reinvest
Principal Payments At The Yield You
Earn On The Notes***

Asset-backed notes usually produce increased principal payments to investors when market interest rates fall below the interest rates on the collateral—student loans in this case—and decreased principal payments when market interest rates rise above the interest rates on the collateral. As a result, you are likely to receive more money to reinvest at a time when other investments generally are producing lower yields than the yield on the notes. Similarly, you are likely to receive less money to reinvest when other investments generally are producing higher yields than the yield on the notes.

***The Inability Of The Depositor Or
The Servicer To Meet Its Repurchase
Obligation May Result In Losses On
Your Notes***

Under some circumstances, the issuing entity has the right to require the depositor or the servicer to purchase a trust student loan or provide the issuing entity with a substitute student loan. This right arises generally if a breach of the representations, warranties or covenants of the depositor or the servicer, as applicable, has a material adverse effect on the issuing entity, and is not cured within the applicable cure period. We cannot guarantee you, however, that the depositor or the servicer will have the financial resources to make a purchase or substitution. In this case, you will bear any resulting loss.

***Subordination Of Some Classes Of
Notes Results In A Greater Risk Of
Losses Or Delays In Payment On
Those Notes***

Some classes of notes may be subordinate to other classes of that series. Consequently, holders of some classes of notes may bear a greater risk of losses or delays in payment. The offering memorandum supplement will describe the nature and extent of any subordination.

***The Notes May Be Repaid Early Due
To An Auction Sale Or The Exercise
Of The Purchase Option. If This
Happens, Your Yield May Be Affected
And You Will Bear Reinvestment Risk***

The notes may be repaid before you expect them to be if:

- the servicer or other applicable entity exercises its option to purchase all of the trust student loans; or
- the indenture trustee successfully conducts an auction sale.

Either event would result in the early retirement of the notes outstanding on that date. If this happens, your yield on the notes may be affected. You will bear the risk that you cannot reinvest the money you receive in comparable notes at an equal yield.

Incentive Programs May Affect Your Notes

At the present time, the sellers of the trust student loans make available to borrowers various incentive programs. In addition, under the terms of the servicing agreement for your notes, the servicer may make new incentive programs available to borrowers with trust student loans. See “*SLM Corporation’s Student Loan Financing Business—Underwriting of Private Credit Student Loans—Incentive Programs*” in this base offering memorandum. These current or future incentive programs may affect payments on your notes.

For example, if one or more of the incentive programs which offer a principal balance reduction to borrowers are made available to borrowers with trust student loans and a higher than anticipated number of borrowers qualify, the principal balance of the affected trust student loans may repay faster than anticipated.

Accordingly, your notes may experience faster than anticipated principal payments.

Conversely, the existence of these incentive programs may discourage a borrower from prepaying an affected trust student loan. If this were to occur, the principal balance of your notes may be reduced over a longer period than would be the case if there were no such incentive program.

Furthermore, incentive programs may reduce the amount of funds available to make payments on your notes by reducing the principal balances and yield on the trust student loans. In that case, you will bear the risk of any loss not covered by available credit enhancement.

A Servicer Default May Result In Additional Costs, Increased Servicing Fees By A Substitute Servicer Or A Diminution In Servicing Performance, Any Of Which May Have An Adverse Effect On Your Notes

If a servicer default occurs, the indenture trustee or the noteholders of a given series of notes may remove the servicer without the consent of the trustee. Only the indenture trustee or the noteholders, and not the trustee, have the ability to remove the servicer if a servicer default occurs. In the event of the removal of the servicer and the appointment of a successor servicer, we cannot predict:

- the cost of the transfer of servicing to the successor servicer;
- the ability of the successor servicer to perform the obligations and duties of the servicer under the servicing agreement; or
- the servicing fees charged by the successor servicer.

In addition, the noteholders have the ability, with some exceptions, to waive defaults by the servicer.

Furthermore, the indenture trustee or the noteholders may experience difficulties in appointing a successor servicer and during any transition phase it is possible that normal servicing activities could be disrupted, resulting in increased delinquencies and/or defaults on the trust student loans.

***The Bankruptcy Of The Servicer
Could Delay The Appointment Of A
Successor Servicer Or Reduce
Payments On Your Notes***

In the event of default by the servicer resulting solely from certain events of insolvency or the bankruptcy of the servicer, a court, conservator, receiver or liquidator may have the power to prevent either the indenture trustee or the noteholders from appointing a successor servicer or prevent the servicer from appointing a sub-servicer, as the case may be, and delays in the collection of payments on the trust student loans may occur. Any delay in the collection of payments on the trust student loans may delay or reduce payments to noteholders.

***The Bankruptcy Of The Depositor,
SLM ECFC Or Any Other Seller
Could Delay Or Reduce Payments On
Your Notes***

We have taken steps to assure that the voluntary or involuntary application for relief by SLM ECFC, which is the sole member of the depositor, or any other applicable seller under the United States Bankruptcy Code or other insolvency laws will not result in consolidation of the assets and liabilities of the depositor with those of SLM ECFC and the other sellers. However, we cannot guarantee that our activities will not result in a court concluding that our assets and liabilities should be consolidated with those of SLM ECFC or any other seller in a proceeding under any insolvency law. If a court were to reach this conclusion or a filing were made under any insolvency law by or against us, or if an attempt were made to litigate this issue, then delays in distributions on the notes or reductions in these amounts could result.

SLM ECFC, the other sellers of the student loans and the depositor intend that each transfer of student loans to the depositor will constitute a true sale. If such transfer constitutes a true sale, the student loans and their proceeds would no longer be considered property of SLM ECFC or the other sellers should any such seller become subject to an insolvency law.

If SLM ECFC or any other seller were to become subject to an insolvency law, and a creditor, a trustee-in-bankruptcy or the seller itself were to take the position that the sale of student loans from the related seller to the depositor should instead be treated as a pledge of the student loans to secure a borrowing of that seller, delays in payments on the notes could occur.

In addition, if the court ruled in favor of this position, reductions in the amount of payments on the notes could result.

If the transfer of student loans by SLM ECFC or any other seller to the depositor is treated as a pledge instead of a sale, a tax or government lien on the property of the SLM ECFC or the applicable seller that arises before the transfer of those student loans to the depositor may have priority over that issuing entity's interest in the student loans.

The Indenture Trustee May Have Difficulty Liquidating Student Loans After An Event Of Default

If an event of default occurs under an indenture, the indenture trustee may sell the trust student loans, without the consent of the noteholders (but only in the event that there has been a payment default on a class of senior notes, and in all other cases, if the purchase price received from the sale of the trust student loans is sufficient to repay all related noteholders in full). However, the indenture trustee may not be able to find a purchaser for the trust student loans in a timely manner or the market value of those loans may not be high enough to make noteholders whole.

Future Changes In Law May Adversely Affect Student Loans, The Depositor, SLM ECFC Or The Other Sellers And, Accordingly, Adversely Affect Your Notes

Federal or state laws, rules and regulations may be amended or modified in the future in a manner that could adversely affect the private credit student loan programs as well as the student loans made under these programs. Future changes could affect the ability of SLM ECFC, the other sellers, the depositor or the servicer to satisfy their obligations to purchase or substitute student loans. We cannot predict whether any changes will be adopted or, if adopted, what impact those changes would have on any issuing entity or the notes that it issues.

Withdrawal Or Downgrade Of Initial Ratings May Decrease The Prices Of Your Notes

The offering memorandum supplement for your notes will specify the minimum required ratings for the notes. A security rating is not a recommendation to buy, sell or hold securities. Similar ratings on different types of securities do not necessarily mean the same thing. A rating agency may revise or withdraw its rating at any time if it believes circumstances have changed. A subsequent downgrade in the rating on your notes is likely to decrease the price a subsequent purchaser will be willing to pay for your notes.

An Issuing Entity May Be Affected By Delayed Payments From Borrowers Called To Active Military Service

The Servicemembers Civil Relief Act and similar state and local laws provide payment relief to borrowers who enter active military service and to borrowers in reserve status who are called to active duty after the origination of their trust student loans. Recent and ongoing military operations by the United States have increased the number of citizens who are in active military service, including persons in reserve status who have been called or may be called to active duty.

We do not know how many trust student loans have been or may be affected by the application of these laws. As a result, there may be unanticipated delays in payment and losses on the trust student loans.

Consumer Protection Laws May Affect Enforceability Of Student Loans

Numerous federal and state consumer protection laws, including various state usury laws and related regulations, impose substantial requirements upon lenders and servicers involved in consumer finance. Some states impose finance charge ceilings and other restrictions on certain consumer transactions and require contract disclosures in addition to those required under federal law. These requirements impose specific statutory liability that could affect an assignee's ability to enforce consumer finance contracts such as the student loans. In addition, the remedies available to the indenture trustee or the noteholders upon an event of default under the indenture may not be readily available or may be limited by applicable state and federal laws.

Risk Of Bankruptcy Discharge Of Private Credit Student Loans

Private credit student loans made for qualified education expenses are generally not dischargeable by a borrower in bankruptcy. Private credit student loans can become dischargeable if the borrower proves that keeping the loans non-dischargeable would impose an undue hardship on the debtor and the debtor's dependents. In addition, direct-to-consumer loans are disbursed directly to the borrowers

based upon certifications and warranties contained in their promissory notes, including their certification of the cost of attendance for their education. This process does not involve school certification as an additional control and, therefore, may be subject to some additional risk that the loans are not used for qualified education expenses. If you own any notes in a related issuing entity, you will bear any risk of loss resulting from the discharge of any borrower of a private credit student loan to the extent the amount of the default is not covered by the issuing entity's credit enhancement.

Subordinated Noteholders May Not Be Able To Direct The Indenture Trustee Upon An Event Of Default Under The Indenture

If specified in the related offering memorandum supplement, and an event of default occurs under the indenture, only the holders of the controlling class of notes, which is defined as the holders of the then outstanding class or classes of the most senior notes, will be able to waive that event of default, accelerate the maturity dates of the notes or direct any remedial action under the related indenture. In this event, the holders of any outstanding subordinated class or classes of notes will not have any rights to direct any remedial action until each more senior class of notes has been paid in full.

In The Event Of An Early Termination Of A Swap Agreement Due To Certain Swap Termination Events, An Issuing Entity May Be Required To Make A Large Termination Payment To Any Related Swap Counterparty

To the extent described in the related offering memorandum supplement, when a class of notes bears interest at a fixed rate, an issuing entity may enter into one or more interest rate swap agreements to hedge basis risk.

A swap agreement generally may not be terminated except upon the occurrence of enumerated termination events set forth in the applicable swap agreement which will be described in the related offering memorandum supplement. Depending on the reason for the termination, however, a swap termination payment may be due from either the issuing entity or the related swap counterparty.

If a termination event under any of these swap agreements occurs and the issuing entity owes the related swap counterparty a large termination payment that is required to be paid pro rata with interest due to the related notes, the issuing entity may not have sufficient available funds on that or future distribution dates to make required payments of interest or principal, and the holders of all classes of notes may suffer a loss.

***Your Notes Will Have Greater Risk If
An Interest Rate Swap Agreement
Terminates***

If on any distribution date a payment is due to the issuing entity under an interest rate swap agreement, but the related swap counterparty defaults and the administrator is unable to arrange for a replacement swap agreement, holders of such notes will remain entitled to the established rate of interest and principal, even though the related swap agreement has terminated. If this occurs, amounts available to make payments on the related notes will be reduced to the extent the interest rates on those notes exceed the rates which the issuing entity would have been required to pay to the swap counterparty under the terminated interest rate swap agreement. In this event, the issuing entity may not have sufficient available funds on that or future distribution dates to make required payments of interest or principal to all classes of notes and you may suffer a loss.

FORMATION OF THE ISSUING ENTITIES

The Issuing Entities

The depositor will establish a separate issuing entity, in the form of a Delaware statutory trust, for each series of notes. We sometimes refer to an issuing entity as a “trust.” Each trust will be formed under a trust agreement. It will perform only the following activities:

- acquire, hold, sell and manage trust student loans, the other trust assets and related proceeds;
- enter into one or more swap agreements and/or interest rate cap agreements, from time to time;
- issue the notes;
- make payments on the notes; and
- engage in other incidental or related activities.

Other than issuing the notes or as otherwise specified in the offering memorandum supplement for your notes, no trust will be permitted to borrow money or make loans to other persons. Unless otherwise specified in a related offering memorandum supplement, the permitted activities of the trust may be amended only with the consent of a majority of the senior and subordinate noteholders, voting separately; however, the trust agreement may be modified without noteholder consent if an opinion of counsel is provided to the effect that such proposed revisions would not adversely affect in any material respect the interests of any noteholder.

Each trust will have only nominal initial capital. On behalf of each trust, the trustee will use the proceeds from the sale of the related notes to purchase the trust student loans.

Following the purchase of the trust student loans, the assets of the trust will include:

- the trust student loans themselves, title to which will be held by the trustee;
- all funds collected on the trust student loans on or after the date specified in the offering memorandum supplement;
- all moneys and investments on deposit in the collection account, any reserve account, any pre-funding account and any other trust account or any other form of credit enhancement (amounts on deposit in any account may be invested in eligible investments as permitted by the related indenture);
- all applicable rights under each applicable swap agreement and/or interest rate cap agreement then in effect;

- rights under the related transfer and servicing agreements, including the right to require the sellers, the depositor or the servicer to repurchase trust student loans from it or to substitute student loans under some conditions; and
- if applicable, rights under any policy with an insurer.

Each trust and its assets (other than the trust student loans) will be administered by the administrator pursuant to the administration agreement. The servicer will be responsible for the servicing and administration of the trust student loans pursuant to the servicing agreement. See “*Servicing and Administration*” in this base offering memorandum.

The trusts will not own any other assets. The fiscal year of each trust will be a calendar year.

The notes will represent indebtedness of the related trust secured by its assets. The excess distribution certificate will represent the beneficial ownership interest of the assets of the trust. To facilitate servicing and to minimize administrative burden and expense, the servicer, directly or through subservicers, will retain possession of the promissory notes and other documents related to the student loans as custodian for the trust and the trustee.

The sections “*The Transfer and Servicing Agreements*,” “*Servicing and Administration*” and “*Base Offering Memorandum Summary—The Notes*” in this base offering memorandum contain descriptions of the material provisions of the transaction agreements. The related offering memorandum supplement may also contain additional information regarding other material provisions of certain transaction agreements.

Trustee

We will specify the owner trustee (referred to herein as the trustee) for the related trust in the related offering memorandum supplement. We will also specify the Delaware trustee for the related trust in the offering memorandum supplement for your notes. The Delaware trustee’s roles will be limited to those duties required under the Delaware Statutory Trust Act. Unless otherwise provided in the related trust agreement, such roles are limited to fulfilling the provision of the Statutory Trust Act that a Delaware statutory trust shall at all times have at least one trustee, in the case of a natural person, who shall be a person who is a resident of Delaware or which, in all other cases, has its principal place of business in Delaware, and will accept service of process in Delaware on behalf of the trust.

The trustee will act on behalf of the excess distribution certificateholders and represent their rights and interests in the exercise of their rights under the related trust agreement. Except as specifically delegated to the administrator in the administration agreement, the trustee will also execute and deliver all agreements required to be entered into on behalf of the related trust.

The liability of the trustee in connection with the issuance and sale of any notes will consist solely of its express obligations in the trust agreement and sale agreement. The trustee will not be personally liable for any actions or omissions that were not the result of its own bad faith, fraud, willful misconduct or negligence. The trustee will be entitled to be indemnified by

the administrator (at the direction of the depositor) for any loss, liability or expense (including reasonable attorneys' fees and expenses) incurred by it in connection with the performance of its duties under the indenture and the other transaction agreements.

A trustee may resign at any time. If it does, the administrator must appoint a successor. The administrator may also remove a trustee if such trustee becomes insolvent or ceases to be eligible to continue as trustee. In that event, the administrator must appoint a successor. The resignation or removal of a trustee and the appointment of a successor will become effective only when a successor accepts its appointment. To the extent expenses incurred in connection with the replacement of a trustee are not paid by the applicable trustee that is being replaced or by the applicable successor trustee, the depositor will be responsible for the payment of such expenses.

The offering memorandum supplement will specify the principal office of each trust and trustee.

USE OF PROCEEDS

On the closing date specified in the applicable offering memorandum supplement, the trustee, on behalf of the trust, will purchase student loans from the depositor and make an initial deposit into the collection account, the reserve account, any capitalized interest account, any cash capitalization or cash collateral account and any pre-funding account with the net proceeds from the sale of the notes. The trustee may also apply the net proceeds for other purposes to the extent described in the related offering memorandum supplement. We will use the money we receive for general corporate purposes, including purchasing the student loans and acquiring any credit or cash flow enhancement specified in the related offering memorandum supplement.

THE DEPOSITOR

SLM Funding LLC is the depositor. SLM Education Credit Finance Corporation, which we sometimes refer to as SLM ECFC in this base offering memorandum, is the sole member of SLM Funding LLC. It became the sole member of the depositor on June 29, 2004. Prior to that date, the Student Loan Marketing Association, which was liquidated on December 29, 2004, was the depositor's sole member. The depositor was incorporated in Delaware as SLM Funding Corporation on July 25, 1995 and was converted to a limited liability company on December 31, 2002.

The depositor has only limited purposes, which include purchasing student loans from SLM ECFC and other sellers, transferring the student loans to the trusts and other incidental and related activities. Its principal executive offices are at 12061 Bluemont Way, V3419, Reston, Virginia 20190. Its telephone number is (703) 810-3000.

The depositor has taken steps intended to prevent any application for relief by SLM ECFC, as sole member, under any insolvency law resulting in consolidation of the depositor's assets and liabilities with those of SLM ECFC. These steps include its creation as a separate, limited-purpose subsidiary with its own limited liability company identity. The depositor's operating agreement contains limitations including:

- restrictions on the nature of its business; and
- a restriction on its ability to commence a voluntary case or proceeding under any insolvency law without the unanimous affirmative vote of all of its directors.

Among other things, the depositor will maintain its separate limited liability company identity by:

- maintaining records and books of accounts separate from those of its sole member;
- refraining from commingling its assets with the assets of its sole member; and
- refraining from holding itself out as having agreed to pay, or being liable for, the debts of its sole member.

Each transaction agreement will also contain “non-petition” covenants to prevent the commencement of any bankruptcy or insolvency proceedings against the depositor and/or the issuing entity, as applicable, by any of the transaction parties or by the noteholders.

We have structured the transactions described in this base offering memorandum to assure that the transfer of the student loans by its sole member or any other seller to the depositor constitutes a “true sale” of the student loans. If the transfer constitutes a “true sale,” the student loans and related proceeds would not be property of the applicable seller should it become subject to any insolvency law. Although each seller and the depositor will express its intent to treat the conveyance of the related trust student loans as a sale, each seller and the depositor will also grant to the trustee, on behalf of the trust, a security interest in the related trust student loans. This security interest is intended to protect the interests of the noteholders if a bankruptcy court were to characterize the seller’s or the depositor’s transfer of the loans as a borrowing by such seller or the depositor secured by a pledge of the trust student loans. In the event that a bankruptcy court did characterize the transaction as a borrowing by a seller or the depositor, that borrowing would be secured by the trust student loans in which such seller or the depositor granted a security interest to the trustee. Each seller and the depositor has agreed to take those actions that are necessary to maintain the security interest granted to the trustee as a first priority, perfected security interest in the trust student loans, including the filing of Uniform Commercial Code financing statements, if necessary.

Upon each issuance of notes, the depositor will receive the advice of counsel that, subject to various facts, assumptions and qualifications, the transfer of the student loans by the applicable seller to the depositor would be characterized as a “true sale” and the student loans and related proceeds would not be property of the applicable seller under the insolvency laws.

The depositor will also represent and warrant that each sale of trust student loans by the depositor to the trust is a valid sale of those loans. In addition, the depositor, the trustee and the trust will treat the conveyance of the trust student loans as a sale. The depositor, SLM ECFC and each other seller will take all actions that are required so the trustee will be treated as the legal owner of the trust student loans.

The depositor's obligations after issuance of a series of notes include the sale of any trust student loans to the related trust to be purchased with amounts on deposit in any pre-funding account and/or supplemental purchase account and delivery of certain related documents and instruments, repurchasing trust student loans in the event of certain breaches of representations or warranties made by the depositor, providing tax-related information to the trustee and maintaining the trustee's first priority perfected security interest in the assets of the related trust.

The offering memorandum supplement for a series may contain additional information concerning the depositor.

THE SPONSOR, SERVICER AND ADMINISTRATOR

Sallie Mae, Inc. acts as the sponsor of the SLM student loan securitization program. Sallie Mae, Inc., which we sometimes refer to as SMI in this base offering memorandum, is a wholly owned subsidiary of SLM Corporation and acts as the principal management company for most of SLM Corporation's business activities. SMI's servicing division, Sallie Mae Servicing, manages and operates the loan servicing functions for SLM Corporation and its affiliates. SMI acts as administrator for each trust sponsored by the depositor and its affiliates. As administrator, SMI may delegate or subcontract its duties as administrator, but no delegation or subcontract will relieve SMI of its liability under the administration agreement. Effective as of December 31, 2003, SMI merged with Sallie Mae Servicing L.P. SMI was the surviving entity and succeeded to all of the rights and obligations of Sallie Mae Servicing L.P. SMI is a Delaware corporation and its principal executive offices are at 12061 Bluemont Way, Reston, Virginia 20190. Its telephone number is (703) 810-3000.

SMI is an affiliate of the depositor and each seller.

SMI's servicing division, Sallie Mae Servicing, services the vast majority of student loans owned by SLM Corporation and its affiliates. Its loan servicing centers are located in Florida, Indiana, Nevada, Pennsylvania and Texas. As servicer, SMI may delegate or subcontract its duties as servicer, but no delegation or subcontract will relieve SMI of its liability under the servicing agreement.

Sallie Mae Servicing has serviced student loans for over 20 years. SMI itself, and as the assignee of the Student Loan Marketing Association, sponsored its first student loan securitization in 1995, called Sallie Mae Student Loan Trust 1995-1.

As of December 31, 2009, SMI and/or SLMA have sponsored 110 student loan securitizations involving 93 FFELP student loan transactions and 17 private education loan transactions. These sponsored trusts have issued, in both public offerings and private placements, an aggregate principal amount of notes greater than \$232 billion.

SMI owns no loans. As the sponsor and administrator of the company's student loan securitization program, SMI selects portfolios of loans from loans owned by its affiliates for sale to the trust. SMI is also chiefly responsible for structuring each transaction.

SLM Corporation and its subsidiaries originate both federally guaranteed student loans which are administered by the U.S. Department of Education, and private credit student loans, which are not federally guaranteed. SLM Corporation and its subsidiaries manage the largest

portfolio of student loans in the industry, serving, as of December 31, 2009, more than ten million borrowers through SLM Corporation's and its subsidiaries' ownership and management of approximately \$176.4 billion in managed student loans, of which approximately \$141.4 billion, or approximately 80%, are federally insured. SMI is also the nation's largest servicer of student loans, servicing a portfolio of \$194.2 billion, as of December 31, 2009.

In addition to federal loan programs, which have statutory limits on annual and total borrowing, SMI and its affiliates sponsor a variety of private credit student loan programs and purchase loans made under such programs to bridge the gap between the cost of education and a student's resources. Most of these higher education private credit student loans are made in conjunction with a FFELP Stafford loan, so they are marketed to schools through the same marketing channels as FFELP loans by the same sales force. In 2004, SMI expanded its direct-to-consumer loan marketing channel with its Tuition Answer^(SM) loan program where SMI's affiliates originate and purchase loans outside of the traditional financial aid process. SMI's affiliates also originate and purchase alternative private credit student loans, which are marketed by a subsidiary of SLM Corporation to technical and trade schools, tutorial and learning centers, and private kindergarten through secondary education schools. These loans are primarily made at schools not eligible for Title IV loans. In 2006, SMI began to sponsor a private credit consolidation loan program under which certain SMI affiliates and their lender partners make new loans available to borrowers to combine two or more existing loans into a single loan. In 2005, Sallie Mae announced the formation of Sallie Mae Bank as a Utah industrial loan corporation. Beginning in 2006, Sallie Mae Bank began to originate private credit and direct-to-consumer loans.

The offering memorandum supplement for a series may contain additional information concerning the sponsor, the servicer or the administrator.

THE SELLERS

SLM Education Credit Finance Corporation. SLM ECFC, formerly known as NM Education Loan Corporation and subsequently as SLM Education Credit Management Corporation, is a wholly-owned subsidiary of SLM Corporation. SLM ECFC was formed on July 27, 1999. It changed its name to SLM Education Credit Finance Corporation on November 19, 2003. SLM ECFC purchases Stafford Loans, SLS Loans and PLUS Loans originated by its affiliates under the FFELP loan program. It also purchases loans made by these affiliates that are not originated under the FFELP loan program, such as Health Education Assistance Program loans, which the United States Department of Health and Human Services insures directly and loans which are not reinsured by the federal government.

SLM Education Loan Corp. SLM Education Loan Corp. is a wholly-owned subsidiary of SLM Corporation. We sometimes refer to SLM Education Loan Corp. as SLM ELC in this base offering memorandum. SLM ELC was incorporated in Delaware on April 29, 1998. SLM ELC originates Stafford Loans, SLS Loans and PLUS Loans under the FFELP loan program. It also originates consolidation loans. In addition, SLM ELC holds a portfolio of Stafford Loans, SLS Loans, PLUS Loans and consolidation loans which it was assigned or received as a part of a capital contribution from SLM Corporation.

The Other Sellers. If your notes will be secured by student loans being sold to the depositor by an entity other than the sellers described above, which will be an affiliate of the depositor, the offering memorandum supplement for your notes will provide you details about that other seller.

Third-Party Originators. To the extent private credit student loans are originated by entities not affiliated with SLM Corporation (and subsequently purchased by one of the sellers), such private credit student loans have been generally underwritten to the criteria specified by the Sallie Mae programs as set forth below under “*Sallie Mae’s Student Loan Financing Business.*” To the extent trust student loans in a pool are originated by a third-party originator and are not underwritten to the SMI student loan criteria set forth below, if the amount of such trust student loans is 10% or more of the pool, the related offering memorandum supplement will identify such third-party originator and if the amount of such trust student loans is 20% or more of the pool, the related offering memorandum supplement will also identify the originator’s form of organization and, to the extent material, describe such third-party originator’s student loan origination experience and underwriting standards.

The offering memorandum supplement for a series may also contain additional information concerning the sellers and/or third-party originators.

THE STUDENT LOAN POOLS

The depositor will purchase the trust student loans from SLM ECFC and other sellers described in the offering memorandum supplement for your notes out of the portfolio of student loans held by that seller. Each pool of trust student loans owned by any issuing entity may contain only private credit student loans.

The trust student loans must meet several criteria, including:

- Each loan was originated in the United States, its territories or its possessions in accordance with the rules of the specific loan program.
- Each loan contains terms required by the program.
- Each loan provides for periodic payments that will fully amortize the amount financed over its term to maturity, exclusive of any deferment or forbearance periods.
- Each loan satisfies any other criteria described in the related offering memorandum supplement.

The offering memorandum supplement for each series will provide information about the student loans in the related trust that will include:

- the composition of the pool;

- the distribution of the pool by loan type, payment status, interest rate basis and remaining term to maturity; and
- the borrowers' states of residence.

Prepayments and Yield

Prepayments on student loans can be measured relative to a prepayment standard or model. The offering memorandum supplement for a series of notes will describe the prepayment standard or model, if any, used and may contain tables setting forth the projected weighted average life of each class of notes of that series based on the assumptions stated in the offering memorandum supplement (including assumptions that prepayments on the student loans included in the related trust are made at rates corresponding to various percentages of the prepayment standard or model specified in that offering memorandum supplement).

We cannot give any assurance that the prepayment of the trust student loans included in the related trust will conform to any level of any prepayment standard or model specified in the related offering memorandum supplement. The rate of principal prepayments on pools of student loans is influenced by a variety of economic, demographic, geographic, legal, tax, social and other factors.

The yield to an investor who purchases notes in the secondary market at a price other than par will vary from the anticipated yield if the rate of prepayment on the student loans is actually different than the rate anticipated by the investor at the time the notes were purchased.

The offering memorandum supplement relating to a series of notes will discuss in greater detail the effect of the rate and timing of principal payments (including prepayments), delinquencies and losses on the yield, weighted average lives and expected maturities of the notes.

Payment of Notes

Upon the payment in full of all outstanding notes of a given series, the trustee will succeed to all the rights of the indenture trustee, on behalf of the holder of the excess distribution certificate.

Termination

For each trust, the obligations of the servicer, the depositor, the administrator, the trustee and the indenture trustee under the transfer and servicing agreements will terminate upon:

- the maturity or other liquidation of the last trust student loan and the disposition of any amount received upon liquidation of any remaining trust student loan; and
- the payment to the noteholders of all amounts required to be paid to them.

The servicer or another entity specified in the related offering memorandum supplement, at its option, may repurchase or arrange for the purchase of all remaining trust student loans as of the end of any collection period if the outstanding pool balance is 10% or less of the initial pool balance, as defined in the related offering memorandum supplement, together with the aggregate initial principal balances of all trust student loans acquired during any applicable pre-funding period, plus accrued interest to be capitalized as of the applicable cut-off dates. The purchase price will equal the aggregate purchase amounts for the loans as of the end of that collection period. It will not be less than the minimum purchase amount specified in the related offering memorandum supplement. These amounts will be used to retire the related notes. Upon termination of a trust, any remaining assets of that trust, after giving effect to final distributions to the noteholders, will be transferred to the reserve account and paid as provided in the related offering memorandum supplement.

If the servicer or another entity fails to exercise their optional purchase right as described above, the indenture trustee will try to auction any trust student loans remaining in the related trust at the end of the collection period preceding the trust auction date specified in the related offering memorandum supplement. SLM ECFC, any other seller, their affiliates and unrelated third parties may make bids to purchase these trust student loans on the trust auction date; however, SLM ECFC, any other seller or their affiliates may offer bids only if the pool balance at that date is 10% or less of the initial pool balance together with the aggregate initial principal balances of all trust student loans acquired during any applicable pre-funding period plus accrued interest to be capitalized as of the applicable cutoff dates.

SALLIE MAE'S STUDENT LOAN FINANCING BUSINESS

SLM Corporation operates its student loan financing business through several subsidiaries, including Sallie Mae Bank, SLM ECFC and SLM ELC. We sometimes refer to SLM Corporation and its family of subsidiaries as Sallie Mae. These companies make and/or purchase loans under several private credit student loan programs, such as Health Education Assistance Program loans, which the United States Department of Health and Human Services insures directly, and other private credit student loan programs which are not reinsured by the federal government.

These companies also originate and/or purchase student loans insured under various federally sponsored programs. These companies purchase Stafford Loans, SLS Loans and PLUS Loans originated under the FFELP, all of which are insured by guarantors and reinsured by the U.S. Department of Education. They also originate and purchase consolidation loans.

They purchase insured loans from various sources including:

- commercial banks, thrift institutions and credit unions;
- pension funds and insurance companies;
- educational institutions; and

- various state and private nonprofit loan originating and secondary market agencies.

These purchases occur at various times including:

- shortly after loan origination;
- while the borrowers are still in school;
- just before the loan's conversion to repayment after borrowers graduate or otherwise leave school; or
- while the loans are in repayment.

In addition to buying loans on a spot basis, these companies enter into commitment contracts to purchase loans over a specified period of time. Many lenders using the secondary market for student loans hold loans while borrowers are in school and sell loans shortly before their conversion to repayment status, when servicing costs and risks increase significantly. SLM Corporation, through SLM ECFC, SLM ELC or another subsidiary, offers these lenders commitment contracts under which they have the right or the obligation to sell a specified amount of loans over a specified term, usually two to three years.

In conjunction with commitment contracts, the purchaser, directly or indirectly through the servicer, frequently provides the selling institution with operational support in the form of either:

- its automated loan administration system called PortSS® for the lender to use prior to loan sale; or
- its loan origination and interim servicing system called ExportSS®.

Both PortSS and ExportSS provide the applicable Sallie Mae entity and the lender with the assurance that the loans will be administered by the servicer's computerized servicing systems.

The sellers and other affiliates of SLM Corporation have developed student loan programs that are not federally guaranteed for undergraduate students and/or their parents ("Private Undergraduate Loans"), graduate students ("Private Graduate Loans"), private credit consolidation programs ("Private Consolidation Loans"), programs marketed directly to consumers ("Direct-to-Consumer Loans"), programs for students and/or their parents at technical and trade schools, tutorial and learning centers, and private kindergarten through secondary education schools ("Career Training Loans"), that can be used by borrowers to supplement their FFELP loans in situations where the FFELP loans do not cover the cost of education or to cover education at non-Title IV institutions and programs for undergraduate, graduate and health professional students ("EFG Loans"), that provide borrowers with private supplemental funding. We sometimes refer to all such loans as private credit student loans in this base offering memorandum. Private Undergraduate Loans and some Private Graduate Loans ("Undergraduate

and Graduate Loans”) are marketed as Signature Select Loans®, College Advantage Loan and Signature Student Loans® (collectively, the “Signature Student Loans”) and EXCEL®, Student EXCEL®, EXCEL Select, EXCEL Custom®, EXCEL Education Loan^(SM), EXCEL Grad Loan^(SM), EXCEL Preferred®, GRADEXCEL®, GradEXCEL Preferred and GradEXCEL Custom (collectively, the “EXCEL Loans”). Private Graduate Loans made to law students (“Law Loans”) are marketed as LawEXCEL, LawEXCEL Preferred, LawEXCEL Custom, B&B EXCEL Custom and EXCEL Grad Extension Loan^(SM) (collectively, the “LawEXCEL Loans”) and LAWLOANS (consisting of LAWLOANS®, LAWLOAN Private Loans^(SM) and LAWLOAN Bar Study Loans). Private Graduate Loans made to medical students (“Medical Loans”) are marketed as MD EXCEL, Med EXCEL Preferred, Med EXCEL Custom, Med EXCEL, R&R EXCEL, R&R EXCEL Preferred, R&R EXCEL Custom and EXCEL Grad Extension Loan R&R (collectively, the “MD EXCEL Loans”) and MEDLOANS (consisting of MEDLOANS®, MEDLOAN Alternative Loan Program (ALP) loans and MEDEX Loan Program loans). Private Graduate Loans made to dental students (“Dental Loans”) are marketed as Dental EXCEL Preferred and Dental EXCEL Custom (together, the “Dental EXCEL Loans”) and DENTALoans (consisting of DENTALoans Private Loans, DENTALoans Advanced Study Private Loans and the DENTALoans Residency, Relocation and Licensure Exam Loans). Private Graduate Loans made to business school graduate students (“MBA Loans”) are marketed as MBA EXCEL, MBA EXCEL Preferred and MBA EXCEL Custom (collectively, the “MBA EXCEL Loans”) and MBA Loans®. Private Consolidation Loans are marketed as Private Consolidation Loans. Direct-to-Consumer Loans are marketed as Tuition Answer^(SM), Tuition Answer II and Tuition Answer for Employees First (collectively, “Tuition Answer Loans”). Career Training Loans are marketed as Career Training Loans, K-12 Loans and Tutorial Loans (collectively, “Career Training Loans”). EFG Loans are marketed as Platinum Alternative Loans, EFG Select Alternative Loans, EFG Select International Medical Schools Loans and EFG Medical Extra Loans. The Undergraduate and Graduate Loans, Medical Loans, Law Loans, MBA Loans, Private Consolidation Loans, Direct-to-Consumer Loans, Career Training Loans and EFG Loans are sometimes referred to collectively as the “Private Credit Student Loans.” The holders of Private Credit Student Loans are not entitled to receive any federal assistance with respect thereto.

In addition, a law student may be eligible for a bar examination loan to finance the costs of preparing for and taking one or more state bar examinations if such student has applied for the loan within a limited period before or after graduation. A medical or dental student may be eligible for a residency loan to finance the cost of participating in one or more medical or dental residency programs if such student has applied for the loan within a limited period before or after graduation.

Sallie Mae’s Private Credit Student Loans are originated and serviced by Sallie Mae, Inc. and funded by Sallie Mae Bank or another lender partner. These loans are typically purchased by SLM ECFC.

Some of the types of Private Credit Student Loans which may be originated, serviced and purchased by Sallie Mae include:

- *Undergraduate and Graduate Loans.* Sallie Mae entities acquire Signature Student Loans and EXCEL Loans funded by several commercial banks in the United States. Sallie Mae Bank also funds Signature Student Loans. Signature Student Loans and EXCEL Loans provide undergraduate and graduate students (other than law, medical, dental or business school students) supplemental financing to help fund the cost of attending an undergraduate or graduate institution. Signature Student Loans and EXCEL Loans are serviced on behalf of the seller by the servicer or a subservicer identified in the offering memorandum supplement for your notes. They are not guaranteed by any federal guarantor, or by any governmental agency or by any private guarantor. Signature Student Loans and EXCEL Loans may not be made to a single borrower in excess of the annual and aggregate limits imposed by the applicable loan program and may only be made to eligible students who qualify pursuant to credit underwriting standards established by the funding lender and SMI.
- *Law Loans.* Sallie Mae entities acquire LAWLOANS and LawEXCEL Loans funded by several commercial banks in the United States. Sallie Mae Bank also funds LAWLOANS. LAWLOANS and LawEXCEL Loans provide law students additional educational financing to help pay for the costs of attending law school and to finance the costs of taking one or more state bar examinations upon graduation from law school. LAWLOANS and LawEXCEL Loans are serviced on behalf of the seller by the servicer. They are not guaranteed by any federal guarantor, or by any other governmental agency or by any private guarantor. LAWLOANS and LawEXCEL Loans may not be made to a single borrower in excess of the annual and aggregate limits imposed by the applicable loan program and may only be made to eligible students who qualify pursuant to credit underwriting standards established by the funding lender and SMI.
- *Medical Loans.* Sallie Mae entities acquire MEDLOANS and MD EXCEL Loans funded by several commercial banks in the United States. Sallie Mae Bank also funds MEDLOANS. MEDLOANS and MD EXCEL Loans provide medical students additional educational financing to help pay for the costs of attending medical school. A medical student may also receive a residency loan to finance the cost of participating in one or more medical residency programs if such student has applied for the loan within a limited period or after graduation. MEDLOANS and MD EXCEL Loans are serviced on behalf of the seller by the servicer. They are not guaranteed by any federal guarantor, or by any governmental agency or by any private guarantor. MEDLOANS and MD EXCEL Loans may not be made to a single borrower in excess of the annual and aggregate limits imposed by the applicable loan program and may only be made to eligible students who qualify pursuant to credit underwriting standards established by the funding lender and SMI.
- *Dental Loans.* Sallie Mae entities acquire DENTALoans and Dental EXCEL Loans funded by several commercial banks in the United States. Sallie Mae Bank also funds DENTALoans. DENTALoans and Dental EXCEL Loans provide dental students additional educational financing to help pay for the costs of attending dental school. A dental student may also receive a residency, relocation and licensure exam

loan to finance the cost of participating in one or more dental residency programs if such student has applied for the loan within a limited period or after graduation. DENTALoans and Dental EXCEL Loans are serviced on behalf of the seller by the servicer. They are not guaranteed by any federal guarantor, or by any governmental agency or by any private guarantor. DENTALoans and Dental EXCEL Loans may not be made to a single borrower in excess of the annual and aggregate limits imposed by the applicable loan program and may only be made to eligible students who qualify pursuant to credit underwriting standards established by the funding lender and SMI.

- *MBA Loans.* The seller acquires MBA Loans and MBA EXCEL Loans funded by several commercial banks in the United States. Sallie Mae Bank also funds MBA Loans. MBA Loans and MBA EXCEL Loans provide business school students additional educational financing to help pay for the costs of attending graduate school. MBA Loans and MBA EXCEL Loans are serviced on behalf of the seller by the servicer. They are not guaranteed by any federal guarantor, or by any other governmental agency or by any private guarantor. MBA Loans and MBA EXCEL Loans may not be made to a single borrower in excess of the annual and aggregate limits imposed by the applicable loan program and may only be made to eligible students who qualify pursuant to credit underwriting standards established by the funding lender and SMI.
- *Direct-to-Consumer Loans.* Sallie Mae Bank funds Direct-to-Consumer Loans. Direct-to-Consumer Loans provide undergraduate and graduate students or other creditworthy individuals borrowing on behalf of students (other than law, medical, dental or business school students) supplemental financing to help fund the cost of attending an undergraduate or graduate institution. Direct-to-Consumer Loans are serviced on behalf of the seller by the servicer or a subservicer identified in the offering memorandum supplement for your notes. They are not guaranteed by any federal guarantor, or by any governmental agency or by any private guarantor. Direct-to-Consumer Loans may not be made to a single borrower in excess of the annual and aggregate limits imposed by the applicable loan program and may only be made to eligible students or other creditworthy individuals borrowing on behalf of students who qualify pursuant to credit underwriting standards established by Sallie Mae Bank.
- *Private Consolidation Loans.* Sallie Mae Bank funds Private Consolidation Loans. Private Consolidation Loans allow eligible borrowers to combine several existing private credit student loans into one new loan. Private Consolidation Loans are serviced on behalf of the seller by the servicer or a subservicer identified in the offering memorandum supplement for your notes. They are not guaranteed by any federal guarantor, or by any governmental agency or by any private guarantor. Private Consolidation Loans may not be made to a single borrower in excess of the annual and aggregate limits imposed by the applicable loan program and may only be made to eligible borrowers who qualify pursuant to credit underwriting standards established by Sallie Mae Bank.

- *Career Training Loans.* Sallie Mae Bank funds Career Training Loans. Career Training Loans provide eligible borrowers financing at technical and trade schools, tutorial and learning centers, and private kindergarten through secondary education schools. Career Training Loans are serviced on behalf of the seller by the servicer or a subservicer indentified in the offering memorandum supplement for your notes. They are not guaranteed by any federal guarantor, or by any governmental agency or by any private guarantor. Career Training Loans may not be made to a single borrower in excess of the annual and aggregate limits imposed by the applicable loan program and may only be made to eligible students or other creditworthy individuals borrowing on behalf of students who qualify pursuant to credit underwriting standards established by Sallie Mae Bank.
- *EFG Loans.* Sallie Mae entities acquired the EFG Loans, which were funded by commercial banks in the United States. EFG Loans provide private supplemental funding for undergraduate, graduate and health professional students. EFG Loans are serviced on behalf of the seller by the servicer or a subservicer indentified in the offering memorandum supplement for your notes. They are not guaranteed by any federal guarantor, or by any governmental agency, but they may be guaranteed by a private insurer. However, no issuing entity or noteholder will have any benefit of any such insurance party. EFG Loans may not be made to a single borrower in excess of the annual and aggregate limits imposed by the applicable loan program and may only be made to eligible students or other creditworthy individuals borrowing on behalf of students who qualify pursuant to credit underwriting standards of the related originator.
- *Other Private Credit Student Loan Programs.* From time to time the seller may acquire Private Credit Student Loans originated under other loan programs. If the trust for your notes were to purchase any of those loans, the offering memorandum supplement for your notes would describe the loans and the loan program.

The offering memorandum supplement for your notes will identify the specific types of trust student loans related to your notes and will provide more specific details of the loan program involved. We have included program descriptions for the Undergraduate and Graduate Loan Program, Law Loan Programs, MBA Loan Programs, Medical Loan Programs, Dental Loan Programs, Direct-to-Consumer Loan Programs, Private Consolidation Loan Program, Career Training Loan Program and EFG Loan Programs as described in “*Appendix A,*” “*Appendix B,*” “*Appendix C,*” “*Appendix D,*” “*Appendix E,*” “*Appendix F,*” “*Appendix G,*” “*Appendix H*” and “*Appendix I,*” respectively, each of which is a part of this base offering memorandum. The program rules and servicing criteria for these private credit student loans may be modified from time to time. Any other private credit student loan programs for loans to be purchased by a trust will be described in a similar manner in the related offering memorandum supplement.

Underwriting of Private Credit Student Loans

- *Signature Student Loans, LAWLOANS, MEDLOANS, DENTALoans and MBA Loans.* Prior to 1998, judgmental criteria were applied and considered elements of a borrower's credit history such as: number of late payments, record of bankruptcies, foreclosures, garnishments, judgments, unpaid liens, educational loan defaults, etc. Beginning in May 1998, FICO scoring was employed. Freshmen borrowers have additional requirements to qualify on their own for one of these loans. They must have forty-eight (48) months of credit history and two active trade lines in the previous two months. Any applicant who does not meet underwriting or eligibility requirements must obtain a creditworthy cosigner to obtain a loan. However, there are certain denial reasons for a borrower that will not allow that borrower to obtain a loan even with a creditworthy cosigner and the MEDLOANS program does not allow cosigners.
- *EXCEL Loans, LawEXCEL Loans, MBA EXCEL Loans, MD EXCEL Loans, Dental EXCEL Loans, Private Consolidation Loans and Direct-to-Consumer Loans.* Since inception, judgmental criteria have been applied and considered elements of a borrower's and cosigner's credit history such as: number of late payments, record of bankruptcies, foreclosures, garnishments, judgments, unpaid liens, educational loan defaults, etc. Student EXCEL® and the EXCEL Graduate loans (consisting of the LawEXCEL, MBA EXCEL, Dental EXCEL and MD EXCEL loans) allow for multiple cosigners. In addition, the EXCEL Loan and the Private Consolidation Loan underwriting involve a debt-to-income test.
- *Career Training Loans.* Since inception, judgmental criteria have been applied and considered elements of a borrower's and cosigner's credit history such as: record of bankruptcies, foreclosures, educational loan defaults, unpaid tax liens or charge-offs. Currently, FICO scoring and, in certain circumstances, income verification are employed. In addition, underwriting for Career Training Loans involves a debt-to-income test.
- *EFG Loans.* Since inception, judgmental criteria were applied and considered elements of a borrower's and cosigner's credit history such as: record of bankruptcies, foreclosures, educational loan defaults, unpaid tax liens or charge-offs.

Private Credit Student Loan Servicing. Sallie Mae Private Credit Student Loan Program loans are serviced on Sallie Mae's proprietary CLASS servicing system in accordance with the terms of the promissory notes for the serviced loans.

Consolidation/Repayment Programs. Consolidation and repayment programs made available by Sallie Mae companies to student loan borrowers and cosigners will continue to be made available to borrowers and cosigners with trust student loans. In 2005, SLM Corporation and its subsidiaries began offering a private consolidation loan program. Therefore, the transfer and servicing agreements permit the applicable seller to purchase student loans from the trust to effect consolidations at the request of borrowers.

In addition, many Sallie Mae companies offer some borrowers loan repayment terms that do not provide for level payments over the repayment term of the loan. For example, under a typical graduated repayment program, some student loans provide for an “interest only” repayment option for a specified period of time, usually the first twenty-four (24) or forty-eight (48) months after the loan enters repayment. During this period, the borrower is required to make payment of accrued interest only. No payment of the principal of the loan is required. At the conclusion of the interest only period, the loan must be amortized through level payments over the remaining term of the loan. Borrowers can also request an extended repayment term based on the remaining loan balance.

Incentive Programs. SLM Corporation and its subsidiaries have offered, and intend to continue to offer, various incentive programs to student loan borrowers and cosigners. Some of the programs that may apply to student loans owned by the trusts are:

- *Great Rewards(SM).* Under the Great Rewards(SM) program, which is available for all student loans that were disbursed prior to June 30, 2002 and enter repayment after July 1993, if a borrower makes 48 consecutive scheduled payments in a timely fashion, the effective interest rate is reduced permanently by 2% per annum.
- *Great Returns(SM).* Under the Great Returns(SM) program, borrowers whose loans were disbursed prior to June 30, 2002 and who make 24 consecutive scheduled payments in a timely fashion get a reduction in principal equal to any amount over \$250 that was paid as part of the borrower’s origination fee to the extent that the fee does not exceed 3% of the principal amount of the loan.
- *Direct Repay/ACH Benefit plan.* Under the Direct Repay/ACH Benefit plan, borrowers who make student loan payments electronically through automatic monthly deductions from a savings, checking or NOW account receive a 0.25% or 0.50% effective interest rate reduction as long as loan payments continue to be successfully deducted from the borrower’s bank account.
- *Cash Back plan.* Under the Cash Back plan, borrowers (i) whose loans are with a Sallie Mae lender partner, (ii) who enroll in Manage Your Loans(SM), the servicer’s on-line account manager, (iii) who agree to receive their account information by e-mail and (iv) who make their first 33 scheduled payments on time, receive a 3.3% check or credit based upon their original loan amount.
- *On-Time Payment Interest Rate Reduction plan.* Under the On-Time Payment Interest Rate Reduction plan, borrowers who make their first 24 scheduled payments on time, sign-up for on-line loan management within 60 days from the first payment due date and continue to make payments on time, receive a 0.5% effective interest rate reduction.
- *Cosigner Release Option.* Under the Cosigner Release Option, the borrower may apply to have the cosigner released from the private loan obligation if the borrower meets the following conditions:

(1) The borrower is a U.S. Citizen or Permanent Resident at the time of the release request.

(2) The borrower has contacted Sallie Mae to request the cosigner release for a specific loan(s).

(3) The borrower completes and returns to Sallie Mae the “Application to Request Release of Cosigner.”

(4) The borrower has made the first 24 scheduled monthly payments of principal and interest on the loan on time.

(5) The borrower meets a minimum FICO score requirement and other credit requirements.

(6) The borrower’s debt-to-income ratio has been calculated and qualifies the borrower for the Cosigner Release Option.

(7) The borrower has provided the requested documentation.

(8) The borrower has not had an education loan (federal or private) 30 days or more delinquent in the past 24 months.

- *Education Funding Pledge and Price Advantage.* Borrowers at not-for-profit institutions with Signature Student Loans approved under the Signature Student Loan program’s standard underwriting criteria and first disbursed between June 1, 2007 and May 31, 2008 received an Education Funding Pledge and, if the borrower applied with a creditworthy cosigner, also received a Price Advantage. The Education Funding Pledge relaxed underwriting criteria on subsequent loans to permit approval of the subsequent loans unless new negative derogatory information appeared on the borrower’s credit file. Under Price Advantage, if the borrower applied with the same cosigner on the subsequent loan, s/he received the better of the pricing from the prior loan or what the borrower and cosigner qualify for on the new loan. Price Advantage only remains on subsequent loans if the same borrower and cosigner apply for each subsequent loan. Both the Education Funding Pledge and Price Advantage were available for up to six subsequent academic years.

We cannot predict how many borrowers will participate in these programs.

These incentive programs or other programs may also be made available by the servicer to borrowers with trust student loans. Any incentive program that becomes available after the closing date of any series of notes that effectively reduces borrower interest payments or principal balances and is not required by the Higher Education Act will be applicable to the trust student loans only if the servicer receives payments in an amount sufficient to offset the effective yield reductions.

TRANSFER AND SERVICING AGREEMENTS

General

The following is a summary of the material terms of the sale agreements under which the trusts will purchase student loans from the depositor, the purchase agreements under which the depositor will acquire the student loans from the sellers specified in the offering memorandum supplement for your notes, the servicing agreements that provide for the servicing of the related trust student loans, and the administration agreement which provides for the administration and management of each trust. We refer to the purchase agreements, the sale agreements, the servicing agreements and the administration agreements collectively as the “transfer and servicing agreements.” The summary does not cover every detail of these agreements, and it is subject to the provisions of the transfer and servicing agreements.

Purchase of Student Loans by the Depositor; Representations and Warranties of the Sellers

On the closing date, each seller will sell to the depositor, without recourse, its entire interest in the student loans and all collections received on and after the cutoff date specified in the offering memorandum supplement. An exhibit to the purchase agreement will list each student loan. The depositor will apply net proceeds from the sale of the notes to purchase the student loans from the related seller.

In each purchase agreement, each seller will make representations and warranties concerning the student loans being sold by it. These include, among other things, that:

- each student loan is free and clear of all security interests and other encumbrances and no offsets, defenses or counterclaims have been asserted or threatened;
- the information provided about the student loans is true and correct as of the cutoff date; and
- each student loan complies in all material respects with applicable federal and state laws.

Upon discovery of a breach of any representation or warranty that has a materially adverse effect on the depositor, the applicable seller will repurchase the affected student loan unless the breach is cured within the applicable cure period specified in the related offering memorandum supplement. The purchase amount will be equal to the amount required to prepay in full that student loan including all accrued interest. Alternatively, rather than repurchasing the trust student loan, the affected seller may, in its discretion, substitute qualified substitute student loans for that loan. In addition, the affected seller will be obligated to reimburse the depositor for:

- the shortfall, if any, between:
 - the purchase amount of the qualified substitute student loans,
and
 - the purchase amount of the trust student loans being replaced; plus
- any accrued interest amounts.

The repurchase or substitution and reimbursement obligations of each seller constitute the sole remedy available to the depositor for any uncured breach. A seller's repurchase or substitution and reimbursement obligations are contractual obligations that the depositor or trust may enforce against the seller, but the breach of these obligations will not constitute an event of default under the indenture.

Sale of Student Loans to the Trust; Representations and Warranties of the Depositor

On the closing date, the depositor will sell to the trustee, on behalf of the related trust, without recourse, its entire interest in the student loans acquired by the depositor from the sellers. Each student loan will be listed in an exhibit to the sale agreement. The trustee concurrently with that sale will issue the notes. The trust will purchase the student loans from the depositor in exchange for the proceeds from the issuance of the related notes and the issuance of the excess distribution certificate to the depositor.

In each sale agreement, the depositor will make representations and warranties concerning the student loans to the related trust for the benefit of noteholders, including representatives and warranties that are substantially the same as those made by the sellers to the depositor.

Upon discovery of a breach of any representation or warranty that has a materially adverse effect on the trust, the depositor will have repurchase or substitution and reimbursement obligations that are substantially the same as those of the sellers.

The repurchase or substitution and reimbursement obligations of the depositor will constitute the sole remedy available to the noteholders for any uncured breach. The depositor's repurchase or substitution and reimbursement obligations are contractual obligations that the trust may enforce against us, but the breach of these obligations will not constitute an event of default under the indenture.

Expenses incurred in connection with the acquisition of the trust student loans and the establishment of the related trust (including the expenses of accountants, initial purchasers and rating agencies) are paid by SMI and/or the depositor. Such expenses are not paid from proceeds from the resale of the related notes.

Custodian of Promissory Notes

To assure uniform quality in servicing and to reduce administrative costs, the servicer will act as custodian of the promissory notes, in physical or electronic form, representing the student loans and any other related documents. In acting as custodian, the servicer may use its own facilities or those of sub-custodians. The depositor's and the servicer's records will reflect the sale by the seller of the student loans to the depositor and their subsequent sale by the depositor to the trust.

Additional Fundings

Pre-funding. The related offering memorandum supplement will indicate whether a pre-funding account will exist for a particular trust. The offering memorandum supplement will also indicate:

- the amount in the pre-funding account on the closing date;
- the length of the funding period; and
- the uses to which the funds in the pre-funding account can be applied and the conditions to the application of those funds.

If the pre-funding amount has not been fully applied to purchase additional student loans by the end of the funding period, the noteholders will receive any remaining amounts.

Supplemental Purchase Period. The related offering memorandum supplement will indicate whether a supplemental purchase account will exist for a particular trust as a component of pre-funding. The offering memorandum supplement will also indicate:

- the amount in the supplemental purchase account on the closing date;
- the length of the funding period; and
- the uses to which the funds in the supplemental purchase account can be applied and the conditions to the application of those funds.

Amendments to Transfer and Servicing Agreements

The parties to the transfer and servicing agreements may amend them without the consent of noteholders if, in the opinion of counsel satisfactory to the indenture trustee and the trustee, the amendment will not materially and adversely affect the interests of the noteholders. The parties may also amend the transfer and servicing agreements with the consent of a majority in interest of noteholders. However, such an amendment may not reduce the percentage of the notes required to consent to an amendment, without the consent of the holders of all of the outstanding notes.

SERVICING AND ADMINISTRATION

General

The following is a summary of the important terms of the servicing agreements under which the servicer will service trust student loans and the administration agreement under which the administrator will undertake administrative duties for a trust and its trust student loans. This summary does not cover every detail of these agreements and it is subject to all provisions of the servicing agreements and the administration agreements.

Accounts

For each trust, the administrator will establish one or more collection accounts with the indenture trustee into which all payments on the related trust student loans will be deposited. The related offering memorandum supplement will describe any other accounts established for a trust, including any pre-funding account and any reserve account.

For any series of notes, the indenture trustee will invest funds in the collection account, pre-funding account, reserve account and any other accounts identified as accounts of the trust in eligible investments as provided in the indenture. The administrator will instruct the indenture trustee concerning investment decisions.

Each trust account will be either:

- a segregated account with an FDIC-insured depository institution which has either (A) a long-term unsecured debt rating acceptable to the applicable rating agencies or (B) a short-term unsecured debt rating or certificate of deposit rating acceptable to the applicable rating agencies; or
- a segregated trust account with the corporate trust department of a depository institution having corporate trust powers, so long as any of the securities of that depository institution have an investment grade credit rating from each applicable rating agency.

Each trust may invest sums on deposit in trust accounts in “eligible investments” which are book-entry securities, negotiable instruments or securities represented by instruments in bearer or registered form which evidence:

- direct obligations of, and obligations fully guaranteed as to timely payment by, the United States of America, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, or any agency or instrumentality of the United States of America the obligations of which are backed by the full faith and credit of the United States of America; provided that obligations of, or guaranteed by, the Government National Mortgage Association (GNMA), the Federal Home Loan Mortgage Corporation (Freddie Mac) or the Federal National Mortgage Association (Fannie Mae) shall be eligible investments only if, at the time of investment, they meet the criteria of each of the rating agencies for collateral for securities having ratings equivalent to the respective ratings of the related series of notes in effect at the related closing date;
- demand deposits, time deposits or certificates of deposit of any depository institution or trust company incorporated under the laws of the United States of America or any State (or any domestic branch of a foreign bank) and subject to supervision and examination by federal or state banking or depository institution authorities (including depository receipts issued by any such institution or trust company as custodian with respect to any obligation referred to in the first bullet

point above or portion of such obligation for the benefit of the holders of such depository receipts); provided that at the time of the investment or contractual commitment to invest therein (which shall be deemed to be made again each time funds are reinvested following each distribution date), the commercial paper or other short-term senior unsecured debt obligations (other than such obligations the rating of which is based on the credit of a person other than such depository institution or trust company) thereof shall have a credit rating specified by each of the rating agencies rating the notes issued by that trust;

- commercial paper having, at the time of the investment, a rating to be specified by each of the rating agencies rating the notes issued by that trust;
- investments in money market funds having a rating to be specified by each of the rating agencies rating the notes issued by that trust (including funds for which the indenture trustee, the administrator or the trustee, or any of their respective affiliates is investment manager or advisor);
- bankers' acceptances issued by any depository institution or trust company referred to in the second bullet point above;
- repurchase obligations with respect to any security that is a direct obligation of, or fully guaranteed by, the United States of America or any agency or instrumentality thereof the obligations of which are backed by the full faith and credit of the United States of America, in either case entered into with a depository institution or trust company (acting as principal) described in the second bullet point above; and
- any other investment which would not result in the downgrading or withdrawal of any rating of the related series of notes by any of the rating agencies as affirmed in writing to the indenture trustee.

The administrator will prepare a monthly account reconciliation; however, there will be no independent verification of the accounts or the transaction activity therein by either the indenture trustee or the trustee.

Servicing Procedures

Under each servicing agreement, the servicer will agree to service all the trust student loans. The servicer is required to perform all services and duties customary to the servicing of student loans, including all collection practices. It must use the same standard of care as it uses to service similar student loans owned by SLM Corporation and its affiliates in compliance with all applicable federal and state laws.

The duties of the servicer include the following:

- collecting and depositing into the collection account all payments on the trust student loans, including claiming and obtaining any program payments;

- responding to inquiries from borrowers;
- attempting to collect delinquent payments; and
- sending out statements and payment coupons to borrowers.

In addition, the servicer will keep ongoing records on the loans and its collection activities utilizing the same standards it uses for similar student loans owned by SLM Corporation and its affiliates in compliance with all applicable federal and state laws. It will also furnish periodic statements to the indenture trustee, the trustee and the noteholders. See “—*Statements to Indenture Trustee and Trust*” below.

Payments on Student Loans

The servicer will deposit all payments on trust student loans and proceeds that it collects during each collection period specified in the related offering memorandum supplement into the related collection account within two business days of receipt.

A business day for this purpose is any day other than a Saturday, a Sunday, or a day on which banking institutions or trust companies in the City of New York or Wilmington, Delaware are authorized or obligated by law, regulation or executive order to remain closed.

The servicer may invest collections, pending deposit into the collection account, at its own risk and for its own benefit, and it will not segregate these funds. The administrator may, in order to satisfy the requirements described above, obtain a letter of credit or other security for the benefit of the related trust to secure timely remittances. The depositor and the servicer will pay the aggregate purchase amount of student loans repurchased by us or purchased by the servicer to the administrator, and the administrator will deposit these amounts into the collection account on or before the business day preceding each distribution date.

No servicing agreement will require the servicer to make advances to any trust and no such advances have been made by the servicer with respect to any trust student loans.

Servicer Covenants

For each trust, the servicer will agree that:

- it will satisfy all of its obligations relating to the trust student loans, maintain in effect all qualifications required in order to service the loans and comply in all material respects with all requirements of law if a failure to comply would have a materially adverse effect on the interests of the related trust;
- it will do nothing to impair the rights of the noteholders in the trust student loans; and
- it will not reschedule, revise, defer or otherwise compromise payments due on any trust student loan except during any applicable interest only, deferment or forbearance periods or otherwise in accordance with the same standards it uses for similar student loans owned by SLM Corporation and its affiliates.

Upon the discovery of a breach of any covenant that has a materially adverse effect on the interest of the related trust, the servicer will purchase the related trust student loan unless the breach is cured within the applicable cure period specified on the related offering memorandum supplement.

The purchase price will equal the unpaid principal amount of that trust student loan plus any accrued interest. The related trust's interest in that purchased trust student loan will be assigned to the servicer or its designee. Alternatively, rather than purchase the trust student loan, the servicer may, in its sole discretion, substitute qualified substitute student loans.

In addition, the servicer will be obligated to reimburse the related trust for:

- the shortfall, if any, between
 - the purchase amount of the qualified substitute trust student loans;
- and
- the purchase amount of the trust student loans being replaced.

The purchase or substitution and reimbursement obligations of the servicer will constitute the sole remedy available to the trust for any uncured breach. The servicer's purchase or substitution and reimbursement obligations are contractual obligations that the trust may enforce, but the breach of these obligations will not constitute an event of default under the indenture.

Servicing Compensation

For each trust, the servicer will receive a servicing fee for each period in an amount specified in the related offering memorandum supplement. The servicer will also receive any other administrative fees, expenses and similar charges specified in the related offering memorandum supplement. The servicing fee may consist of:

- a specified annual percentage of the pool balance;
- a unit amount based on the number of accounts and other activity or event related fees;
- any combination of these; or
- any other formulation described in the related offering memorandum supplement.

The servicing fee may also include specified amounts payable to the servicer for tasks it performs. The servicing fee may be subject to a maximum monthly amount. If that is the case, the related offering memorandum supplement will state the maximum together with any conditions to its application. The servicing fee, including any unpaid amounts from prior distribution dates, will have a payment priority over the notes, to the extent specified in the applicable offering memorandum supplement.

The servicing fee compensates the servicer for performing the functions of a third party servicer of student loans, including:

- collecting and posting all payments;
- responding to inquiries of borrowers on the trust student loans;
- investigating delinquencies;
- accounting for collections;
- furnishing monthly and annual statements to the trustees; and
- paying taxes, accounting fees, outside auditor fees, data processing costs and other costs incurred in administering the student loans.

Evidence as to Compliance

The administration agreement will provide that a firm of independent public accountants will furnish to the trust and indenture trustee an annual report attesting to the servicer's compliance with the terms of that administration agreement and the related servicing agreement, including all statutory provisions incorporated into those agreements. The accounting firm will base this report on its examination of various documents and records and on accounting and auditing procedures considered appropriate under the circumstances.

The administration agreement will require the servicer to deliver to the trust and indenture trustee, concurrently with the compliance report, a certificate signed by an officer of the servicer stating that, to his knowledge, the servicer has fulfilled its obligations under that administration agreement and the related servicing agreement. If there has been a material default, the officer's certificate for that period will describe the default. The servicer has agreed to give the indenture trustee and the trustee notice of servicer defaults under the servicing agreement.

You may obtain copies of these reports and certificates by a request in writing to the trustee.

Matters Regarding the Servicer

The servicing agreements will provide that the servicer is an independent contractor and that, except for the services to be performed under the servicing agreement, the servicer does not hold itself out as an agent of the trusts.

Each servicing agreement will provide that the servicer may not resign from its obligations and duties as servicer unless its performance of these duties is no longer legally permissible. No resignation will become effective until the indenture trustee or a successor servicer has assumed the servicer's duties. The servicer, however, may resign as a result of any

sale or transfer of substantially all of its student loan servicing operations relating to the trust student loans if:

- the successor to the servicer's operations assumes in writing all of the obligations of the servicer;
- the sale or transfer and the assumption comply with the requirements of the servicing agreement; and
- the rating agencies confirm that this will not result in a downgrading or a withdrawal of the ratings then applicable to the notes.

All expenses related to the resignation or removal for cause of any servicer will be paid solely by the servicer being replaced.

Each servicing agreement will further provide that neither the servicer nor any of its directors, officers, employees or agents will be under any liability to the trust or to noteholders for taking or not taking any action under the servicing agreement, or for errors in judgment. However, the servicer will not be protected against:

- its obligation to purchase trust student loans from a trust as required in the related servicing agreement; or
- any liability that would otherwise be imposed by reason of willful misfeasance, bad faith or negligence in the performance of the servicer's duties or because of reckless disregard of its obligations and duties.

In addition, each servicing agreement will provide that the servicer is under no obligation to appear in, prosecute or defend any legal action where it is not named as a party.

Under the circumstances specified in each servicing agreement, any entity into which the servicer may be merged or consolidated, or any entity resulting from any merger or consolidation to which the servicer is a party, or any entity succeeding to the business of the servicer must assume the obligations of the servicer.

Servicer Default

A servicer default under each servicing agreement will consist of:

- any failure by the servicer to deposit in the trust accounts any required payment that continues for five business days after the servicer receives written notice of such failure from the indenture trustee or the trustee;
- any failure by the servicer to observe or perform in any material respect any other term, covenant or agreement in the servicing agreement that materially and adversely affects the rights of noteholders and continues for 60 days after written notice of such failure is given (1) to the servicer by the indenture trustee, the

trustee or the administrator or (2) to the servicer, the indenture trustee and the trustee by holders of 50% or more of the notes (or the most senior notes then outstanding, if applicable); and

- the occurrence of an insolvency event involving the servicer.

An insolvency event is an event of bankruptcy, insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings or other actions by a person indicating its insolvency, reorganization under bankruptcy proceedings or inability to pay its obligations.

Notwithstanding the foregoing, the servicer shall not be deemed to have breached its obligations to service the applicable student loans, nor will a servicer default be deemed to have occurred under the related servicing agreement, if the servicer is rendered unable to perform such obligations, in whole or in part, by a force outside the control of the parties to the related servicing agreement (including, without limitation, acts of God, acts of war or terrorism, fires, earthquakes, hurricanes, floods and other material natural or man made disasters). The servicer will be required to diligently resume the performance of its duties under the related servicing agreement as soon as practicable following the termination of such business interruption or, if necessary and appropriate in its reasonable judgment to enable the proper servicing of the trust student loans, to transfer servicing, either temporarily or permanently, to another servicer.

Rights Upon Servicer Default

As long as a servicer default remains unremedied, the indenture trustee or holders of not less than 50% of the outstanding notes (or the most senior notes then outstanding, if applicable) may terminate all the rights and obligations of the servicer. Only the indenture trustee or the noteholders (or the senior noteholders, if applicable) and not the trustee (or the subordinate noteholders, if applicable) will have the ability to remove the servicer if a default occurs while the notes (or the most senior notes then outstanding if applicable) are outstanding. Following a termination, a successor servicer appointed by the indenture trustee or the indenture trustee itself will succeed to all the responsibilities, duties and liabilities of the servicer under the servicing agreement and will be entitled to similar compensation arrangements. The compensation may not be greater than the servicing compensation to the servicer under that servicing agreement, unless the compensation arrangements will not result in a downgrading or withdrawal of the ratings then applicable to the notes. If the indenture trustee is unwilling or unable to act, it may appoint, or petition a court for the appointment of, a successor whose regular business includes the servicing of student loans. If, however, a bankruptcy trustee or similar official has been appointed for the servicer, and no servicer default other than that appointment has occurred, the trustee may have the power to prevent the indenture trustee or the noteholders from effecting the transfer.

Waiver of Past Defaults

For each trust, the holders of a majority of the outstanding notes (or the most senior notes then outstanding, if applicable) in the case of any servicer default which does not adversely affect the indenture trustee or the noteholders (or the most senior noteholders then outstanding, if applicable) may, on behalf of all noteholders, waive any default by the servicer, except a default in making any required deposits to or payments from any of the trust accounts. Therefore, the

noteholders (or the most senior noteholders then outstanding, if applicable) have the ability, except as noted, to waive defaults by the servicer which could materially and adversely affect the holder of the excess distribution certificate (or subordinate noteholders, if applicable). No waiver will impair the noteholders' rights as to subsequent defaults.

Administration Agreement

Sallie Mae, Inc., as administrator, will enter into an administration agreement with each trust, the depositor, the servicer, the trustee and the indenture trustee. Under the administration agreement, the administrator will agree to provide various notices and to perform other administrative obligations required by the indenture, trust agreement and sale agreement. These services include:

- directing the indenture trustee to make the required distributions from the trust accounts on each monthly servicing payment date and each distribution date;
- preparing, based on periodic data received from the servicer, and providing quarterly and annual distribution statements to the trustee and the indenture trustee and any related U.S. federal income tax reporting information; and
- providing the notices and performing other administrative obligations required by the indenture, the trust agreement and the sale agreement.

As compensation, the administrator will receive an administration fee specified in the related offering memorandum supplement. Except as described in the next paragraph, SMI may not resign as administrator unless its performance is no longer legally permissible. No resignation will become effective until a successor administrator has assumed SMI's duties under the administration agreement.

Each administration agreement will provide that SMI may assign its obligations and duties as administrator to an affiliate if the rating agencies confirm that the assignment will not result in a downgrading or a withdrawal of the ratings then applicable to the notes.

The administrator may sub-contract any or all of its duties to a sub-administrator if the following conditions are met:

- the sub-administrator assumes in writing all of the obligations of the administrator that are sub-contracted;
- the sub-administrator covenants to comply with the requirements of the administration agreement; and
- the rating agencies confirm that this will not result in a downgrading or a withdrawal of the ratings then applicable to the notes.

All expenses related to the resignation or removal for cause of any administrator will be paid solely by the administrator being replaced.

Administrator Default

An administrator default under the administration agreement will consist of:

- any failure by the administrator to deliver to the indenture trustee for deposit any required payment by the business day preceding any monthly servicing payment date or distribution date, if the failure continues for five business days after notice or discovery;
- any failure by the administrator to direct the indenture trustee to make any required distributions from any of the trust accounts on any monthly servicing payment date or any distribution date, if the failure continues for five business days after notice or discovery;
- any failure by the administrator to observe or perform in any material respect any other term, covenant or agreement in an administration agreement or a related agreement that materially and adversely affects the rights of noteholders and continues for 60 days after written notice of the failure is given:
 - (1) to the administrator by the indenture trustee or the trustee, or
 - (2) to the administrator, the indenture trustee and the trustee, by holders of 50% or more of the notes (or senior notes, if applicable); and
- the occurrence of an insolvency event involving the administrator.

Rights Upon Administrator Default

As long as any administrator default has not been remedied, the indenture trustee or holders of not less than 50% of the outstanding notes (or senior notes, if applicable), may terminate all the rights and obligations of the administrator. Only the indenture trustee or the noteholders, or the senior noteholders, if applicable, and not the trustee or the subordinate noteholders, if applicable, may remove the administrator if an administrator default occurs while the notes, or senior notes, if applicable, are outstanding. Following the termination of the administrator, a successor administrator appointed by the indenture trustee or the indenture trustee itself will succeed to all the responsibilities, duties and liabilities of the administrator under the administration agreement. The successor administrator will be entitled to similar compensation arrangements or any other compensation as set forth in the related offering memorandum supplement. If, however, a bankruptcy trustee or similar official has been appointed for the administrator, and no other administrator default other than that appointment has occurred, the trustee or official may have the power to prevent the indenture trustee or the noteholders from effecting the transfer. If the indenture trustee is unwilling or unable to act, it may appoint, or petition a court for the appointment of, a successor whose regular business includes the servicing or administration of student loans. The indenture trustee may make arrangements for compensation to be paid, which cannot be greater than the compensation to the administrator unless the compensation arrangements will not result in a downgrading or withdrawal of the ratings then applicable to the notes.

Statements to Indenture Trustee and Trust

Before each distribution date, the administrator will prepare and provide a statement to the indenture trustee and the trustee as of the end of the preceding collection period. The statement will include:

- the amount of principal distributions for each class of notes;
- the amount of interest distributions for each class of notes and the applicable interest rates;
- the pool balance at the beginning and at the end of the preceding collection period;
- the outstanding principal amount and the note pool factor for each class of notes for that distribution date;
- the servicing and the administration fees for that collection period;
- the interest rates, if available, for the next period for each class of notes or the website where those rates may be found;
- the amount of any aggregate realized losses for that collection period;
- the amount of any note interest shortfall and note principal shortfall, if applicable, for each class of notes, and any changes in these amounts from the preceding statement;
- the amount of any carryover servicing fee for that collection period;
- the amount of any note interest carryover, if applicable, for each class of notes, and any changes in these amounts from the preceding statement;
- the aggregate purchase amounts for any trust student loans repurchased by the depositor, the servicer or any seller from the trust in that collection period;
- the balance of trust student loans that are delinquent in each delinquency period as of the end of that collection period;
- any amounts paid to any credit enhancement provider or swap counterparty;
- the balance of any reserve account, capitalized interest account, cash capitalization or cash collateral account, after giving effect to changes in the balance on that distribution date;

- to the extent applicable, any amount of available credit enhancement drawn upon with respect to such distribution date;
- any material modifications, extensions or waivers to the terms of the trust student loans, fees, penalties or payments during the related collection period or that cumulatively become material over time;
- any material breaches of representations and warranties regarding the trust student loans or if any applicable triggers or asset tests are then in effect;
- if applicable, the amount of trust student loans added during a pre-funding period or a revolving period and the amount of any required repurchases or substitutions of trust student loans, to the extent material, and the balance of any related trust accounts as of both the prior and current distribution dates; and
- amounts distributed to the holders of the excess distribution certificates and the uses of available funds to the extent not otherwise set forth above.

Evidence as to Compliance

Each administration agreement will provide that a firm of independent public accountants will furnish to the trust and indenture trustee an annual report attesting to the administrator's compliance with the terms of the administration agreement, including all statutory provisions incorporated in the agreement. The accounting firm will base this report on its examination of various documents and records and on accounting and auditing procedures considered appropriate under the circumstances.

The administration agreement will require the administrator to deliver to the trust and indenture trustee, concurrently with each compliance report, a certificate signed by an officer of the administrator stating that, to his knowledge, the administrator has fulfilled its obligations under that administration agreement. If there has been a material default the officer's certificate will describe the default. The administrator will agree to give the indenture trustee and trustee notice of administrator defaults under the administration agreement.

You may obtain copies of these reports and certificates by a request in writing to the trustee.

TRADING INFORMATION

The weighted average lives of the notes of any series generally will depend on the rate at which the principal balances of the related student loans are paid. Payments may be in the form of scheduled amortization or prepayments. For this purpose, prepayments include borrower prepayments in full or in part, including the discharge of student loans by consolidation loans, or as a result of:

- borrower default, death, disability or bankruptcy;

- the closing of the borrower's school;
- the school's false certification of borrower eligibility;
- liquidation of the student loan; and
- purchase of a student loan by the depositor or the servicer.

All of the student loans are prepayable at any time without penalty.

A variety of economic, social and other factors, including the factors described below, influence the rate at which student loans prepay. In general, the rate of prepayments may tend to increase when cheaper alternative financing becomes available. However, because many student loans bear interest at a rate that is either actually or effectively floating, it is impossible to predict whether changes in prevailing interest rates will correspond to changes in the interest rates on student loans.

On the other hand, scheduled payments on the student loans, as well as their maturities, may be extended due to applicable grace, deferment and forbearance periods, or for other reasons. The rate of defaults resulting in losses on student loans, as well as the severity and timing of those losses, may affect the principal payments and yield on the notes.

Some of the terms of payment that a seller offers to borrowers may extend principal payments on the notes. The sellers offer some borrowers loan payment terms which provide for an interest only period, when no principal payments are required, or graduated, phased-in amortization of the principal, in which case a greater portion of the principal amortization of the loan occurs in the later stages of the loan's life than if amortization were on a level payment basis. The sellers also offer income-sensitive repayment plans, under which repayments are based on the borrower's income. Under these plans, ultimate repayment may be delayed up to five years. If trust student loans have these payment terms, principal payments on the related notes could be affected. If provided in the related offering memorandum supplement, a trust may elect to offer consolidation loans to borrowers with trust student loans and other student loans. The making of consolidation loans by a trust could increase the average lives of the notes and reduce the effective yield on student loans included in the trust.

The servicing agreements will provide that the servicer may offer, at the request of the applicable seller or the administrator, new incentive programs or repayment programs that currently are or in the future will be made available by that seller or the administrator. If these benefits are made available to borrowers of trust student loans, the effect may be faster amortization of principal of the affected trust student loans. See "*Sallie Mae's Student Loan Financing Business—Incentive Programs*" in this base offering memorandum.

In light of the above considerations, we cannot guarantee that principal payments will be made on the notes on any distribution date, since that will depend, in part, on the amount of principal collected on the trust student loans during the applicable period. As an investor, you will bear any reinvestment risk resulting from a faster or slower rate of prepayment of the loans.

Pool Factors

The pool factor for each class of notes will be a seven-digit decimal computed by the administrator before each distribution date. Each pool factor will indicate the remaining outstanding balance of the related class, after giving effect to distributions to be made on that distribution date, as a fraction of the initial outstanding balance of that class. Each pool factor will initially be 1.0000000. Thereafter, it will decline to reflect reductions in the outstanding balance of the applicable class of notes. Your portion of the aggregate outstanding balance of a class of notes will be the product of:

- the original denomination of your note; and
- the applicable pool factor.

Noteholders will receive reports on or about each distribution date concerning various matters, including the payments the trust has received on the related trust student loans, the pool balance, the applicable pool factor and various other items of information. See “*Additional Information Regarding the Notes—Reports to Noteholders*” in this base offering memorandum.

DESCRIPTION OF THE NOTES

General

Each trust may issue one or more classes of notes under an indenture. The following summary describes the important terms of the notes and the indenture. It does not cover every detail of the notes or the indenture and is subject to all of the provisions of the notes and the indenture.

Each class of notes will initially be represented by one or more notes, registered in the name of the nominee of The Depository Trust Company (“DTC”) or, if so provided in the related offering memorandum supplement, a nominee selected by the common depository for Clearstream Banking, *société anonyme* (known as Clearstream, Luxembourg), formerly known as Cedel Bank, *société anonyme*, and the Euroclear System in Europe. The notes will be available for purchase in book-entry form only or as otherwise provided in the related offering memorandum supplement. We have been informed by DTC that DTC’s nominee will be Cede & Co., unless another nominee is specified in the related offering memorandum supplement. Accordingly, that nominee is expected to be the holder of record of the U.S. Dollar denominated notes of each class. Unless and until definitive notes are issued under the limited circumstances described in this base offering memorandum, an investor in notes in book-entry form will not be entitled to receive a physical certificate representing a note. All references in this base offering memorandum and in the related offering memorandum supplement to actions by holders of notes in book-entry form refer to actions taken by DTC, Clearstream, Luxembourg or Euroclear, as the case may be, upon instructions from its participating organizations and all references in this base offering memorandum to distributions, notices, reports and statements to holders of notes in book-entry form refer to distributions, notices, reports and statements to DTC, Clearstream, Luxembourg or Euroclear or its nominee, as the registered holder of the notes.

Principal and Interest on the Notes

The offering memorandum supplement will describe the timing and priority of payment, seniority, allocations of losses, note rate and amount of or method of determining payments of principal and interest on each class of notes. The right of holders of any class of notes to receive payments of principal and interest may be senior or subordinate to the rights of holders of any other class or classes of notes of that series. Payments of interest on the notes will be made prior to payments of principal. Each class of notes may have a different note rate, which may be a fixed, variable, adjustable or any combination of these rates. The related offering memorandum supplement will specify the rate for each class of notes or the method for determining the note rate. See also “*Additional Information Regarding the Notes—Fixed Rate Notes*” and “*—Floating Rate Notes.*” One or more classes of notes of a series may be redeemable under the circumstances specified in the related offering memorandum supplement, including as a result of the depositor’s exercising its option to purchase the related trust student loans.

Under some circumstances, the amount available for these payments could be less than the amount of interest payable on the notes on any distribution date, in which case each class of noteholders will receive its pro rata share of the aggregate amount available for interest on the notes. See “*Additional Information Regarding the Notes—Distributions*” and “*—Credit Enhancement and Other Support; Derivative Instruments.*”

In the case of a series which includes two or more classes of notes, the offering memorandum supplement will describe the sequential order and priority of payment of principal of and interest on each class. Payments of principal of and interest on any class of notes will be on a pro rata basis among all the noteholders of that class.

Call Option on the Notes

If specified in the related offering memorandum supplement, the servicer or one of its affiliates may exercise its option to call, in full, one or more classes of notes. If a class of notes has been called, it will either remain outstanding and be entitled to all interest and principal payments on such class of notes under the related indenture, or the servicer or its specified affiliate will deposit an amount into the collection account sufficient to redeem the specified class of notes, subject to satisfaction of the rating agency condition.

Collateral Call

If specified in the related offering memorandum supplement, the servicer or one of its affiliates will have the right to purchase certain of the trust student loans in an amount sufficient to redeem one or more classes of notes, subject to satisfaction of the rating agency condition. The related offering memorandum supplement will identify which class or classes of notes will be subject to the collateral call.

The Indenture

The notes will be issued under and secured by an indenture entered into by the trust, the indenture trustee and the trustee. If specified in the related offering memorandum supplement, the voting rights of noteholders may be limited only to the holders of the most senior class or

classes of outstanding notes (except with respect to those matters requiring consent of 100% of all noteholders); and if not so specified, all noteholders will have voting rights regarding any actions requiring the consent of noteholders as set forth below.

Modification of Indenture. With the consent of the holders of a majority of the affected notes of the related series, the indenture trustee and the trustee may execute a supplemental indenture to add, change or eliminate any provisions of the indenture or to modify the rights of such noteholders.

However, without the consent of the holder of each affected note, no supplemental indenture will:

- change the due date of any installment of principal of or interest on any note or reduce any note's principal amount, interest rate or redemption price;
- change the provisions of the indenture relating to the application of collections on, or the proceeds of the sale of, the trust student loans to payment of principal or interest on the notes;
- change the place of payment for any note;
- impair the right to institute suit for the enforcement of provisions of the indenture regarding payment;
- reduce the percentage of outstanding notes whose holders must consent to any supplemental indenture;
- modify the provisions of the indenture regarding the voting of notes held by the trust, the depositor or an affiliate;
- reduce the percentage of outstanding notes whose holders must consent to a sale or liquidation of the trust student loans if the proceeds of the sale would be insufficient to pay the principal amount and accrued interest on the notes;
- modify the provisions of the indenture which specify the applicable percentages of principal amount of notes necessary to take specified actions except to increase these percentages or to specify additional provisions;
- modify any of the provisions of the indenture to affect the calculation of interest or principal due on any note on any distribution date or to affect the rights of the noteholders to the benefit of any provisions for the mandatory redemption of the notes; or
- permit the creation of any lien ranking prior or equal to the lien of the indenture on any of the collateral for that series or, except as otherwise permitted or contemplated in that indenture, terminate the lien of the indenture on any collateral or deprive the holder of any note of the security afforded by that lien.

The trust and the indenture trustee may also enter into supplemental indentures, without the consent of noteholders, for the purpose of adding, changing or eliminating any provisions of the indenture or of modifying the rights of noteholders, so long as such action will not, in the opinion of counsel satisfactory to the indenture trustee, adversely affect in any material respect the interest of any noteholder.

Events of Default; Rights Upon Event of Default. An “event of default” under the indenture will consist of the following:

- a default for five business days or more in the payment of any interest on any note after it is due (or senior notes only if so provided in the related offering memorandum supplement);
- a default in the payment of the principal of any note at maturity;
- a default in the performance of any covenant or agreement of the trust in the indenture, or a material breach of any representation or warranty made by the trust in the related indenture or in any certificate, if the default or breach has a material adverse effect on the holders of the notes and is not cured within 30 days after notice by the indenture trustee or by holders of at least 25% in principal amount of the outstanding notes, or senior notes, if applicable; or
- the occurrence of an insolvency event involving the trust.

The amount of principal required to be distributed to holders of the notes on any distribution date will generally be limited to amounts available after payment of interest and all other prior obligations of the trust. Therefore, the failure to pay principal on a class of notes generally will not result in the occurrence of any event of default until the final scheduled distribution date for that class of notes.

If an event of default occurs and is continuing, the indenture trustee or holders of a majority of the outstanding notes, or senior notes, if applicable, may declare the principal of those notes to be immediately due and payable. This declaration may, under certain circumstances, be rescinded by the holders of a majority of the outstanding notes, or senior notes, if applicable.

If the notes have been declared to be due and payable following an event of default, the related indenture trustee may, in its discretion,

- exercise remedies as a secured party against the trust student loans and other assets of the trust that are subject to the lien of the indenture;
- sell the trust student loans and other assets of the trust; or

- elect to have the trustee maintain ownership of the trust student loans and continue to apply collections on them as if there had been no declaration of acceleration.

However, the indenture trustee may not sell the trust student loans and other properties following an event of default, other than a default in the payment of any principal at maturity or a default for five days or more in the payment of any interest, unless:

- the holders of all the outstanding notes (or senior notes, if applicable) consent to the sale;
- the proceeds of the sale are sufficient to pay in full the principal and accrued interest on the outstanding notes, or senior notes, if applicable, at the date of the sale; or
- the indenture trustee determines that the collections would not be sufficient on an ongoing basis to make all payments on the notes as the payments would have become due if the notes (or senior notes, if applicable) had not been declared due and payable, and the indenture trustee obtains the consent of the holders of 66 2/3% of the outstanding notes (or senior notes, if applicable).

Such a sale also requires the consent of the holders of a majority of the outstanding subordinate notes, if applicable, unless the proceeds of a sale would be sufficient to discharge all unpaid amounts on such subordinate notes.

Subject to the provisions of the applicable indenture relating to the duties of the indenture trustee, if an event of default occurs and is continuing, the indenture trustee will be under no obligation to exercise any of its rights or powers at the request or direction of any of the holders of the notes, if the indenture trustee reasonably believes it will not be adequately indemnified against the costs, expenses and liabilities which it might incur in complying with their request. Subject to the provisions for indemnification and limitations contained in the related indenture, the holders of a majority of the outstanding notes of a given series will have the right to direct the time, method and place of conducting any proceeding or any remedy available to the indenture trustee and may, in certain cases, waive any default, except a default in the payment of principal or interest or a default under a covenant or provision of the applicable indenture that cannot be modified without the waiver or consent of all the holders of outstanding notes.

No holder of notes of any series will have the right to institute any proceeding with respect to the related indenture, unless:

- the holder previously has given to the indenture trustee written notice of a continuing event of default;
- the holders of not less than 25% of the outstanding notes (or senior notes, if applicable), have requested in writing that the indenture trustee institute a proceeding in its own name as indenture trustee;

- the holder or holders have offered the indenture trustee reasonable indemnity;
- the indenture trustee has for 60 days after receipt of notice failed to institute the proceeding; and
- no direction inconsistent with the written request has been given to the indenture trustee during the 60-day period by the holders of a majority of the outstanding notes, or senior notes, if applicable.

In addition, the indenture trustee and the noteholders will covenant that they will not at any time institute against the trust any bankruptcy, reorganization or other proceeding under any federal or state bankruptcy or similar law.

The indenture trustee, each seller, the depositor, the administrator, the servicer, the trustee, in its individual capacity, the noteholders and their owners, beneficiaries, agents, officers, directors, employees, successors and assigns will not be liable for the payment of the principal of or interest on the notes or for the agreements of the trust contained in the indenture.

Certain Covenants. Each indenture will provide that the trust may not consolidate with or merge into any other entity, unless:

- the entity formed by or surviving the consolidation or merger is organized under the laws of the United States, any state or the District of Columbia;
- the surviving entity expressly assumes the trust's obligation to make due and punctual payments on the notes and the performance or observance of every agreement and covenant of the trust under the indenture;
- no default will occur and be continuing immediately after the merger or consolidation;
- the trust has been advised that the ratings then applicable to the notes would not be reduced or withdrawn as a result of the merger or consolidation; and
- the trust has received opinions of federal and Delaware tax counsel that the consolidation or merger would have no material adverse U.S. federal or Delaware state tax consequences to the trust or to any holder of the notes.

Each trust will not:

- except as expressly permitted by the indenture, the transfer and servicing agreements or other related documents, sell, transfer, exchange or otherwise dispose of any of the assets of that trust;
- claim any credit on or make any deduction from the principal and interest payable on notes of the series, other than amounts withheld under the Internal Revenue Code or applicable state law, or assert any claim against any present or former holder of notes because of the payment of taxes levied or assessed upon the trust;

- except as contemplated by the indenture and the related documents, dissolve or liquidate in whole or in part;
- permit the validity or effectiveness of the indenture to be impaired or permit any person to be released from any covenants or obligations under the indenture, except as expressly permitted by the indenture; or
- permit any lien, charge or other encumbrance to be created on the assets of the trust, except as expressly permitted by the indenture and the related documents.

No trust may engage in any activity other than as specified under the section of the related offering memorandum supplement entitled “*Formation of the Trust—The Trust.*” In addition, no trust will incur, assume or guarantee any indebtedness other than indebtedness evidenced by the notes of a related series and the applicable indenture, except as permitted by the indenture and the related documents.

Indenture Trustee’s Annual Report. Each indenture trustee will be required to mail all noteholders a brief annual report relating to, among other things, any changes in its eligibility and qualification to continue as the indenture trustee under the indenture, any amounts advanced by it under the indenture, the amount, interest rate and maturity date of indebtedness owing by the trust to the indenture trustee in its individual capacity, the property and funds physically held by the indenture trustee as such and any action taken by it that materially affects the notes and that has not been previously reported.

Satisfaction and Discharge of Indenture. An indenture will be satisfied and discharged when the indenture trustee has received for cancellation all of the notes or, with certain limitations, when the indenture trustee receives funds sufficient for the payment in full of all of the notes.

The Indenture Trustee. The offering memorandum supplement will specify the indenture trustee for each series. The indenture trustee or trustee will act on behalf of the noteholders and represent their interests in the exercise of their rights under the related indenture.

The indenture trustee may resign at any time, in which event the trustee must appoint a successor. The trustee may also remove any indenture trustee that ceases to be eligible to continue as a trustee under the indenture or if the indenture trustee becomes insolvent. In those circumstances, the trustee must appoint a successor trustee. Any resignation or removal of the indenture trustee for any series will become effective only when the successor indenture trustee has accepted its appointment. To the extent expenses incurred in connection with the replacement of an indenture trustee are not paid by the indenture trustee that is being replaced, the depositor will be responsible for the payment of such expenses.

The indenture trustee will not be personally liable for any actions or omissions that were not the result of its own bad faith, fraud, willful misconduct or negligence. The indenture trustee will be entitled to be indemnified by the administrator (at the direction of the issuing entity) for any loss, liability or expense (including reasonable attorneys’ fees) incurred by it in connection with the performance of its duties under the indenture and the other transaction agreements.

Upon the occurrence of an event of default, and in the event the administrator fails to reimburse the indenture trustee, the indenture trustee will be entitled to receive all such amounts owed from cashflow on the trust student loans prior to any amounts being distributed to the noteholders.

The offering memorandum supplement will specify the principal office of each indenture trustee.

ADDITIONAL INFORMATION REGARDING THE NOTES

Each class of notes may be fixed rate notes that bear interest at a fixed annual rate or floating rate notes that bear interest at a variable or adjustable annual rate, as more fully described below and in the applicable offering memorandum supplement.

Fixed Rate Notes

Each class of fixed rate notes will bear interest at the annual rate specified in the applicable offering memorandum supplement. Interest on each class of fixed rate notes will be computed on the basis of a 360-day year of twelve 30-day months. See “*Description of the Notes—Principal and Interest on the Notes*” in this base offering memorandum.

Floating Rate Notes

Each class of floating rate notes will bear interest at an annual rate determined by reference to an interest rate index, plus or minus any spread, and multiplied by any spread multiplier, each as specified in the related offering memorandum supplement. The index may be based on LIBOR, a commercial paper rate, a federal funds rate, a U.S. Treasury securities rate, a negotiable certificate of deposit rate or some other rate that is an interest rate for debt instruments. See “*Determination of Indices*” below for a more detailed description of potential indices and how they are calculated.

Floating rate notes also may have either or both of the following:

- a maximum limitation, or ceiling, on its interest rate; and
- a minimum limitation, or floor, on its interest rate.

In addition to any prescribed maximum interest rate, the interest rate applicable to any class of floating rate notes will in no event be higher than any maximum rate permitted by law.

Each trust that issues a class of floating rate notes will appoint, and enter into agreements with, a calculation agent to calculate interest on that class. The applicable offering memorandum supplement will identify the calculation agent, which may be the administrator, the trustee or the indenture trustee for that series. In the absence of manifest error, all determinations of interest by the calculation agent will be conclusive for all purposes and will be binding on the holders of the floating rate notes. All percentages resulting from any calculation of the rate of interest on a floating rate note will be rounded, if necessary, to the nearest 1/100,000 of 1%, or 0.0000001, with five one-millionths of a percentage point being rounded upward.

Determination of Indices

Day-Count Basis; Interest Rate Change Dates; Interest Rate Determination Dates. For any class of notes that bears interest at a LIBOR-based rate, interest due for any accrual period generally will be determined on the basis of an Actual/360 day year. If a class of notes bears interest at a fixed rate and is denominated in U.S. Dollars, interest due for any accrual period generally will be determined on the basis of a 30/360 day year. The applicable day-count basis will be determined in accordance with prevailing market conventions and existing market conditions, but generally will be limited to the following accrual methods:

- “30/360” which means that interest is calculated on the basis of a 360-day year consisting of twelve 30-day months;
- “Actual/360” which means that interest or any other relevant factor is calculated on the basis of the actual number of days elapsed in a year of 360 days;
- “Actual/365 (fixed)” which means that interest is calculated on the basis of the actual number of days elapsed in a year of 365 days, regardless of whether accrual or payment occurs in a leap year;
- “Actual/Actual (accrual basis)” which means that interest is calculated on the basis of the actual number of days elapsed in a year of 365 days, or 366 days for every day in a leap year;
- “Actual/Actual (payment basis)” which means that interest is calculated on the basis of the actual number of days elapsed in a year of 365 days if the interest period ends in a non-leap year, or 366 days if the interest period ends in a leap year, as the case may be; and
- “Actual/Actual (ISMA)” is a calculation in accordance with the definition of “Actual/Actual” adopted by the International Securities Market Association (“ISMA”), which means that interest is calculated on the following basis:
 - where the number of days in the relevant accrual period is equal to or shorter than the determination period during which such accrual period ends, the number of days in such accrual period divided by the product of (A) the number of days in such determination period and (B) the number of distribution dates that would occur in one calendar year; or
 - where the accrual period is longer than the determination period during which the accrual period ends, the sum of:
 - (1) the number of days in such accrual period falling in the determination period in which the accrual period begins divided by the product of (x) the number of days in such determination period and (y) the number of distribution dates that would occur in one calendar year; and

- (2) the number of days in such accrual period falling in the next determination period divided by the product of (x) the number of days in such determination period and (y) the number of distribution dates that would occur in one calendar year;

where “determination period” means the period from and including one calculation date to but excluding the next calculation date and “calculation date” means, in each year, each of those days in the calendar year that are specified herein as being the scheduled distribution dates.

For any class of notes that bears interest at a LIBOR-based rate, the related interest rate determination dates will be LIBOR Determination Dates, as described under “—*LIBOR*” below.

LIBOR. Unless otherwise specified in the related offering memorandum supplement, “LIBOR”, for any accrual period, will be the rate for deposits in U.S. Dollars having the specified maturity commencing on the first day of the accrual period, which appears on Reuters Page 3750 or on such comparable service as is customarily used to quote LIBOR as of 11:00 a.m., London time, on the related LIBOR Determination Date. If this rate does not appear on Reuters Page 3750 or on such comparable service as is customarily used to quote LIBOR, the rate for that LIBOR Determination Date will be determined on the basis of the rates at which deposits in U.S. Dollars, having the specified maturity, are offered by the Reference Banks at approximately 11:00 a.m., London time, on that LIBOR Determination Date to prime banks in the London interbank market. The calculation agent will request the principal London office of each Reference Bank to provide a quotation of its rate. If at least two quotations are provided, the rate for that LIBOR Determination Date will be the arithmetic mean of the quotations. If fewer than two quotations are provided, the rate for that LIBOR Determination Date will be the arithmetic mean of the rates quoted by major banks in New York City, selected by the calculation agent, at approximately 11:00 a.m., New York City time, on that LIBOR Determination Date for loans in U.S. Dollars to leading European banks having the specified maturity. If the banks selected as described above are not providing quotations, LIBOR in effect for the applicable accrual period will be LIBOR for the specified maturity in effect for the previous accrual period. For purposes of calculating LIBOR, a business day is any day on which banks in New York City and the City of London are open for the transaction of international business. For the LIBOR-based notes, interest due for any accrual period will be determined on an Actual/360 basis.

For this purpose:

- “LIBOR Determination Date” means, for each accrual period, the second business day before the beginning of that accrual period.
- “Reference Banks” means four major banks in the London interbank market selected by the administrator.

- “Reuters Page 3750” means the display page so designated on the Reuters Monitor Money Rates Service, or such other page that may replace that page on that service, or such other service as may be nominated as the information vendor for the purposes of displaying comparable rates or prices.

Commercial Paper Rate. If the notes bear interest based on the commercial paper rate (the “Commercial Paper Rate”), the Commercial Paper Rate for any relevant interest determination date will be the Bond Equivalent Yield shown below of the rate for 90-day commercial paper, as published in H.15(519) prior to 3:00 p.m., New York City time, on that interest determination date under the heading “*Commercial Paper—Financial.*”

The administrator will observe the following procedures if the commercial paper rate cannot be determined as described above:

- If the rate described above is not published in H.15(519) by 3:00 p.m., New York City time, on that interest determination date, unless the calculation is made earlier and the rate was available from that source at that time, then the Commercial Paper Rate will be the Bond Equivalent Yield of the rate on the relevant interest determination date, for commercial paper having the index maturity specified on the related date of determination, as published in H.15 Daily Update or any other recognized electronic source used for displaying that rate under the heading “*Commercial Paper— Financial.*” The “Bond Equivalent Yield” will be calculated as follows:

$$\text{Bond Equivalent Yield} = \frac{N \times D}{360 (D \times 90)} \times 100$$

where “D” refers to the per annum rate determined as set forth above, quoted on a bank discount basis and expressed as a decimal and “N” refers to 365 days or 366 days, as the case may be.

- If the rate described in the prior paragraph cannot be determined, the Commercial Paper Rate will remain the commercial paper rate then in effect on that interest determination date.
- The Commercial Paper Rate will be subject to a lock-in period of six New York City business days.

CMT Rate. If any class of notes bear interest based on the Treasury constant maturity rate (the “CMT Rate”), the CMT Rate for any relevant interest determination date will be the rate displayed on the applicable Designated CMT Page shown below by 3:00 p.m., New York City time, on that interest determination date under the caption “...Treasury Constant Maturities...Federal Reserve Board Release H.15...Mondays Approximately 3:45 p.m.,” under the column for:

- If the Designated CMT Page is Reuters Screen FRBCMT Page, the rate on that interest determination date; or

- If the Designated CMT Page is Reuters Screen 7052 Page, the average for the week, or the month, as specified on the related date of determination, ended immediately before the week in which the related interest determination date occurs.

The following procedures will apply if the CMT Rate cannot be determined as described above:

- If the rate described above is not displayed on the relevant page by 3:00 p.m., New York City time, on that interest determination date, unless the calculation is made earlier and the rate is available from that source at that time on that interest determination date, then the CMT Rate will be the Treasury constant maturity rate having the designated index maturity, as published in H.15(519) or another recognized electronic source for displaying the rate.
- If the applicable rate described above is not published in H.15(519) or another recognized electronic source for displaying such rate by 3:00 p.m., New York City time, on that interest determination date, unless the calculation is made earlier and the rate is available from one of those sources at that time, then the CMT Rate will be the Treasury constant maturity rate, or other United States Treasury rate, for the index maturity and with reference to the relevant interest determination date, that is published by either the Board of Governors of the Federal Reserve System or the United States Department of the Treasury and that the administrator determines to be comparable to the rate formerly displayed on the Designated CMT Page shown above and published in H.15(519).
- If the rate described in the prior paragraph cannot be determined, then the administrator will determine the CMT Rate to be a yield to maturity based on the average of the secondary market closing offered rates as of approximately 3:30 p.m., New York City time, on the relevant interest determination date reported, according to their written records, by leading primary United States government securities dealers in New York City. The administrator will select five such securities dealers and will eliminate the highest and lowest quotations or, in the event of equality, one of the highest and lowest quotations, for the most recently issued direct nonmalleable fixed rate obligations of the United States Treasury (“Treasury Notes”) with an original maturity of approximately the designated index maturity and a remaining term to maturity of not less than the designated index maturity minus one year in a representative amount.
- If the administrator cannot obtain three Treasury Note quotations of the kind described in the prior paragraph, the administrator will determine the CMT Rate to be the yield to maturity based on the average of the secondary market bid rates for Treasury Notes with an original maturity longer than the designated CMT index maturity which have a remaining term to maturity closest to the designated CMT index maturity and in a representative amount, as of approximately 3:30 p.m., New York City time, on the relevant interest determination date of leading primary United States government securities dealers in New York City. In selecting these

offered rates, the administrator will request quotations from at least five such securities dealers and will disregard the highest quotation (or if there is equality, one of the highest) and the lowest quotation (or if there is equality, one of the lowest). If two Treasury Notes with an original maturity longer than the designated CMT index maturity have remaining terms to maturity that are equally close to the designated CMT index maturity, the administrator will obtain quotations for the Treasury Note with the shorter remaining term to maturity.

- If three or four but not five leading primary United States government securities dealers are quoting as described in the prior paragraph, then the CMT Rate for the relevant interest determination date will be based on the average of the bid rates obtained and neither the highest nor the lowest of those quotations will be eliminated.
- If fewer than three leading primary United States government securities dealers selected by the administrator are quoting as described above, the CMT Rate will remain the CMT Rate then in effect on that interest determination date.

Federal Funds Rate. If any class of notes bears interest based on the federal funds rate (the “Federal Funds Rate”), the Federal Funds Rate for any relevant interest determination date will be the rate for U.S. Dollar federal funds, as published in H.15(519) for that day opposite the caption “Federal Funds (Effective)” as that rate is displayed on that interest determination date on FedFunds1 under the heading “Federal Funds Rate.” The administrator will observe the following procedures if the Federal Funds Rate cannot be determined as described above:

- If the rate described above does not appear on FedFunds1 or is not yet published in H.15(519) by 3:00 p.m., New York City time, on that interest determination date, unless the calculation is made earlier and the rate was available from that source at that time, then the Federal Funds Rate for the relevant interest determination date will be the rate described above in H.15 Daily Update, or any other recognized electronic source used for the purpose of displaying such rate, opposite the heading “Federal Funds (Effective).”
- If the rate described above does not appear on FedFunds1 or is not yet published in H.15(519), H.15 Daily Update or another recognized electronic source for displaying such rate by 3:00 p.m., New York City time, on that interest determination date, the Federal Funds Rate for that interest determination date will be the arithmetic mean of the rates for the last transaction in overnight U.S. Dollar federal funds arranged by three leading brokers of federal funds transactions in New York City, selected by the administrator, on that interest determination date.
- If fewer than three brokers selected by the administrator are quoting as described above, the Federal Funds Rate will remain the Federal Funds Rate then in effect on the relevant interest determination date.

91-day Treasury Bill Rate. If any class of notes bears interest at the 91-day Treasury Bill Rate (the “91-day Treasury Bill Rate”), the 91-day Treasury Bill Rate for any relevant interest determination date will be the rate equal to the weighted average per annum discount rate (expressed as a bond equivalent yield and applied on a daily basis) for direct obligations of the United States with a maturity of thirteen weeks (“91-day Treasury Bills”) sold at the applicable 91-day Treasury Bill auction, as published in H.15(519) or otherwise or as reported by the U.S. Department of the Treasury.

In the event that the results of the auctions of 91-day Treasury Bills cease to be published or reported as provided above, or that no 91-day Treasury Bill auction is held in a particular week, then the 91-day Treasury Bill Rate in effect as a result of the last such publication or report will remain in effect until such time, if any, as the results of auctions of 91-day Treasury Bills will again be so published or reported or such auction is held, as the case may be.

The 91-day Treasury Bill Rate will be subject to a lock-in period of six New York City business days.

Prime Rate. Unless otherwise specified in the related offering memorandum supplement, if any class of notes bears interest based on the prime rate (the “Prime Rate”), the Prime Rate for any relevant interest determination date is the prime rate or base lending rate on that date, as published in H.15(519), prior to 3:00 p.m., New York City time, on that interest determination date under the heading “Bank Prime Loan.”

The administrator will observe the following procedures if the Prime Rate cannot be determined as described above:

- If the rate described above is not published in H.15(519) prior to 3:00 p.m., New York City time, on the relevant interest determination date, unless the calculation is made earlier and the rate was available from that source at that time, then the Prime Rate will be the rate for that interest determination date, as published in H.15 Daily Update or another recognized electronic source for displaying such rate opposite the caption “Bank Prime Loan.”
- If the above rate is not published in either H.15(519), H.15 Daily Update or another recognized electronic source for displaying such rate by 3:00 p.m., New York City time, on the relevant interest determination date, then the administrator will determine the Prime Rate to be the average of the rates of interest publicly announced by each bank that appears on the Reuters Screen designated as “USPRIME1” as that bank’s prime rate or base lending rate as in effect on that interest determination date.
- If fewer than four rates appear on the Reuters Screen USPRIME1 page on the relevant interest determination date, then the Prime Rate will be the average of the prime rates or base lending rates quoted, on the basis of the actual number of days in the year divided by a 360-day year, as of the close of business on that interest determination date by three major banks in New York City selected by the administrator.

- If the banks selected by the administrator are not quoting as mentioned above, the Prime Rate will remain the prime rate then in effect on that interest determination date.

Successor Service. When an interest rate or interest rate index is determined by reference to any display page provided by an information vendor, such as Reuters or Bloomberg, such page shall mean the display page so designated on the information vendor's service or any successor service. A successor service shall mean the successor display page, other published source, information vendor or provider that has been selected by the administrator and published on the administrator's website or if the administrator has not selected and published a successor service, the successor display page, other published source, information vendor or provider that has been officially designated by the sponsor of the original page or service.

Distributions

Beginning on the distribution date specified in the related offering memorandum supplement, the applicable trustee will make distributions of principal and interest on each class of notes.

To the extent specified in any offering memorandum supplement, one or more classes of notes of the trust may have targeted scheduled distribution dates on which the notes will be paid in full or in part to the extent the trust is able to issue in sufficient amount additional notes in order to pay in full or in part the original notes issued by the trust. The proceeds of such additional notes, which may be issued publicly or privately, will be applied to pay the specified class of original notes in the manner set forth in the related offering memorandum supplement, and the additional notes will receive principal payments in the amounts and with the priority specified in the related offering memorandum supplement.

Credit Enhancement and Other Support

General

The related offering memorandum supplement will describe the amounts and types of credit or cash flow enhancement arrangements for each series. If provided in the related offering memorandum supplement, credit or cash flow enhancement may take the form of:

- subordination of one or more classes of notes,
- reserve accounts,
- capitalized interest accounts,
- cash capitalization or cash collateral accounts,
- overcollateralization,
- letters of credit,

- liquidity agreements,
- pool insurance policies,
- repurchase bonds, or
- any combination of the foregoing.

The presence of a reserve account and other forms of credit or liquidity enhancement is intended to enhance the likelihood of receipt by the noteholders of the full amount of distributions when due and to decrease the likelihood that the noteholders will experience losses.

Credit enhancement will not provide protection against all risks of loss and will not guarantee repayment of all distributions. If losses occur which exceed the amount covered by any credit enhancement or which are not covered by any credit enhancement, noteholders will bear their allocable share of deficiencies, as described in the related offering memorandum supplement. In addition, if a form of credit enhancement covers more than one series of notes, noteholders of any of those series will be subject to the risk that the credit enhancement will be exhausted by the claims of noteholders of other series.

Subordination of Notes

If specified in the related offering memorandum supplement one or more classes of notes of a series may be subordinate notes. The rights of the holders of subordinate notes to receive distributions of principal and interest from the collection account on any distribution date will be subordinated, to the extent provided in the related offering memorandum supplement, to those rights of the holders of senior notes. The offering memorandum supplement will set forth information concerning the amount of subordination of a class or classes of subordinate notes in a series, the circumstances in which that subordination will be applicable and the manner, if any, in which the amount of subordination will be effected.

Reserve Accounts

The related offering memorandum supplement will describe how amounts in any reserve account will be available to cover shortfalls in payments due on the notes. It will also describe how amounts on deposit in the reserve account in excess of the specified reserve account balance will be distributed to noteholders.

Capitalized Interest Accounts

If specified in the related offering memorandum supplement, the depositor may deposit cash or eligible investments on the closing date into a capitalized interest account maintained by the indenture trustee for the purpose of providing additional available funds to pay interest on the notes for a limited time period following the closing date. Any amount remaining in the capitalized interest account at the end of such limited time period will be remitted as specified in the related offering memorandum supplement.

Cash Capitalization or Cash Collateral Accounts

If specified in the related offering memorandum supplement, the depositor may be required to deposit cash into a cash capitalization or cash collateral account maintained by the indenture trustee for the purpose of assuring the availability of funds to pay interest on the notes. Amounts in the cash capitalization or cash collateral account will be remitted as specified in the related offering memorandum supplement.

Overcollateralization

If specified in the related offering memorandum supplement, subordination provisions of a trust may be used to accelerate, to a limited extent, the amortization of one or more classes of notes relative to the amortization of the related trust student loans. The accelerated amortization is achieved by the application of excess interest to the payment of principal of one or more classes of notes. This acceleration feature creates overcollateralization, which is the excess of the total principal balance of the related trust student loans, over the principal balance of the related class or classes of notes. This acceleration may continue for the life of the related notes, or may be limited. In the case of limited acceleration, once the required level of overcollateralization is reached, the limited acceleration feature may cease, unless necessary to maintain the required level of overcollateralization.

Letters of Credit

If specified in the related offering memorandum supplement, credit support for a series of notes may be provided by the issuance of a letter of credit by the bank or financial institution that is specified in such offering memorandum supplement. The coverage, amount and frequency of any reduction in coverage provided by a letter of credit issued for a series of notes will be set forth in the related offering memorandum supplement.

Liquidity Agreements

If specified in the related offering memorandum supplement, credit or liquidity support for a series of notes may be provided by advances made to the issuing entity by a liquidity provider(s) under the terms and conditions of a liquidity agreement(s). The amount, frequency and other material terms of any advances made by a liquidity provider to the issuing entity related to a series of notes will be set forth in the related offering memorandum supplement. Disclosure regarding the identity and description of any liquidity provider(s), to the extent required, will be presented in the related offering memorandum supplement. The related offering memorandum supplement will also disclose the amounts and priority of payment of reimbursements, to the extent applicable, to be made by the issuing entity to any liquidity provider(s) for advances made under the terms of the related liquidity agreement(s).

Pool Insurance Policies

If specified in the related offering memorandum supplement, a pool insurance policy for the trust student loans may be obtained. The pool insurance policy will cover any loss (subject to the limitations described in the offering memorandum supplement) by reason of default. The amount and principal terms of any pool insurance coverage will be set forth in the offering memorandum supplement. All required disclosure regarding the provider of such policy will be presented in the related offering memorandum supplement.

Repurchase Bonds

If specified in the offering memorandum supplement, the depositor or servicer will be obligated to repurchase any trust student loan (up to an aggregate U.S. Dollar amount specified in the offering memorandum supplement) for which insurance coverage is denied due to dishonesty, misrepresentation or fraud in connection with the origination or sale of such trust student loan. This obligation may be secured by a surety bond guaranteeing payment of the amount to be paid by the depositor or the servicer.

Swap Agreements, Cap Agreements or other Financial or Derivative Instruments;

If so specified in the offering memorandum supplement relating to a series of notes, the related trust will enter into, or obtain an assignment of, one or more interest rate swap agreements, cap agreements, floor agreements, collar agreements or liquidity agreements pursuant to which the trust will have the right to receive particular payments of interest, or other payments, as set forth or determined and as described in the related swap agreement, cap agreement or similar agreement, as applicable. The related offering memorandum supplement will describe the material terms of each such derivative agreement and the particular risks associated with the swap feature, including market and credit risk, the effect of counterparty defaults and other risks, if any, addressed by the rating related to the derivative agreement.

Insolvency Events

Each trust agreement will provide that the trustee may commence a voluntary bankruptcy proceeding relating to that trust only with the unanimous prior approval of all noteholders of the related series of notes. In order to commence a voluntary bankruptcy, all noteholders must deliver to the trustee a certificate certifying that they reasonably believe the related trust is insolvent.

Book-Entry Registration

Investors in notes in book-entry form may, directly or indirectly, hold their notes through DTC in the United States or, if so provided in the related offering memorandum supplement, through Clearstream, Luxembourg or Euroclear.

Cede & Co., as nominee for DTC, will hold one or more global notes. Unless the related offering memorandum supplement provides otherwise, Clearstream, Luxembourg and Euroclear will hold omnibus positions on behalf of their participants through customers' securities accounts in Clearstream, Luxembourg's and Euroclear's names on the books of their respective depositories, which in turn will hold these positions in the depositories' names on the books of DTC. Transfers between DTC participants will occur in accordance with DTC rules. Transfers between Clearstream, Luxembourg participants and Euroclear participants will occur in accordance with their applicable rules and operating procedures.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg participants or Euroclear participants, on the other, will be effected at DTC in accordance with DTC rules on behalf of the relevant European international clearing system by its depository; however, cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in that system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to

its depository to take action to effect final settlement on its behalf by delivering or receiving securities in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream, Luxembourg participants and Euroclear participants may not deliver instructions directly to the depositories.

Because of time-zone differences, credits of securities received in Clearstream, Luxembourg or Euroclear as a result of a transaction with DTC participants will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Credits for any transactions in the securities settled during this processing will be reported to the relevant Euroclear or Clearstream, Luxembourg participant on that business day. Cash received in Clearstream, Luxembourg or Euroclear as a result of sales of securities by or through a Clearstream, Luxembourg participant or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream, Luxembourg or Euroclear cash account only as of the business day following settlement in DTC. For additional information regarding clearance and settlement procedures for the securities, and for information on tax documentation procedures relating to the securities, see “*Appendix J—Global Clearance, Settlement and Tax Documentation Procedures*” in this base offering memorandum.

DTC is a limited purpose trust company organized under the laws of New York, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the Uniform Commercial Code and a “clearing agency” registered under Section 17A of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). DTC was created to hold securities for its participating organizations and to facilitate the clearance and settlement of securities transactions between those participants through electronic book-entries, thereby eliminating the need for physical movement of certificates. Participants include securities brokers and dealers, banks, trust companies and clearing corporations, including Euroclear and Clearstream, Luxembourg. Indirect access to the DTC system also is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

Securityholders that are not participants or indirect participants but desire to purchase, sell or otherwise transfer ownership of, or other interests in, securities held through DTC may do so only through participants and indirect participants. Securityholders will receive all distributions of principal and interest from the indenture trustee or the trustee through participants and indirect participants. Under a book-entry format, securityholders may experience some delay in their receipt of payments, since payments will be forwarded by the trustee to DTC’s nominee. DTC will forward those payments to its participants, which will forward them to indirect participants or securityholders. Securityholders will not be recognized by the applicable trustee as noteholders under the indenture or trust agreement, as applicable, and securityholders will be permitted to exercise the rights of securityholders only indirectly through DTC and its participants.

Under the rules, regulations and procedures creating DTC and affecting its operations, DTC is required to make book-entry transfers of securities among participants on whose behalf it acts with respect to the securities and to receive and transmit principal and interest payments on the securities. Participants and indirect participants with which securityholders have accounts

with respect to the securities are likewise required to make book-entry transfers and receive and transmit payments of principal and interest on the securities on behalf of their customers. Accordingly, although securityholders will not possess securities, the DTC rules provide a mechanism by which participants will receive payments and will be able to transfer their interests.

Because DTC can only act on behalf of participants, which in turn act on behalf of indirect participants, the ability of a securityholder to pledge securities to persons or entities that do not participate in the DTC system, or to otherwise act with respect to the securities, may be limited since securityholders will not possess physical certificates for their securities.

DTC has advised us that it will take any action that a securityholder is permitted to take under the indenture or trust agreement, only at the direction of one or more Participants to whose DTC accounts the securities are credited. DTC may take conflicting actions on undivided interests to the extent that those actions are taken on behalf of participants whose holdings include undivided interests.

Except as required by law, neither the administrator nor the applicable trustee for any trust will have any liability for the records relating to payments or the payments themselves, made on account of beneficial ownership interests of the securities held by DTC's nominee, or for maintaining, supervising or reviewing any records relating to those beneficial ownership interests.

Clearstream, Luxembourg is organized under the laws of Luxembourg as a professional depository. Clearstream, Luxembourg holds securities for its participants and facilitates the clearance and settlement of securities transactions between Clearstream, Luxembourg participants through electronic book-entry changes in accounts of Clearstream, Luxembourg participants. Thus, the need for physical movement of certificates is eliminated. Transactions may be settled in Clearstream, Luxembourg in numerous currencies, including United States dollars. Clearstream, Luxembourg provides to its participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg interfaces with domestic markets in several countries. As a professional depository, Clearstream, Luxembourg is subject to regulation by the Luxembourg Monetary Institute. Clearstream, Luxembourg participants are recognized financial institutions around the world, including initial purchasers, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Indirect access to Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream, Luxembourg participant, either directly or indirectly.

The Euroclear System was created in 1968 to hold securities for participants of the Euroclear System and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Transactions may be settled in numerous currencies, including United States dollars. The Euroclear System includes various other services, including securities lending and borrowing and interfaces with domestic markets in several countries generally similar to the arrangements for cross-market transfers with DTC described above. The Euroclear System is operated by Euroclear Bank, S.A./N.V.

All operations are conducted by the Euroclear operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear operator. Euroclear participants include banks, central banks, securities brokers and dealers and other professional financial intermediaries. Indirect access to the Euroclear System is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Securities clearance accounts and cash accounts with the Euroclear operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law. These govern transfers of securities and cash within the Euroclear System, withdrawals of securities and cash from the Euroclear System, and receipts of payments with respect to securities in the Euroclear System. All securities in the Euroclear System are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear operator acts only on behalf of Euroclear participants, and has no record of or relationship with persons holding through Euroclear participants.

Distributions with respect to securities held through Clearstream, Luxembourg or Euroclear will be credited to the cash accounts of Clearstream, Luxembourg participants or Euroclear participants in accordance with the relevant system's rules and procedures, to the extent received by its depository. These distributions will be subject to tax reporting in accordance with relevant United States tax laws and regulations. See "*U.S. Federal Income Tax Consequences*" in this base offering memorandum. Clearstream, Luxembourg or the Euroclear operator, as the case may be, will take any other action permitted to be taken by a securityholder under the agreement on behalf of a Clearstream, Luxembourg participant or Euroclear participant only in accordance with its relevant rules and procedures and subject to its depository's ability to effect these actions on its behalf through DTC.

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to these procedures to facilitate transfers of securities among participants of DTC, Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform these procedures. The procedures may therefore be discontinued at any time.

Transfer Restrictions

The following information relates to the form, transfer and delivery of the notes. Because of the following restrictions, purchasers of the notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the notes.

The notes are being offered and sold by the initial purchasers only to "qualified institutional buyers" ("QIBs") as defined in Rule 144A promulgated under the Securities Act ("Rule 144A"). QIBs in transactions meeting the requirements of Rule 144A or to persons (other than "U.S. persons" as defined in Regulation S promulgated under the Securities Act ("Regulation S")) outside the United States pursuant to the requirements of Regulation S.

Any ownership interest represented by a beneficial interest in a note offered and sold to a QIB pursuant to Rule 144A and represented by one or more notes in fully registered, global form ("Rule 144A Global Note") may be transferred to another entity who wishes to hold notes in the

form of an interest in a Rule 144A Global Note; provided, that, the applicable transferor and transferee are deemed to have represented and warranted that such transfer is being made to a transferee that (i) the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; (ii) is acquiring such notes in reliance on an exemption from registration under the Securities Act other than Rule 144A; or (iii) is acquiring such notes pursuant to an effective registration statement under the Securities Act.

On or prior to the fortieth day after the later of the commencement of the offering of the notes and the closing date (the “Distribution Compliance Period”), any ownership interest represented by a beneficial interest in a note offered and sold in reliance on Regulation S and represented by one or more notes in fully registered, global form (“Regulation S Global Note”) may be transferred to a person who wishes to hold notes in the form of an interest in the Regulation S Global Note; provided, that, the applicable transferee is deemed to have represented and warranted that it is not a “U.S. person” (as defined in Regulation S) and such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S and all other applicable securities laws. “Global Note” refers to the Regulation S Global Note or the Rule 144A Global Note, as the context requires.

After the related Distribution Compliance Period, such deemed representations and warranties will no longer apply to transfers of notes where the related beneficial interest is held through the Regulation S Global Note, but all such transfers will continue to be subject to the transfer restrictions contained in the legend appearing on the face of such Global Note, as described below.

Transfers of interests from a Regulation S Global Note for an interest in a Rule 144A Global Note, and vice versa, may be made at any time, but only if the intended transferor and transferee can be deemed to represent and warrant that such transferee fulfills the conditions set forth above to hold a beneficial interest in the applicable Global Note. Any interest in the notes represented by an interest in a Rule 144A Global Note that is transferred to a person who takes delivery in the form of an interest in a Regulation S Global Note, and vice versa, will, upon transfer, cease to be an interest in such original Rule 144A Global Note or Regulation S Global Note, as the case may be, and become an interest in a Regulation S Global Note or a Rule 144A Global Note, as applicable, and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to an interest in the applicable form of Global Note.

Each purchaser of notes that represent a beneficial interest in a Global Note will be deemed to have represented and agreed, and each purchaser of a note issued in fully registered, definitive form offered and sold (i) in reliance on Regulation S (“Regulation S Definitive Note”) or (ii) to a QIB, pursuant to Rule 144A (the “Rule 144A Definitive Note”) will be required to certify in writing, among other things to be set forth in the indenture, that:

(a) (1) the purchaser is a QIB and is acquiring such notes for its own account or as a fiduciary or agent for others (which others also must be QIBs) for investment purposes and not for distribution in violation of the Securities Act, and it is able to bear the economic risk of an investment in the notes and has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of purchasing the notes, or, (2) the purchaser is a non-“U.S. person” (as defined in Regulation S) outside the United States, acquiring the notes pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S;

(b) the purchaser understands that the notes are being offered only in a transaction that does not require registration under the Securities Act and, if such purchaser decides to resell or otherwise transfer such notes, then it agrees that it will resell or transfer such notes only (1) so long as such notes are eligible for resale pursuant to Rule 144A, to a person whom the seller reasonably believes is a QIB acquiring the notes for its own account or as a fiduciary or agent for others (which others must also be QIBs) to whom notice is given that the resale or other transfer is being made in reliance on Rule 144A, (2) pursuant to an effective registration statement under the Securities Act, (3) pursuant to an exemption from registration under the Securities Act other than Rule 144A, or, if applicable, (4) to a purchaser who is a non-“U.S. person” (as defined in Regulation S) outside the United States, acquiring the notes pursuant to an exemption from registration under the Securities Act in accordance with Rule 903 or Rule 904 of Regulation S or, in each case in accordance with any applicable United States state securities or “Blue Sky” laws or any securities laws of any other jurisdiction;

(c) unless the relevant legend set out below has been removed from the relevant notes, the purchaser shall notify each transferee of the notes that (1) such notes have not been registered under the Securities Act, (2) the holder of such notes is subject to the restrictions on the resale or other transfer thereof described in paragraph (b) above, (3) such transferee shall be deemed to have represented (i) as to its status as a QIB or as a non-“U.S. person” (as defined in Regulation S) acquiring the notes pursuant to an exemption from registration under the Securities Act in accordance with Rule 903 or Rule 904 of Regulation S, as the case may be, (ii) if such transferee is a QIB, that such transferee is acquiring the notes for its own account or as a fiduciary or agent for others (which others also must be QIBs) (or that is acquiring such notes in reliance on an exemption under the Securities Act other than Rule 144A or pursuant to an effective registration statement under the Securities Act), (iii) if applicable, if such transferee is a non-“U.S. person” (as defined in Regulation S) outside the United States, that such transferee is acquiring the notes pursuant to an exemption from registration under the Securities Act in accordance with the requirements of Rule 903 or Rule 904 of Regulation S, and (iv) that such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing;

(d) if the purchaser is acquiring its interest in any Note by, for or with the assets of, a benefit plan, such acquisition will not constitute or otherwise result in: (1) in the case of a benefit plan subject to Title I of ERISA or Section 4975 of the Code, a non-exempt prohibited transaction in violation of Section 406 of ERISA or Section 4975 of the Code which is not covered by a class or other applicable exemption and (2) in the case of a benefit plan subject to a substantially similar federal, state, local or foreign law, a non-exempt violation of such substantially similar law. Any transfer found to have been made in violation of such deemed representation shall be null and void and of no effect; and

(e) (1) the purchaser understands that each Rule 144A Global Note and any Rule 144A Definitive Note (collectively, the “Rule 144A Certificates”) will bear the following legend unless determined otherwise in accordance with applicable law:

“THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), ANY UNITED STATES STATE SECURITIES OR “BLUE SKY” LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION, AND, AS A MATTER OF U.S. LAW, MAY NOT BE

OFFERED OR SOLD IN VIOLATION OF THE ACT OR SUCH OTHER LAWS. THIS NOTE MAY BE TRANSFERRED ONLY IN MINIMUM DENOMINATIONS OF \$100,000 AND \$1,000 INCREMENTS IN EXCESS THEREOF. THE HOLDER HEREOF, BY PURCHASING OR ACCEPTING THIS NOTE IS HEREBY DEEMED TO HAVE AGREED FOR THE BENEFIT OF THE TRUST AND THE INITIAL PURCHASERS THAT IT WILL RESELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE, AS A MATTER OF U.S. LAW, ONLY (A) (1) SO LONG AS THIS NOTE IS ELIGIBLE FOR RESALE, PURSUANT TO RULE 144A PROMULGATED UNDER THE ACT (“RULE 144A”), TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER, AS DEFINED IN RULE 144A (A “QUALIFIED INSTITUTIONAL BUYER”), THAT IS ACQUIRING THIS NOTE FOR ITS OWN ACCOUNT OR AS A FIDUCIARY OR AGENT FOR OTHERS (WHICH OTHERS MUST ALSO BE QUALIFIED INSTITUTIONAL BUYERS) TO WHOM NOTICE IS GIVEN THAT THE RESALE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (2) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE ACT OTHER THAN RULE 144A, (3) TO A PERSON WHO IS NOT A “U.S. PERSON” (AS DEFINED IN REGULATION S PROMULGATED UNDER THE ACT (“REGULATION S”)) OUTSIDE THE UNITED STATES ACQUIRING THIS NOTE IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S PROMULGATED UNDER THE ACT OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT, IN EACH CASE IN ACCORDANCE WITH ANY UNITED STATES STATE SECURITIES OR “BLUE SKY” LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION. UPON ACQUISITION OR TRANSFER OF A NOTE OR A BENEFICIAL INTEREST IN A NOTE, AS THE CASE MAY BE, BY, FOR OR WITH THE ASSETS OF, (1) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 2(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (“ERISA”)), WHETHER OR NOT SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, (2) A PLAN DESCRIBED IN SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), WHETHER OR NOT SUBJECT TO SECTION 4975 OF THE CODE OR (3) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF A PLAN’S INVESTMENT IN THE ENTITY (A “BENEFIT PLAN”), SUCH NOTEHOLDER SHALL BE DEEMED TO HAVE REPRESENTED THAT SUCH ACQUISITION OR HOLDING WILL NOT CONSTITUTE OR OTHERWISE RESULT IN: (I) IN THE CASE OF A BENEFIT PLAN SUBJECT TO TITLE I OF ERISA AND/OR SECTION 4975 OF THE CODE, A NON-EXEMPT PROHIBITED TRANSACTION IN VIOLATION OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE WHICH IS NOT COVERED BY AN APPLICABLE STATUTORY OR ADMINISTRATIVE EXEMPTION AND (II) IN THE CASE OF A BENEFIT PLAN SUBJECT TO A SUBSTANTIALLY SIMILAR FEDERAL, STATE, LOCAL OR FOREIGN LAW, A NON-EXEMPT VIOLATION OF SUCH SUBSTANTIALLY SIMILAR LAW. ANY TRANSFER FOUND TO HAVE BEEN MADE IN VIOLATION OF SUCH DEEMED REPRESENTATION SHALL BE NULL AND VOID AND OF NO EFFECT.

THIS NOTE AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES UNDERTAKEN OR REPRESENTED BY THE HOLDER, FOR REALES AND OTHER TRANSFERS OF THIS NOTE, TO REFLECT ANY CHANGE IN APPLICABLE LAWS OR REGULATIONS (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES

GENERALLY. THE HOLDER OF THIS NOTE AND ANY BENEFICIAL OWNER OF ANY INTEREST THEREIN SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF OR THEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS NOTE AND ANY NOTES ISSUED IN EXCHANGE OR SUBSTITUTION HEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON) AND AGREES TO TRANSFER THIS NOTE ONLY IN ACCORDANCE WITH ANY SUCH AMENDMENT OR SUPPLEMENT IN ACCORDANCE WITH APPLICABLE LAW IN EFFECT AT THE DATE OF SUCH TRANSFER”; or

(2) The purchaser understands that each Regulation S Global Note and any Regulation S Definitive Note (collectively, the “Regulation S Certificates”) will bear the following legend unless determined otherwise in accordance with applicable law:

“THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), ANY UNITED STATES STATE SECURITIES OR “BLUE SKY” LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION, AND, AS A MATTER OF U.S. LAW, PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING OF THE NOTES AND THE CLOSING OF THE OFFERING OF THE NOTES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO A “U.S. PERSON” (AS DEFINED IN REGULATION S PROMULGATED UNDER THE ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT, IN EACH CASE IN ACCORDANCE WITH ANY UNITED STATES STATE SECURITIES OR “BLUE SKY” LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION. THIS NOTE MAY BE TRANSFERRED ONLY IN MINIMUM DENOMINATIONS OF \$100,000 AND \$1,000 INCREMENTS IN EXCESS THEREOF.

UPON ACQUISITION OR TRANSFER OF A NOTE OR A BENEFICIAL INTEREST IN A NOTE, AS THE CASE MAY BE, BY, FOR OR WITH THE ASSETS OF, (1) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 2(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (“ERISA”)), WHETHER OR NOT SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, (2) A PLAN DESCRIBED IN SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), WHETHER OR NOT SUBJECT TO SECTION 4975 OF THE CODE OR (3) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF A PLAN’S INVESTMENT IN THE ENTITY (A “BENEFIT PLAN”), SUCH NOTEHOLDER SHALL BE DEEMED TO HAVE REPRESENTED THAT SUCH ACQUISITION OR HOLDING WILL NOT CONSTITUTE OR OTHERWISE RESULT IN: (I) IN THE CASE OF A BENEFIT PLAN SUBJECT TO TITLE I OF ERISA AND/OR SECTION 4975 OF THE CODE, A NON-EXEMPT PROHIBITED TRANSACTION IN VIOLATION OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE WHICH IS NOT COVERED BY A CLASS OR OTHER APPLICABLE EXEMPTION AND (II) IN THE CASE OF A BENEFIT PLAN SUBJECT TO A SUBSTANTIALLY SIMILAR FEDERAL, STATE, LOCAL OR

FOREIGN LAW, A NON-EXEMPT VIOLATION OF SUCH SUBSTANTIALLY SIMILAR LAW. ANY TRANSFER FOUND TO HAVE BEEN MADE IN VIOLATION OF SUCH DEEMED REPRESENTATION SHALL BE NULL AND VOID AND OF NO EFFECT.”

Upon the transfer, exchange or replacement of a Rule 144A Certificate or a Regulation S Certificate bearing the applicable legends set forth above, or upon specific request for removal of the legends, the trust, the indenture trustee or the note registrar will deliver only replacement Rule 144A Certificates or Regulation S Certificates, as the case may be, that bear such applicable legends, or will refuse to remove such applicable legends, unless there is delivered to the trust, the indenture trustee and the note registrar such satisfactory evidence (which may include a legal opinion) as may reasonably be required by the trust, the note registrar and the indenture trustee that neither the applicable legends nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

Transfers of interests in the notes represented by Global Notes within the European Clearing Systems will be in accordance with the usual rules and operating procedures of the relevant European Clearing System, which are generally the same as those set forth in Appendix J to this base offering memorandum.

The laws of some states of the United States of America require that certain persons receive individual certificates in respect of their holding of notes. Consequently, the ability to transfer interests in a Global Note to such persons will be limited. Because the European Clearing Systems only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Global Note to pledge such interest to persons or entities which do not participate in the relevant European Clearing System, or otherwise take actions in respect of such interest, may be affected by the lack of a definitive note (as described below) representing such interest.

For a further description of restrictions on the transfer of notes, see “*The Plan of Distribution*” below.

Although each of the European Clearing Systems has agreed to the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants and account holders of Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the trust, the registrar, the indenture trustee, any authentication agent, any transfer agent or any paying agent will have any responsibility for the performance by any European Clearing System or their respective direct or indirect participants or account holders of their respective obligations under the rules and procedures governing their respective operations.

Definitive Notes

The notes of a given series will be issued in fully registered, certificated form to noteholders or their nominees, rather than to DTC or its nominee, only if:

- the administrator advises the applicable trustee in writing that DTC is not willing or able to discharge its responsibilities as depository for the notes and the administrator is unable to locate a successor;
- the administrator, at its option, elects to terminate the book-entry system through DTC; or
- after the occurrence of an event of default, a servicer default or an administrator default, investors holding a majority of the outstanding principal amount of the notes, advise the trustee through DTC in writing that the continuation of a book-entry system through DTC or a successor is no longer in the best interest of the holders of these notes.

Upon the occurrence of any event described in the bullets above, the applicable trustee will be required to notify all applicable noteholders, through DTC participants, of the availability of definitive notes. When DTC surrenders the definitive notes, the applicable trustee will reissue to the noteholders the corresponding notes as definitive notes upon receipt of instructions for re-registration. From then on, payments of principal and interest on the definitive notes will be made by the applicable trustee, in accordance with the procedures set forth in the related indenture or trust agreement, directly to the holders of definitive notes in whose names the definitive notes were registered at the close of business on the applicable record date specified in the related offering memorandum supplement. Payments will be made by check mailed to the address of each holder as it appears on the register maintained by the applicable trustee.

However, the final payment on any definitive note will be made only upon presentation and surrender of that definitive note at the office or agency specified in the notice of final distribution.

Definitive notes will be transferable and exchangeable at the offices of the applicable trustee or of a registrar named in a notice delivered to holders of definitive notes. No service charge will be imposed for any registration of transfer or exchange, but the trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed.

List of Noteholders

Holders of the notes of a series evidencing at least 25% of the outstanding notes may, by written request to the indenture trustee, obtain a list of all noteholders for communicating with other noteholders regarding their rights under the indenture or under the notes. The indenture trustee may elect not to give the noteholders access to the list if it agrees to mail the desired communication or proxy, for and at the expense of the requesting noteholders, to all noteholders of that series.

Three or more noteholders of any series or one or more holders of notes of that series evidencing at least 25% of the notes balance of those notes may, by written request to the trustee obtain access to the list of all noteholders for the purpose of communicating with other noteholders regarding their rights under the trust agreement or under the notes.

Reports to Noteholders

On each distribution date, the administrator will provide to noteholders of record as of the record date a statement containing substantially the same information as is required to be provided on the periodic report to the indenture trustee and the trust described under “*Servicing and Administration—Statements to Indenture Trustee and Trust*” in this base offering memorandum. The statements provided to noteholders will not constitute financial statements prepared in accordance with generally accepted accounting principles and will not be audited.

Within the prescribed period of time for tax reporting purposes after the end of each calendar year, the trustee will mail to each person, who at any time during that calendar year was a noteholder and who received a payment from that trust, a statement containing certain information to enable it to prepare its federal income tax return. See “*U.S. Federal Income Tax Consequences*” in this base offering memorandum.

CERTAIN LEGAL ASPECTS OF THE STUDENT LOANS

Transfer of Student Loans

Each seller intends that the transfer of the student loans by it to the depositor will constitute a valid sale and assignment of those loans. We intend that the transfer of the student loans by us to the trustee on behalf of each trust will also constitute a valid sale and assignment of those loans. Nevertheless, if the transfer of the student loans by a seller to the depositor, or the transfer of those loans by us to the trustee is deemed to be an assignment of collateral as security, then a security interest in the student loans may be perfected by either taking possession of the promissory notes or a copy of the promissory notes evidencing the loans, if available, or by the filing of a notice of the security interest in the manner provided by the applicable Uniform Commercial Code, or the UCC as it is commonly known, for perfection of security interests in accounts.

Accordingly:

- A financing statement or statements covering the student loans naming each seller, as debtor, will be filed under the UCC to protect the interest of the depositor in the event that the transfer by that seller is deemed to be an assignment of collateral as security; and
- A financing statement or statements covering the trust student loans naming the depositor, as debtor, will also be filed under the UCC to protect the interest of the trustee in the event that the transfer by the depositor is deemed to be an assignment of collateral as security.

If the transfer of the student loans is deemed to be an assignment as security for the benefit of the depositor or a trust, there are limited circumstances under the UCC in which prior or subsequent transferees of student loans could have an interest in the student loans with priority over the related trustee’s interest. A tax or other government lien on property of the seller or us arising before the time a student loan comes into existence may also have priority over the

interest of the depositor or the trustee in the student loan. Under the purchase agreement and sale agreement, however, each seller or the depositor, as applicable, will warrant that it has transferred the student loans to the depositor or the trustee free and clear of the lien of any third party. In addition, each seller and the depositor each will covenant that it will not sell, pledge, assign, transfer or grant any lien on any student loan held by a trust or any interest in that loan other than to the depositor or the trustee. The administrator will be required to maintain the perfected security interest status by filing all requisite continuation statements.

Under the servicing agreement, the servicer as custodian will have custody of the promissory notes evidencing the student loans. Although the records of each seller, the depositor and the servicer will be marked to indicate the sale and although each seller and the depositor will cause UCC financing statements to be filed with the appropriate authorities, the student loans will not be physically segregated, stamped or otherwise marked to indicate that the student loans have been sold to the depositor and to the trustee. If, through inadvertence or otherwise, any of the student loans were sold to another party that:

- purchased the student loans in the ordinary course of its business;
- took possession of the student loans; and
- acquired the student loans for new value and without actual knowledge of the related trustee's interest;

then that purchaser might acquire an interest in the student loans superior to the interest of the depositor and the trustee.

Consumer Protection Laws

Numerous federal and state consumer protection laws and related regulations impose substantial requirements upon lenders and servicers involved in consumer finance. Also, some state laws impose finance charge ceilings and other restrictions on consumer transactions and require contract disclosures in addition to those required under federal law. These requirements impose specific statutory liabilities upon lenders who fail to comply with their provisions. The depositor or a trust may also be liable for violations of consumer protection laws that apply to the student loans, either as assignee from a seller or the depositor or as the party directly responsible for obligations arising after the transfer. For a discussion of a trust's rights if the student loans were not originated or serviced in compliance in all material respects with applicable laws, see *"Transfer and Servicing Agreements—Sale of Student Loans to the Trust; Representations and Warranties of the Depositor"* and *"Servicing and Administration—Servicer Covenants"* in this base offering memorandum.

Loan Origination and Servicing Procedures Applicable to Student Loans

If the Private Credit Student Loans in any trust are insured, the surety bond, including the rules and regulations for that program, imposes specific requirements and procedures for originating and servicing those student loans. Generally, those procedures require that (1) completed loan applications be processed, (2) a determination of whether an applicant is an

eligible borrower under applicable standards be made, including a review of a financial need analysis, (3) the borrower's responsibilities under the loan be explained to him or her, (4) the promissory note evidencing the loan be executed by the borrower and (5) the loan proceeds be disbursed in a specified manner by the lender. After the loan is made, the lender must establish repayment terms with the borrower, properly administer deferments and forbearances and credit the borrower for payments made on the loan. If a borrower becomes delinquent in repaying a loan, a lender or its servicing agent must perform collection procedures, primarily telephone calls and demand letters, which vary depending upon the length of time a loan is delinquent.

The servicer will perform collection and servicing procedures on behalf of the trusts. In performing these functions, the servicer will be required to service and collect loans in the same manner as substantially similar loans owned by SLM ECFC and its affiliates. Failure of the servicer to follow these procedures or failure of the originator of the loan to follow procedures relating to the origination of the student loans could result in adverse consequences.

Student Loans Generally Not Subject to Discharge in Bankruptcy

Student loans made for qualified education expenses are generally not dischargeable by a borrower in bankruptcy under the U.S. Bankruptcy Code, unless excepting this debt from discharge will impose an undue hardship on the debtor and the debtor's dependents.

U.S. FEDERAL INCOME TAX CONSEQUENCES

In the opinion of Shearman & Sterling LLP, federal tax counsel to the depositor and the trust, the following are the material U.S. federal income tax consequences of the purchase, ownership and disposition of the notes. This discussion is general in nature and does not address issues that may be relevant to a particular holder subject to special treatment under U.S. federal income tax laws (such as tax-exempt organizations, partnerships or pass-through entities, persons holding notes as part of a hedging, integrated, conversion or constructive sale transaction or a straddle, financial institutions, brokers, dealers in notes or currencies and traders that elect to mark-to-market their notes). In addition, this discussion does not consider the effect of any alternative minimum taxes or foreign, state, local or other tax laws, or any U.S. tax considerations (*e.g.*, estate or gift tax), other than U.S. federal income tax considerations, that may be applicable to particular holders. Furthermore, this discussion assumes that holders hold notes as "capital assets" (generally, property held for investment) within the meaning of section 1221 of the Internal Revenue Code of 1986, as amended (the "Code"). This discussion also assumes that, with respect to notes reflected on the books of a qualified business unit of a holder, such qualified business unit is a U.S. resident.

This discussion is based on the Code and applicable Treasury regulations, rulings, administrative pronouncements and judicial decisions thereunder as of the date hereof, all of which are subject to change or differing interpretations at any time with possible retroactive effect. There are no rulings or cases on similar transactions. Moreover, the administrator does not intend to request rulings with respect to the U.S. federal income tax treatment of the notes. Thus, there can be no assurance that the U.S. federal income tax consequences of the notes described below will be sustained if the relevant transactions are examined by the Internal Revenue Service (the "IRS") or by a court if the IRS proposes to disallow such treatment. Each trust will be

provided with an opinion of federal tax counsel regarding certain U.S. federal income tax matters discussed below. An opinion of federal tax counsel, however, is not binding on the IRS or the courts.

Unless otherwise indicated herein, it is assumed that any holder is a U.S. person, and, except as set forth below, this discussion does not address the tax consequences of holding a note to any holder who is not a U.S. person. As used herein, “U.S. person” means a person that is for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;
- a corporation, including an entity treated as such, organized in or under the laws of the United States or any state thereof or the District of Columbia;
- an estate the income of which is includible in gross income for U.S. federal income tax purposes, regardless of its source; or
- a trust whose administration is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust.

The U.S. federal income tax treatment of a partner in a partnership (including any entity treated as a partnership for U.S. federal income tax purposes) that holds a note will depend, among other things, upon whether or not the partner is a U.S. person. Partners and partnerships should consult their tax advisors as to the particular federal income tax consequences applicable to them.

To the extent provided in Treasury regulations, some trusts in existence on August 20, 1996, and treated as U.S. persons prior to that date, that elect to continue to be treated as U.S. persons, will be U.S. persons and not foreign persons.

For purposes of this discussion, references to the trust, the notes and related terms, parties and documents refer, unless described differently in this base offering memorandum, to each trust and the notes and related terms, parties and documents applicable to that trust. References to a holder of a note generally are deemed to refer to the beneficial owner of the note.

Tax Characterization of the Trust

Federal tax counsel will deliver its opinion to the trust that the trust will not be an association or a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes. This opinion will be based on the assumption that the terms of the trust agreement and related documents will be complied with.

Tax Consequences to Holders of Notes In General

Treatment of the Notes as Indebtedness. Except as described in the offering memorandum supplement, federal tax counsel will deliver an opinion that certain classes of the notes will qualify as debt for U.S. federal income tax purposes. The depositor will agree, and the noteholders will agree by their purchase of the notes, to treat the notes as debt for U.S. federal income tax purposes. The consequences of the notes being treated as debt for U.S. federal income tax purposes are described below. Treatment of the notes as equity interests could have adverse tax consequences to certain holders. For example, all or a portion of the income accrued by tax-exempt entities, including pension funds, would be “unrelated business taxable income,” income to foreign holders might be subject to U.S. federal income tax and U.S. federal income tax return filing and withholding requirements, and individual holders might be subject to limitations on their ability to deduct their shares of trust expenses, including losses. Noteholders are strongly encouraged to consult with their own tax advisors regarding the possibility that the notes could be treated as equity interests.

Stated Interest. Stated interest on the notes will be taxable as ordinary income for federal income tax purposes when received or accrued in accordance with the method of tax accounting of the holder of the notes.

Original Issue Discount. Stated interest other than qualified stated interest must be accrued under the rules applicable to original issue discount (“OID”). Qualified stated interest must be unconditionally payable at least annually. Interest on a subordinated note may not qualify under this standard because it is subject to deferral in certain circumstances. Nonetheless, absent guidance on this point, the trust does not intend to report interest on subordinated notes as other than qualified stated interest solely because of the potential interest deferral which may result from the subordination feature. Unless otherwise stated herein, the discussion below assumes that all payments on the notes are denominated in U.S. Dollars, and that the interest formula for the notes meets the requirements for “qualified stated interest” under Treasury regulations relating to OID, except as described below. If these conditions are not satisfied with respect to a series of notes, additional tax considerations with respect to the notes will be disclosed in the offering memorandum supplement.

A note will be treated as issued with OID if the excess of the note’s “stated redemption price at maturity” over its issue price equals or exceeds a *de minimis* amount equal to one fourth of 1 percent of the note’s stated redemption price at maturity multiplied by the number of years to its maturity, based on the anticipated weighted average life of the notes, calculated using the “prepayment assumption,” if any, used in pricing the notes and weighing each payment by reference to the number of full years elapsed from the closing date prior to the anticipated date of such payment. Generally, the issue price of a note should be the first price at which a substantial amount of the notes is sold to persons other than placement agents, initial purchasers, brokers or wholesalers. The stated redemption price at maturity of a note of a series is generally equal to all payments on a note other than payments of “qualified stated interest.” Assuming that interest is qualified stated interest, the stated redemption price is generally expected to equal the principal amount of the note. Any *de minimis* OID must be included in income as principal payments are received on the notes in the proportion that each such payment bears to the original principal balance of the note. The treatment of the resulting gain is subject to the general rules discussed under “—*Sale or Other Disposition*” below.

If the notes are treated as issued with OID, a holder will be required to include OID in income before the receipt of cash attributable to such income using a constant yield method. The amount of OID generally includible in income is the sum of the daily portions of OID with respect to a note for each day during the taxable year or portion of the taxable year in which the holder holds the note. Special provisions apply to debt instruments on which payments may be accelerated due to prepayments of other obligations securing those debt instruments. Under these provisions, the computation of OID on such debt instruments must be determined by taking into account both the prepayment assumption, if any, used in pricing the debt instrument and the actual prepayment experience. As a result of these special provisions, the amount of OID on the notes issued with OID that will accrue in any given accrual period may either increase or decrease depending upon the actual prepayment rate.

Holders of the notes are strongly encouraged to consult with their own tax advisors regarding the impact of the OID rules in the event that notes are issued with OID. In the event a holder purchases a note issued with OID at an acquisition premium—that is, at a price in excess of its “adjusted issue price” but less than its stated redemption price—the amount includible in income in each taxable year as OID is reduced by that portion of the excess properly allocable to such year. The adjusted issue price of a note is the sum of its issue price plus prior accruals of OID, reduced by the total payments made with respect to the note in all prior periods, other than “qualified stated interest” payments. Acquisition premium is allocated on a *pro rata* basis to each accrual of OID, so that the holder is allowed to reduce each accrual of OID by a constant fraction.

An initial holder who owns an interest in more than one class of notes with respect to a series should be aware that the OID regulations may treat such interests as a single debt instrument for purposes of the OID provisions of the Code.

Market Discount. The notes, whether or not issued with OID, may be subject to the “market discount rules” of Section 1276 of the Code. In general, these rules apply if the holder purchases the note at a market discount—that is, a discount from its stated redemption price at maturity or, if the notes were issued with OID, adjusted issue price—that exceeds a *de minimis* amount specified in the Code. If the holder acquires the note at a market discount and (a) recognizes gain upon a disposition, or (b) receives payments that do not constitute qualified stated interest, the lesser of (1) such gain or payment or (2) the accrued market discount that has not previously been included in income, will be taxed as ordinary interest income.

Generally, market discount accrues in the ratio of stated interest allocable to the relevant period to the sum of the interest for such period plus the remaining interest as of the end of such period, computed taking into account the prepayment assumption, if any, or in the case of a note issued with OID, in the ratio of OID accrued for the relevant period to the sum of the OID accrued for that period plus the remaining OID as of the end of such period. A holder may elect, however, to determine accrued market discount under the constant yield method, computed taking into account the prepayment assumption, if any. The treatment of the resulting gain is subject to the general rules discussed under “—*Sale or Other Disposition*” below.

Limitations imposed by the Code which are intended to match deductions with the taxation of income may defer deductions for interest on indebtedness incurred or continued, or short-sale expenses incurred, to purchase or carry a note with accrued market discount. A holder may elect to include market discount in gross income as it accrues. If it makes this election, the holder will not be required to defer deductions. Any such election will apply to all debt instruments acquired by the holder on or after the first day of the first taxable year to which such election applies. The adjusted basis of a note subject to such election will be increased to reflect market discount included in gross income, thereby reducing any gain or increasing any loss on a sale or taxable disposition.

Amortizable Bond Premium. In general, if a holder purchases a note at a premium—that is, an amount in excess of the amount payable at maturity—the holder will be considered to have purchased the note with “amortizable bond premium” equal to the amount of such excess. A holder may elect to amortize such bond premium as an offset to interest income and not as a separate deduction item as it accrues under a constant yield method, or one of the other methods described above under “—*Market Discount*” over the remaining term of the note, using the prepayment assumption, if any. A holder’s tax basis in the note will be reduced by the amount of the amortized bond premium. Any such election shall apply to all debt instruments, other than instruments the interest on which is excludible from gross income, held by the holder at the beginning of the first taxable year for which the election applies or thereafter acquired and is irrevocable without the consent of the IRS. Bond premium on a note held by a holder who does not elect to amortize the premium will decrease the gain or increase the loss otherwise recognized on the disposition of the note.

Election to Treat all Interest as OID. A holder may elect to include in gross income all interest with respect to the notes, including stated interest, OID, *de minimis* OID, market discount, *de minimis* market discount, and unstated interest, as adjusted by any amortizable bond premium or acquisition premium, using the constant yield method described under “—*Original Issue Discount*.” This election will generally apply only to the specific note for which it was made. It may not be revoked without the consent of the IRS. Holders are strongly encouraged to consult with their own tax advisors before making this election.

Sale or Other Disposition. If a holder of a note sells the note, the holder will recognize gain or loss in an amount equal to the difference between the amount realized on the sale and the holder’s adjusted tax basis in the note. The adjusted tax basis will equal the holder’s cost for the note, increased by any market discount, OID and gain previously included by the holder in income with respect to the note, and decreased by the amount of any bond premium previously amortized and by the amount of principal payments previously received by the noteholder with respect to the note. Any such gain or loss will be capital gain or loss if the note was held as a capital asset, except for gain representing accrued interest, accrued market discount not previously included in income and in the event of a prepayment or redemption, any not yet accrued OID. Capital gains or losses will be long-term capital gains or losses if the note was held for more than one year. Capital losses generally may be used only to offset capital gains.

Waivers and Amendments. An indenture for a series may permit noteholders to waive an event of default or rescind an acceleration of the notes in some circumstances upon a vote of the requisite percentage of the holders. Any such waiver or rescission, or any amendment of the terms of the notes, could be treated for federal income tax purposes as a constructive exchange by a holder of the notes for new notes, upon which gain or loss might be recognized.

Tax Consequences to Foreign Investors. The following information describes the material U.S. federal income tax treatment of investors in the notes that are foreign persons. The term “foreign person” means any person other than a U.S. person, as defined above. The IRS has recently issued regulations which set forth procedures to be followed by a foreign person in establishing foreign status for certain purposes. Prospective investors are strongly encouraged to consult with their tax advisors concerning the requirements imposed by the new regulations and their effect on the holding of the notes.

Interest paid or accrued to a foreign person that is not effectively connected with the conduct of a trade or business within the United States by the foreign person will generally be considered “portfolio interest” and generally will not be subject to U.S. federal income tax and withholding tax, as long as the foreign person:

- is not actually or constructively a “10 percent shareholder” of SLM Corporation or a “controlled foreign corporation” with respect to which SLM Corporation is a “related person” within the meaning of the Code, and
- provides an appropriate statement, signed under penalties of perjury, certifying that the holder is a foreign person and providing that foreign person’s name and address. For beneficial owners that are individuals or entities treated as corporations, this certification may be made on Form W-8BEN. If the information provided in this statement changes, the foreign person must report that change within 30 days of such change. The statement generally must be provided in the year a payment occurs or in any of the three preceding years.

If this interest were not portfolio interest, then it would be subject to U.S. federal income and withholding tax at a current rate of 30% unless reduced or eliminated pursuant to an applicable income tax treaty. For a description of certain documentation requirements pertaining to such withholding tax, see “*Appendix J—Global Clearance, Settlement and Tax Documentation Procedures—U.S. Federal Income Tax Documentation Requirements*” in this base offering memorandum.

Any capital gain realized on the sale or other taxable disposition of a note by a foreign person will be exempt from U.S. federal income and withholding tax, provided that:

- the gain is not effectively connected with the conduct of a trade or business in the United States by the foreign person, and
- in the case of an individual foreign person, the foreign person is not present in the United States for 183 days or more in the taxable year and certain other requirements are met.

If the interest, gain or income on a note held by a foreign person is effectively connected with the conduct of a trade or business in the United States by the foreign person, the holder—although exempt from the withholding tax previously discussed if a duly executed Form W-8ECI is furnished—generally will be subject to U.S. federal income tax on the interest, gain or income at regular federal income tax rates. In addition, if the foreign person is a foreign corporation, it may be subject to a branch profits tax equal to 30% of its “effectively connected earnings and profits” within the meaning of the Code for the taxable year, as adjusted for certain items, unless it qualifies for a lower rate under an applicable tax treaty.

Information Reporting and Backup Withholding. The indenture trustee will be required to report annually to the IRS, and to each noteholder, the amount of interest paid on, or the proceeds from the sale or other disposition of, the notes and the amount withheld for federal income taxes, if any, for each calendar year, except as to exempt recipients—generally, corporations, tax-exempt organizations, qualified pension and profit-sharing trusts, individual retirement accounts, or nonresident aliens who provide certification as to their status. Each noteholder other than one who is not subject to the reporting requirements will be required to provide, under penalties of perjury, a certificate containing its name, address, correct federal taxpayer identification number, which includes a U.S. social security number, and a statement that the holder is not subject to backup withholding. Should a non-exempt noteholder fail to provide the required certification or should the IRS notify the indenture trustee or the issuer that the holder has provided an incorrect federal taxpayer identification number or is otherwise subject to backup withholding, the indenture trustee or the issuer will be required to withhold at a prescribed rate from the interest otherwise payable to the noteholder, or the proceeds from the sale or other disposition of the notes, and remit the withheld amounts to the IRS as a credit against the holder’s federal income tax liability.

EUROPEAN UNION DIRECTIVE ON THE TAXATION OF SAVINGS INCOME

The European Union has adopted a Directive regarding the taxation of savings income. Member states of the European Union (“Member States”) are required to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person to an individual in another Member State, except that Austria, Belgium and Luxembourg have instead opted to impose a withholding system for a transitional period unless during such period they elect otherwise.

The withholding tax provisions of the Directive could apply to payments on notes made through the Luxembourg paying agent. It is expected that holders will be able to take steps to keep payments from being subject to such withholding tax, for example, by receiving payments from a paying agent within the European Union but outside Luxembourg, Belgium and Austria (such as from the United Kingdom), although we cannot preclude the possibility that withholding tax will eventually be levied in some situations. In any event, details of payments made from a Member State on the notes will likely have to be reported to the tax or other relevant authorities under the Directive or local law, including, for example, to Member States in cases where recipients are located in the jurisdiction where payments are actually made.

STATE TAX CONSEQUENCES

The above discussion does not address the tax treatment of the related trust, the notes, or the holders of the notes of any series under any state or local tax laws. The activities of the servicer in servicing and collecting the trust student loans will take place at each of the locations at which the servicer's operations are conducted and, therefore, different tax regimes apply to the trust and the holders of the notes. Prospective investors are urged to consult with their own tax advisors regarding the state and local tax treatment of the trust as well as any state and local tax consequences to them of purchasing, owning and disposing of the notes.

* * *

The federal and state tax discussions described above may not be applicable depending upon each holder's particular tax situation. Prospective purchasers are strongly encouraged to consult with their own tax advisors as to the tax consequences to them of purchasing, owning or disposing of notes, including the tax consequences under state, local, foreign and other tax laws and the possible effects of changes in federal or other tax laws.

ERISA CONSIDERATIONS

The Employee Retirement Income Security Act of 1974, as amended ("ERISA") and Section 4975 of the Code impose certain restrictions on:

- employee benefit plans as defined in Section 3(3) of ERISA;
- certain other retirement plans and arrangements described in Section 4975 of the Code, including:
 1. individual retirement accounts and annuities,
 2. Keogh plans,
 3. collective investment funds and separate accounts and, as applicable, insurance company general accounts in which those plans, accounts or arrangements are invested that are subject to the fiduciary responsibility provisions of ERISA and Section 4975 of the Code, and
 4. any other entity whose assets are deemed to be "plan assets" as a result of any of the above plans, arrangements, funds or accounts investing in such entity; and
- persons who are fiduciaries with respect to plans in connection with the investment of plan assets.

The term "Plans" includes the plans and arrangements listed in the first two bullet points above.

Some employee benefit plans, such as governmental plans described in Section 3(32) of ERISA, and certain church plans described in Section 3(33) of ERISA, are not subject to the prohibited transaction provisions of ERISA and Section 4975 of the Code. However, these plans

may be subject to the provisions of any other applicable federal or state law, materially similar to the provisions of ERISA and Section 4975 of the Code described in this base offering memorandum. Moreover, if a plan is not subject to ERISA requirements but is qualified and exempt from taxation under Sections 401(a) and 501(a) of the Internal Revenue Code, the prohibited transaction rules in Section 503 of the Code will apply.

ERISA generally imposes on Plan fiduciaries certain general fiduciary requirements, including those of investment prudence and diversification and the requirement that the Plan's investments be made in accordance with the documents governing the Plan. In addition, Section 406 of ERISA and Section 4975 of the Code prohibit a broad range of transactions involving assets of a Plan and persons who are called "Parties in Interest" under ERISA and "Disqualified Persons" under the Code ("Parties in Interest") who have certain specified relationships to the Plan unless a statutory, regulatory or administrative exemption is available. A trust, the depositor, any initial purchaser, the trustee, the indenture trustee, the servicer, the administrator, any provider of credit support, a swap provider or any of their affiliates may be considered to be or may become Parties in Interest with respect to certain Plans. Some Parties in Interest that participate in a prohibited transaction may be subject to an excise tax imposed under Section 4975 of the Code or a penalty imposed under Section 502(i) of ERISA, unless a statutory or administrative exemption is available. These prohibited transactions generally are set forth in Section 406 of ERISA and Section 4975 of the Code. In addition, because these parties may receive certain benefits from the sales of the notes, the purchase of the notes using Plan assets over which any of them has investment authority should not be made if it could be deemed a violation of the prohibited transaction rules of ERISA and the Code for which no exemption is available.

Under regulations issued by the Department of Labor called the "Plan Asset Regulations", if a Plan makes an "equity" investment in an entity, the underlying assets and properties of that entity will be deemed for purposes of ERISA to be assets of the investing Plan unless exceptions in the regulation apply. The Plan Asset Regulations define an "equity interest" as any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features. If the notes are treated as debt for purposes of the Plan Asset Regulations, the student loans and the other assets of the trust should not be deemed to be assets of an investing Plan. If, however, the notes were treated as "equity" for purposes of the Plan Asset Regulations, a Plan purchasing the notes could be treated as holding the student loans and the other assets of the trust.

Unless described differently in the related offering memorandum supplement, the notes of each series denominated as debt should be treated as debt and not as equity interests for purposes of the Plan Asset Regulations. However, without regard to this characterization of the notes, prohibited transactions under Section 406 of ERISA and Section 4975 of the Code may arise if a note is acquired by a Plan with respect to which any of the trust, the depositor, any initial purchaser, the trustee, the indenture trustee or certain of their affiliates is a Party in Interest unless the transactions are subject to one or more statutory or administrative exemptions.

Included among the administrative exemptions are the following exemptions:

- Prohibited Transaction Class Exemption 96-23, which exempts certain transactions effected on behalf of a Plan by an “in-house asset manager”;
- PTCE 90-1, which exempts certain transactions between insurance company separate accounts and Parties in Interest;
- PTCE 91-38, which exempts certain transactions between bank collective investment funds and Parties in Interest;
- PTCE 95-60, which exempts certain transactions between insurance company general accounts and Parties in Interest; or
- PTCE 84-14, which exempts certain transactions effected on behalf of a Plan by a “qualified professional asset manager.”

There is also a statutory exemption that may be available under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code to a party in interest that is a service provider to a Plan investing in the notes for adequate consideration, provided such service provider is not (i) the fiduciary with respect to the Plan’s assets used to acquire the notes or an affiliate of such fiduciary or (ii) an affiliate of the employer sponsoring the Plan. Adequate consideration means fair market as determined in good faith by the Plan fiduciary pursuant to regulations to be promulgated by the Department of Labor.

These administrative and statutory exemptions may not apply with respect to any particular Plan’s investment in notes and, even if an exemption were deemed to apply, it might not apply to all prohibited transactions that may occur in connection with the investment. Accordingly, before making an investment in the notes, investing Plans should determine whether the applicable trust, the depositor, any initial purchaser, the trustee, the indenture trustee, the servicer, the administrator, any provider of credit support, the swap provider or any of their affiliates is a Party in Interest for that Plan and, if so, whether the transaction is eligible for one or more statutory, regulatory or administrative exemptions.

* * *

A Plan fiduciary considering the purchase of the notes of a given series is strongly encouraged to consult with its tax and/or legal advisors regarding whether the assets of the related trust would be considered Plan assets, the possibility of exemptive relief from the prohibited transaction rules and other related issues and their potential consequences. Each Plan fiduciary also should determine whether, under the fiduciary standards of investment prudence and diversification, an investment in the notes is appropriate for the Plan, also considering the overall investment policy of the Plan and the composition of the Plan’s investment portfolio, as well as whether the investment is permitted under the Plan’s governing instruments.

REPORTS TO NOTEHOLDERS

The administrator will prepare periodic unaudited reports as described in the offering memorandum supplement for each series. These periodic unaudited reports will contain information concerning the trust student loans in the related trust. They will be sent only to Cede & Co., as nominee of DTC. The administrator will not send reports directly to the beneficial holders of the notes. However, these reports may be viewed at sponsor's website: <http://www.salliemae.com/investors/debtasset/slmsltrusts>. The reports will not constitute financial statements prepared in accordance with generally accepted accounting principles.

THE PLAN OF DISTRIBUTION

The depositor, SLM ECFC and the initial purchasers named in each offering memorandum supplement will enter into a note purchase agreement for the notes of the related series and/or a separate placement agreement for the notes of that series. Under the note purchase agreement, the depositor will agree to cause the related trust to issue to the depositor, the depositor will agree to sell to the initial purchasers, and each of the initial purchasers will severally agree to purchase, the amount of each class of notes listed in the offering memorandum supplement.

The initial purchasers will agree, subject to the terms and conditions of the note purchase agreement, to purchase all the notes described in the note purchase agreement and offered by this base offering memorandum and the related offering memorandum supplement. In some series, the depositor or an affiliate may offer some or all of the notes for sale directly.

Initial purchasers may offer the notes to potential investors in person, by telephone, over the internet or by other means.

Each offering memorandum supplement will either:

- show the price at which each class of notes is being offered for sale and any concessions that may be offered to dealers participating in the offering; or
- specify that the notes will be sold by the depositor or an affiliate or will be sold or resold by the initial purchasers in negotiated transactions at varying prices to be determined at the time of such sale.

After the initial offering of any notes, the offering prices and concessions may be changed.

If an initial purchaser creates a short position in the notes in connection with the offering—that is, if it sells more notes than are shown on the cover page of the related offering memorandum supplement—the initial purchaser may reduce that short position by purchasing notes in the open market.

An initial purchaser may also impose a penalty bid on other initial purchasers and selling group members. This means that if the initial purchaser purchases notes in the open market to reduce the initial purchasers' short position or to stabilize the price of the notes, it may reclaim the amount of the selling concession from the initial purchasers and selling group members who sold those notes as part of the offering.

In general, purchases of notes for the purpose of stabilization or to reduce a short position could cause the price of the notes to be higher than it might be in the absence of those purchases. The imposition of a penalty bid might also have an effect on the price of the notes to the extent that it discourages resales of the notes.

Neither the depositor nor the initial purchasers make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the notes. In addition, neither we nor the initial purchasers make any representation that the initial purchasers will engage in those transactions or that those transactions, once commenced, will not be discontinued without notice.

The initial purchasers may assist in resales of the notes but are not required to do so. The related offering memorandum supplement will indicate whether any of the initial purchasers intend to make a secondary market in the notes offered by that offering memorandum supplement. No initial purchaser will be obligated to make a secondary market.

Each note purchase agreement will provide that the depositor, SLM Corporation and SLM ECFC will indemnify the initial purchasers against certain civil liabilities, including liabilities under the Securities Act, or contribute to payments the initial purchasers may be required to make on those civil liabilities.

Each trust may, from time to time, invest the funds in its trust accounts in eligible investments acquired from one or more of the initial purchasers.

Under each of the note purchase agreements for a given series of notes, the closing of the sale of any class of notes will be conditioned on the closing of the sale of all other classes.

The place and time of delivery for the notes will appear in the related offering memorandum supplement.

LEGAL MATTERS

Mark L. Heleen, Executive Vice President and General Counsel of SLM Corporation or any Deputy General Counsel or Associate General Counsel of Sallie Mae, Inc., as counsel to SLM ECFC, any other affiliates of SLM Corporation who are selling loans to the trust, the administrator, the servicer and the depositor, and Bingham McCutchen LLP as special counsel to SLM ECFC, any other sellers, the administrator, the sponsor, the servicer and the depositor, will give opinions on specific matters for the trust, the applicable sellers, the depositor, the servicer and the administrator.

Each offering memorandum supplement will identify the other law firms who will give opinions on additional legal matters for the initial purchasers and specific U.S. federal and Delaware state income tax matters.

Undergraduate and Graduate Loan Programs

The Signature Select Loans®, College Advantage Loan and Signature Student Loans® (collectively, “Signature Student Loans”) and the EXCEL®, Student EXCEL®, EXCEL Select, EXCEL Custom®, EXCEL Education Loan^(SM), EXCEL Grad Loan^(SM), EXCEL Preferred®, GRADEXCEL®, GradEXCEL Preferred and GradEXCEL Custom Program loans (collectively, “EXCEL Loans”) provide private supplemental funding for undergraduate, graduate, and health professional students. The Signature Student Loan and EXCEL Loan programs are referred to collectively as the “Undergraduate and Graduate Loan Programs.” Since the inception of the Signature Student Loan program and since 1999 for the EXCEL Loan program, the Student Loan Marketing Association, prior to its liquidation, Sallie Mae, Inc. and, prior to its merger with Sallie Mae, Inc., Sallie Mae Servicing L.P. and its affiliates have performed all application and origination functions for these loan programs on behalf of the originating lenders.

Eligibility Requirements. Generally, the eligibility requirements for Undergraduate and Graduate Loan Programs are as follows:

- Be enrolled or admitted at an eligible institution.
- Be a U.S. citizen, national or Permanent Resident (foreign students may apply with a creditworthy U.S. citizen or Permanent Resident as cosigner).
- Have all outstanding student loans in good standing (i.e., not in default).
- Meet established credit requirements.
- Be the age of majority in his/her state of residence. A borrower who does not meet the age requirements may be eligible with a creditworthy cosigner.

Interest.

Signature Student Loans. The interest rate for a Signature Student Loan depends on the date of disbursement and period of enrollment. Generally, the borrower’s interest rate on a Signature Student Loan is variable and currently ranges from LIBOR plus 4.00% to LIBOR plus 14.00%. Generally, for loans first disbursed before June 1, 2004, the borrower’s interest rate is tied to the Prime Rate and resets quarterly on the first day of each January, April, July and October. For loans first disbursed on or after June 1, 2004 and before March 2008, the borrower’s interest rate is tied to the Prime Rate and resets monthly on the first day of each month.

In March 2008, SLM changed the index used for calculating the interest rate on its private credit student loan products from the Prime Rate to LIBOR. Accordingly, all such loans applied for on or after March 2008, received an interest rate tied to one-month LIBOR, as published by Reuters on its Reuters Screen LIBOR01 Page on the most recent business day that is at least two business days prior to the twenty-fifth (25th) day of the month. Note, however, that loans disbursed on or after March 2008 but applied for prior to that date, still received an interest rate tied to the Prime Rate.

For loans with an interest rate tied to one-month LIBOR, the interest rate resets monthly on the twenty-fifth (25th) day of each month. The margin may be based on the presence of a cosigner and/or the borrower's or cosigner's credit profile and other underwriting criteria. In the absence of a cosigner, the margin is determined by the credit profile of the borrower and other underwriting criteria. For cosigned loans, the margin is generally based on the cosigner's credit profile and other underwriting criteria.

Generally, the interest rate for Signature Student Loans disbursed before June 1, 2004 is equal to the lesser of:

- The maximum interest rate allowed by law,
and
- The sum of
 - *either* the previous calendar quarter's average of the 13-week U.S. Treasury Bills rounded to the nearest one-hundredth (0.01) of one percent, as published weekly in *The Wall Street Journal*, "Credit Markets" section, in the table that quotes the result as the "bond equivalent" rate of the most recent auction,
 - *or* the Prime Rate, as published in *The Wall Street Journal*, "Credit Markets" section, "Money Rates" table on the fifteenth day of the last month of the quarter prior to the reset date, *and*
 - the applicable interest rate margin,
and is
- Rounded to the nearest one-eighth (0.125) of one percent.

Generally, the interest rate for Signature Student Loans disbursed on or after June 1, 2004 and before March 2008, and for loans applied for prior to March 2008 but disbursed on or after March 2008, is equal to the lesser of:

- The maximum interest rate allowed by law,
and
- The sum of
 - the Prime Rate, as published in *The Wall Street Journal*, "Credit Markets" section, "Money Rates" table on the next to last business day of the month prior to the reset date, *and*
 - the applicable interest rate margin,
and is
- Rounded to the nearest one-eighth (0.125) of one percent.

Generally, the interest rate for Signature Student Loans applied for and disbursed on or after March 2008 is equal to the lesser of:

- The maximum interest rate allowed by law,
and
- The sum of
 - *either* the previous calendar quarter's average of the 13-week U.S. Treasury Bills rounded to the nearest one-hundredth (0.01) of one percent, as published weekly in *The Wall Street Journal*, "Credit Markets" section, in the table that quotes the result as the "bond equivalent" rate of the most recent auction,
 - *or* one-month LIBOR, as published by Reuters on its Reuters screen LIBOR01 Page on the most recent business day that is at least two New York and two London business days prior to the twenty-fifth day of the month, *and*
 - the applicable interest rate margin,
and is
- Rounded to the nearest one-eighth (0.125) of one percent.

EXCEL Loans. The borrower's interest rate on EXCEL Loans can be either a monthly variable interest rate or an annual variable interest rate. Both interest rates are based on the Prime Rate determined by Sallie Mae, Inc., which will not exceed the highest U.S. Prime Rate as published in *The Wall Street Journal* on the applicable determination date, plus or minus a spread.

- The monthly variable interest rate for any month resets monthly on or about the next to last New York business day of the prior month. Any change to the interest rate becomes effective on the first day of the month.
- The annual variable interest rate for any year resets annually on or about the next to last New York business day of July. Any change to the interest rate becomes effective on August 1.

If specified in the related promissory note, borrowers are permitted to change their interest rate option from the monthly variable interest rate to the annual variable (or vice versa) by notifying Sallie Mae by July 1, with an effective date of August 1. These loans are referred to as "Adjustable Period Loans." A change of the borrower's interest rate option at any other time may be granted with the consent of Sallie Mae, Inc. for a fee generally equal to 3.00% of the outstanding principal of the related student loan. The amount of any such fee will be capitalized as principal of the applicable trust student loan and included in the pool balance.

The spreads for interest rate for EXCEL Loans depend on the date of disbursement and the period of enrollment, and range from minus 0.75% to plus 4%. All interest rates for EXCEL Loans are rounded to the nearest 0.25%. If a borrower defaults on a loan, the borrower may be required to pay an additional spread of 2%.

Repayment.

Signature Student Loan program. Borrowers are placed in an in-school deferment while in school and during the grace period. Borrowers typically begin to repay principal on a Signature Student Loan after the applicable grace period, which is usually six months after graduation or when the borrower falls below half-time enrollment at an eligible school. While in repayment, borrowers may request to defer the payment of and capitalize unpaid accrued interest due during periods of educational enrollment, internship/residency or economic hardship. Generally, unpaid accrued interest will capitalize:

- at the beginning of the Repayment Period;
- every twelve (12) months during periods of internship/residency deferment or at the end of the deferment period if it is less than twelve (12) months;
- every six (6) months during periods of in-school deferment and at the end of each in-school deferment period; and
- at the end of each hardship forbearance period.

Generally, the standard repayment terms for Signature Student Loans is 15 years, but can be less based upon the loan balance. In addition, as provided in the related promissory note, the borrower may be able to request an extended repayment term of up to thirty (30) years. The Signature Student Loan program currently requires a minimum \$50.00 monthly payment for all combined Signature Student Loans.

Generally, under the Signature Student Loan program, borrowers may also request a graduated repayment option. The graduated repayment option offers the borrower a choice between twenty-four (24) months of interest-only payments followed by level payments for the remaining term of the loan or up to forty-eight (48) months of interest-only payments followed by level payments for the remaining term of the loan.

EXCEL Loan program. Borrowers typically begin to repay an EXCEL Loan program loan 4 ½ years after the first disbursement date of the loan or 6 months after the borrower graduates or is no longer continuously enrolled at an eligible school at least half time, whichever is earlier. With the exception of the EXCEL loan, which does not offer the option of deferring principal and interest while in school, borrowers may make an election upon applying for an EXCEL Loan program loan to either:

- pay principal and interest while in school;
- pay only interest while in school; or
- defer principal and interest while in school.

With the exception of the EXCEL loan, interest that accrues on an EXCEL Loan program loan is capitalized at the start of repayment. An additional 2% interest deferment fee may be charged to any borrower who elects to defer principal and interest while in school.

In general, each loan must be scheduled for repayment over a period of not more than thirty (30) years after repayment begins. The EXCEL Loan program requires a minimum \$50.00 monthly payment for all combined EXCEL Loan program loans. The standard repayment term schedule is presented in the following chart. Repayment terms exclude periods of in-school, grace, deferment and forbearance.

| Total Outstanding EXCEL Loan Program Indebtedness | Maximum Repayment Terms |
|--|------------------------------------|
| \$500-\$2,999..... | Up to 4 years (48 months) |
| \$3,000-\$3,999..... | 6 years (72 months) |
| \$4,000-\$7,499..... | 10 years (120 months) |
| \$7,500-\$9,999..... | 15 years (180 months) |
| \$10,000 -\$39,999..... | 20 years (240 months) |
| \$40,000 -\$59,999..... | 25 years (300 months) |
| \$60,000 and greater | 30 years (360 months) |

Generally, under the EXCEL Loan program, borrowers may also request a graduated repayment option after graduation. A graduated repayment option offers the borrower a choice between twenty-four (24) months of interest-only payments followed by level payments for the remaining term of the loan or up to forty-eight (48) months of interest-only payments followed by level payments for the remaining term of the loan.

The Undergraduate and Graduate Loan Programs also permit forbearance under which the borrower is granted temporary relief from paying principal or interest. In general, forbearance is used most heavily when a loan first enters repayment. However, a borrower may apply for forbearance multiple times and a significant number of the borrowers under the Undergraduate and Graduate Loan Programs have taken advantage of this option. When a borrower ends forbearance and enters repayment, the account is considered current. Accordingly, a borrower who may have been delinquent in his payments or may not have made any recent payments will be accounted for as a borrower in a current repayment status when he exits the forbearance period.

Supplemental Fees. Borrowers may be required to pay a fee at disbursement and when the loan enters repayment. Depending on the loan documentation, the disbursement fee was either deducted from the requested loan amount or added to the requested loan amount. For loans disbursed prior to the 1999/2000 Academic Year, the disbursement fee was up to 10%. For Signature Student Loans disbursed during or after the 1999/2000 Academic Year, the disbursement fee is based on the borrower's and/or cosigner's credit profile and other underwriting criteria and currently ranges from 0% to 8%. For EXCEL Loan program loans, the disbursement fee is based on the presence of a cosigner and ranges from 0% to 8%. The repayment fee, if applicable, may be added to the outstanding principal loan balance (principal plus capitalized interest) at the beginning of the repayment period. The repayment fee for Signature Student Loans is based on the borrower's and/or the cosigner's credit profile and other

underwriting criteria and currently ranges from 0% to 3%. Generally, the repayment fee for EXCEL Loan program loans (other than the EXCEL Loan, which has no repayment fee) is 2% and is only assessed if the borrower chooses to defer principal and interest while enrolled in school and during the grace period.

The Undergraduate and Graduate Loan Programs and the servicing requirements thereunder may be amended from time to time.

Law Loan Programs

LAWLOANS®, LAWLOANs Private Loans^(SM) and LAWLOANs Bar Study Loans, (“LAWLOANS”) and LawEXCEL, LawEXCEL Preferred, LawEXCEL Custom, EXCEL Grad Extension Loan^(SM) and B&B EXCEL Custom loans (“LawEXCEL Loans”) provide private supplemental funding for law school students. The LAWLOAN and LawEXCEL Loan programs are referred to collectively as the “Law Loan Programs.” Since late 1996, the Student Loan Marketing Association, prior to its liquidation, Sallie Mae, Inc. and, prior to its merger with Sallie Mae, Inc., Sallie Mae Servicing L.P. have performed all application and origination functions for these loan programs.

Eligibility Requirements. The eligibility requirements for Law Loan Programs are as follows:

- Be currently enrolled or admitted at least half-time in a degree-granting program at an American Bar Association accredited law school program, and for an EXCEL Grad Extension Loan, must be in the final year of a law program.
- Be a U.S. citizen, national or permanent resident, or other eligible alien (foreign students may apply with a creditworthy U.S. citizen or permanent resident as cosigner).
- Have all outstanding student loans in good standing (i.e., not in default).
- Meet established credit requirements.
- For a LAWLOANs Bar Study Loan, the borrower also must be sitting for the bar exam no later than twelve (12) months after graduation.
- Be the age of majority in his/her state of residence. A borrower who does not meet the age requirements may be eligible with a creditworthy cosigner.

Interest.

LAWLOANS. The interest rate for a LAWLOAN depends on the date of disbursement and the period of enrollment. The borrower’s interest rate on a LAWLOAN is variable and ranges from one-month LIBOR plus 4.00% to one-month LIBOR plus 14.00%. For loans disbursed before June 1, 2004, the borrower’s interest rate resets quarterly on the first day of each January, April, July and October. For loans first disbursed on or after June 1, 2004 and before March 2008, the borrower’s interest rate is tied to the Prime Rate and resets monthly on the first day of each month. In March 2008, SLM changed the index used for calculating the interest rate on its private credit student loan products from the Prime Rate to LIBOR. Accordingly, all such loans applied for on or after March 2008, received an interest rate tied to one-month LIBOR, as published by Reuters on its Reuters Screen LIBOR01 Page on the most recent business day that is at least two business days prior to the twenty-fifth (25th) day of the month. Note, however, that some loans disbursed on or after March 2008 but applied for prior to that date, still received an interest rate tied to the Prime Rate. For loans with an interest rate tied to one-month LIBOR, the interest rate resets monthly on the twenty-fifth (25th) day of each month. The margin may be based on the presence of a cosigner and/or the borrower’s or

cosigner's credit history. In the absence of a cosigner, the margin is determined by the credit profile of the borrower and other underwriting criteria. For cosigned loans, the margin is generally based on the cosigner's credit profile and other underwriting criteria.

The interest rate for LAWLOANS disbursed before June 1, 2004 is equal to the lesser of:

- The maximum interest rate allowed by law,
and
- The sum of
 - *either* the previous calendar quarter's average of the 13-week U.S. Treasury Bills rounded to the nearest one-hundredth (0.01) of one percent, as published weekly in *The Wall Street Journal*, "Credit Markets" section, in the table that quotes the result, as the "bond equivalent" rate of the most recent auction,
 - *or* the Prime Rate, as published in *The Wall Street Journal*, "Credit Markets" section, "Money Rates" table on the fifteenth day of the last month of the quarter prior to the change date, *and*
 - the applicable interest rate margin,
and is
- Rounded to the nearest one-eighth (0.125) of one percent.

The interest rate for LAWLOANS disbursed on or after June 1, 2004 and before March 2008, and for loans applied for prior to March 2008 but disbursed on or after March 2008, is equal to the lesser of:

- The maximum interest rate allowed by law,
and
- The sum of
 - the Prime Rate, as published in *The Wall Street Journal*, "Credit Markets" section, "Money Rates" table on the next to last business day of the month prior to the reset date, *and*
 - the applicable interest rate margin,
and is
- Rounded to the nearest one-eighth (0.125) of one percent.

The interest rate for LAWLOANS applied for and disbursed on or after March 2008 is equal to the lesser of:

- The maximum interest rate allowed by law,
and
- The sum of

- *either* the previous calendar quarter’s average of the 13-week U.S. Treasury Bills rounded to the nearest one-hundredth (0.01) of one percent, as published weekly in *The Wall Street Journal*, “Credit Markets” section, in the table that quotes the result as the “bond equivalent” rate of the most recent auction,
 - *or* one-month LIBOR, as published by Reuters on its Reuters screen LIBOR01 Page on the most recent business day that is at least two New York and two London business days prior to the twenty-fifth day of the month, *and*
 - the applicable interest rate margin,
- and is*
- Rounded to the nearest one-eighth (0.125) of one percent.

LawEXCEL Loans. The borrower’s interest rate on LawEXCEL Loans can be a monthly variable or annual variable rate. Both interest rates are based on the Prime Rate determined by Sallie Mae, Inc., which will not exceed the highest U.S. Prime Rate as published in *The Wall Street Journal* on the applicable determination date, plus or minus a spread.

- The monthly variable interest rate for any month resets monthly on or about the next to last New York business day of the prior month. Any change to the interest rate becomes effective on the first day of the month.
- The annual variable interest rate for any year resets annually on or about the next to last New York business day of July. Any change to the interest rate becomes effective on August 1.

The spreads for interest rates for LawEXCEL Loans depend on the date of disbursement and the period of enrollment, and range from minus 0.75% to plus 2.25%. All interest rates for LawEXCEL Loans are rounded to the nearest 0.25%. If a borrower defaults on a loan, the borrower may be required to pay an additional spread of 2%.

Repayment.

LAWLOANS. Borrowers are placed in an in-school deferment while in school and during the grace period. Borrowers typically begin to repay principal on a LAWLOAN after the applicable grace period, which is usually nine months after graduation or when the borrower is no longer continuously enrolled at least half time at an eligible school. While in repayment, borrowers may request to defer payments during periods of educational enrollment, internship/residency and economic hardship. Unpaid accrued interest will capitalize:

- At the beginning of the Repayment Period.
- Every twelve (12) months during periods of internship/residency deferment or at the end of the deferment period if it is less than twelve (12) months.
- Every six (6) months during periods of in-school deferment and at the end of each in-school deferment period.
- At the end of each hardship forbearance period.

The standard repayment terms for LAWLOANS is 15 years, but can be less based upon the loan balance. In addition, the borrower can request an extended repayment term of up to 30 years. The LAWLOANS program currently requires a minimum \$50.00 monthly payment for all combined LAWLOANS.

Under the LAWLOANS Program, borrowers may also request a graduated repayment option. A graduated repayment option offers the borrower a choice between twenty-four (24) months of interest-only payments followed by level payments for the remaining term of the loan or up to forty-eight (48) months of interest-only payments followed by level payments for the remaining term of the loan.

LawEXCEL Loans. Borrowers typically begin to repay a LawEXCEL Loan 4½ years after the disbursement date of the loan or 6 months after the borrower graduates or is no longer continuously enrolled at an eligible school at least half time, whichever is earlier. Borrowers may make an election upon applying for a LawEXCEL Loan to either:

- pay principal and interest while in school;
- pay only interest while in school; or
- defer principal and interest while in school.

Interest that accrues on a LawEXCEL Loan is capitalized at the start of repayment. An additional 2% interest deferment fee is charged to any borrower who elects to defer principal and interest while in school.

| <u>Total LawEXCEL Loan Indebtedness</u> | <u>Maximum Repayment Terms</u> |
|---|--------------------------------|
| \$500-\$2,999 | Up to 4 years (48 months) |
| \$3,000-\$3,999 | 6 years (72 months) |
| \$4,000-\$7,499 | 10 years (120 months) |
| \$7,500-\$9,999 | 15 years (180 months) |
| \$10,000 -\$39,999 | 20 years (240 months) |
| \$40,000 -\$59,999 | 25 years (300 months) |
| \$60,000 and greater | 30 years (360 months) |

Under the LawEXCEL Loan program, borrowers may also request a graduated repayment option. A graduated repayment option offers the borrower a choice between twenty-four (24) months of interest-only payments followed by level payments for the remaining term of the loan or up to forty-eight (48) months of interest-only payments followed by level payments for the remaining term of the loan.

In general, each loan must be scheduled for repayment over a period of not more than 30 years after repayment begins. The LawEXCEL Loan program currently requires a minimum \$50.00 monthly payment for all combined LawEXCEL Loans. Repayment terms exclude periods of in-school, grace, deferment, and forbearance.

The Law Loan Programs also permit forbearance under which the borrower is granted temporary relief from paying principal or interest. In general, forbearance is used most heavily when a loan first enters repayment. However, a borrower may apply for forbearance multiple times and a significant number of the borrowers under the Law Loan Programs have taken advantage of this option. When a borrower ends forbearance and enters repayment, the account is considered current. Accordingly, a borrower who may have been delinquent in his payments or may not have made any recent payments will be accounted for as a borrower in a current repayment status when he exits the forbearance period.

Supplemental Fees. Borrowers may be required to pay a fee at disbursement and when the loan enters repayment. For loans disbursed prior to the 2000/2001 Academic Year, the disbursement fee was deducted from the requested loan amount. For LAWLOANS disbursed on or after the 2000/2001 Academic Year, the disbursement fee is generally added to the requested loan amount. The disbursement fee for LAWLOANS is based on the borrower's and/or the cosigner's credit profile and other underwriting criteria and currently ranges from 0% to 3%. For LawEXCEL Loans, the disbursement fee can either be deducted from the disbursement or added to the requested loan amount. The disbursement fee is based on whether there is a cosigner. Supplemental fees at disbursement range from 0% to 8%. For LAWLOANS and LawEXCEL Loans, the repayment fee or some portion of the repayment fee is added to the outstanding principal loan balance (principal plus capitalized interest) at the beginning of the repayment period. The repayment fee for LAWLOANS is based on the borrower's and/or the cosigner's credit profile and other underwriting criteria and currently ranges from 0% to 3%. The repayment fee for LawEXCEL Loans is 2% and is only assessed if the borrower chose to defer principal and interest while enrolled in school and during the grace period.

The Law Loan Programs and the servicing requirements thereunder may be amended from time to time.

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MBA Loan Programs

The MBA Loans® (“MBA Loans”) and MBA EXCEL, MBA EXCEL Preferred and MBA EXCEL Custom loans (“MBA EXCEL Loans”) provide private supplemental funding for students enrolled in a graduate business program. The MBA Loans and MBA EXCEL Loans programs are referred to collectively as the “MBA Loan Programs.” Since 1996 for new, non-serial loans and, since 1999 for all loans, the Student Loan Marketing Association, prior to its liquidation, Sallie Mae, Inc. and, prior to its merger with Sallie Mae, Inc., Sallie Mae Servicing L.P. have performed the application and origination functions for this loan program on behalf of the originating lenders.

Eligibility Requirements. The eligibility requirements for the MBA Loan Programs are as follows:

- Be currently enrolled or admitted (including less than half-time students) in an approved graduate business program.
- Be a U.S. citizen, national, or Permanent Resident (foreign students may apply with a creditworthy U.S. citizen or Permanent Resident as cosigner).
- Have all outstanding student loans in good standing (i.e., not in default).
- Meet established credit requirements.
- Be the age of majority in his/her state of residence. A borrower who does not meet the age requirements may be eligible with a creditworthy cosigner.

Interest.

MBA Loans. For MBA Loans disbursed beginning with the 1988/1989 Academic Year, the borrower received a variable rate during the in-school and grace period, with resets on every January 1, April 1, July 1 and October 1. The index is the bond equivalent rate of the quarterly average of the weekly Auction Averages for the 91-day United States Treasury Bills. During repayment, the borrower’s rate is fixed and the index is the reported yield on 15-year United States Treasury Bonds most recently issued and sold 60 days prior to the beginning of the repayment period.

For MBA Loans disbursed during the 1990/1991 Academic Year and the 1991/1992 Academic Year, the borrower received a variable rate during the in-school and grace period, with resets on every January 1, April 1, July 1 and October 1. The index is the bond equivalent rate of the quarterly average of the weekly Auction Averages for the 91-day United States Treasury Bills. During repayment, the borrower’s rate is fixed and the index is the reported yield on 10-year United States Treasury Bonds most recently issued and sold 60 days prior to the beginning of the repayment period.

For MBA Loans disbursed beginning with the 1992/1993 Academic Year, the borrower received a variable rate during the in-school, grace, and repayment periods, with resets on January 1, April 1, July 1 and October 1. The index is the bond equivalent rate of the quarterly average of the weekly Auction Averages for the 91-day United States Treasury Bills, the 10-year United States Treasury Bond or the 15-year United States Treasury Bond, as the case may be.

For MBA Loans disbursed beginning with the 1996/1997 Academic Year and through the 1998/1999 Academic Year, the borrower received a variable rate during the in-school, grace and repayment periods, with resets on every January 1, April 1, July 1 and October 1. The index is the rate published weekly in *The Wall Street Journal*, “Credit Markets” section in the table that quotes the results as the “coupon equivalent” rate of the most recent auction of the 13-week U.S. Treasury Bills.

For MBA Loans disbursed beginning with the 1999/2000 Academic Year and through the 2003/2004 Academic Year, the borrower received a variable rate during the in-school, grace and repayment period, with resets on January 1, April 1, July 1, and October 1. The index is the Prime Rate, as published in *The Wall Street Journal*, “Credit Markets” section, “Money Rates” table on the fifteenth day of the last month of the quarter prior to the reset date.

For MBA Loans disbursed on or after June 1, 2004 and before March 2008, the borrower received a variable rate during the in-school, grace and repayment period, with resets monthly on the first day of each month. The index is the Prime Rate, as published in *The Wall Street Journal*, “Credit Markets” section, “Money Rates” table on the next to last business day of the month prior to the reset date.

In March 2008, SLM changed the index used for calculating the interest rate on its private credit student loan products from the Prime Rate to LIBOR. Accordingly, all such loans applied for on or after March 2008, received an interest rate tied to one-month LIBOR, as published by Reuters on its Reuters Screen LIBOR01 Page on the most recent business day that is at least two business days prior to the twenty-fifth (25th) day of the month. Note, however, that some loans disbursed on or after March 2008 but applied for prior to that date, still received an interest rate tied to the Prime Rate. For loans with an interest rate tied to one-month LIBOR, the interest rate resets monthly on the twenty-fifth (25th) day of each month. The margin may be based on the presence of a cosigner and/or the borrower’s or cosigner’s credit profile and other underwriting criteria. In the absence of a cosigner, the margin is determined by the credit profile of the borrower and other underwriting criteria. For cosigned loans, the margin is generally based on the cosigner’s credit profile and other underwriting criteria.

The interest rate margin for a MBA Loan may be based on whether the loan is in repayment and the borrower’s and/or cosigner’s credit profile and other underwriting criteria. Interest rates currently range from one-month LIBOR plus 4.00% to one-month LIBOR plus 14.00%.

The rate for MBA Loans is equal to the lesser of:

- the maximum interest rate allowed by law, *and*
- the sum of the applicable index and the applicable interest rate margin,

and is

- rounded to the nearest one-eighth (0.125) of one percent.

MBA EXCEL Loans. The borrower's interest rate on MBA EXCEL Loans can be either a monthly variable interest rate or an annual variable interest rate. Both interest rates are based on the Prime Rate determined by Sallie Mae, Inc., which will not exceed the highest U.S. Prime Rate as published in *The Wall Street Journal* on the applicable determination date, plus or minus a spread.

- The monthly variable interest rate for any month resets monthly on or about the next to last New York business day of the prior month. Any change to the interest rate becomes effective on the first day of the month.
- The annual variable interest rate for any year resets annually on the next to last New York business day of July. Any change to the interest rate becomes effective on August 1.

The spreads for interest rates for MBA EXCEL Loans depend on the date of disbursement and the period of enrollment, and range from minus 0.75%% to plus 2.25%. All interest rates for MBA EXCEL Loans are rounded to the nearest 0.25%. If a borrower defaults on a loan, the borrower may be required to pay an additional spread of 2%.

Repayment.

MBA Loans. Borrowers are placed in an in-school deferment while in school and during the grace period. Borrowers typically begin to repay principal on a MBA Loan after the applicable grace period, which is usually six months after the earlier of the date of graduation or the date when the borrower is no longer continuously enrolled at an eligible school. While in repayment, borrowers may request to defer payments during periods of educational enrollment, internship/residency and economic hardship. Unpaid accrued interest will capitalize:

- At the beginning of the Repayment Period.
- Every twelve (12) months during periods of internship/residency deferment or at the end of the deferment period if it is less than twelve (12) months.
- Every six (6) months during periods of in-school deferment and at the end of each in-school deferment period.
- At the end of each hardship forbearance period.

The standard repayment terms for the MBA Loans Program are presented below.

- Prior to the 1996/1997 Academic Year, repayment terms were as follows:
 - Twelve (12) years (144 months).
 - Minimum monthly payment was \$50.00 per loan program.
 - The maximum repayment excludes periods of in-school, grace, deferment and forbearance.

- For the 1996/1997 Academic Year, repayment terms were as follows:
 - If the outstanding MBA Loan debt was \$15,000 or less, the maximum repayment term was twelve (12) years (144 months).
 - If the total indebtedness exceeded \$15,000, the maximum repayment term was fifteen (15) years (180 months).
 - Minimum monthly payment is \$50.00 per loan program.
 - The maximum repayment excludes periods of in-school, grace, internship/residency, and forbearance.
- For the 1997/1998 Academic Year to the present:
 - The standard repayment terms for MBA Loans is 15 years, but can be less based upon the loan balance. In addition, the borrower can request an extended repayment term of up to 30 years. The MBA Loans program currently requires a minimum \$50.00 monthly payment for all combined MBA Loans.
 - Repayment terms exclude periods of in-school, grace, deferment and forbearance.

Under the MBA Loans Program, borrowers may also choose a graduated repayment option.

For loans disbursed prior to the 1997/1998 Academic Year, the borrower may receive one of the alternative graduated repayment schedules set forth below:

- If the borrower chooses an alternative graduated repayment schedule and the maximum repayment period allowed is twelve (12) years, the first year (12 months) will be interest-only payments followed by eleven (11) years (132 months) of principal and interest payments.
- If the borrower chooses an alternative graduated repayment schedule and the maximum repayment period is fifteen (15) years, the first year (12 months) will be interest-only payments followed by fourteen (14) years (168 months) of principal and interest payments.

For all other MBA Loans, a graduated repayment option allows the borrower to request twenty-four (24) months of interest-only payments followed by level payments for the remaining term of the loan or up to forty-eight (48) months of interest-only payments followed by level payments for the remaining term of the loan.

MBA EXCEL Loans. Borrowers typically begin to repay a MBA EXCEL Loan 4½ years after the first disbursement date of the loan or 6 months after the borrower graduates or is no longer continuously enrolled at least half time at an eligible school, whichever is earlier. Borrowers may make an election upon applying for an MBA EXCEL Loan to either:

- pay principal and interest while in school;
- pay only interest while in school; or
- defer principal and interest while in school.

Interest that accrues on an MBA EXCEL Loan is capitalized at the start of repayment. An additional 2% interest deferment fee is charged to any borrower who elects to defer principal and interest while in school.

| Total Outstanding MBA EXCEL Loan Indebtedness | Maximum Repayment Terms |
|--|------------------------------------|
| \$500-\$2,999 | Up to 4 years (48 months) |
| \$3,000-\$3,999 | 6 years (72 months) |
| \$4,000-\$7,499 | 10 years (120 months) |
| \$7,500-\$9,999 | 15 years (180 months) |
| \$10,000 - \$39,999 | 20 years (240 months) |
| \$40,000 - \$59,999 | 25 years (300 months) |
| \$60,000 and greater | 30 years (360 months) |

Under the MBA EXCEL Loan program, borrowers may also choose a graduated repayment option. A graduated repayment option allows the borrower to request twenty-four (24) months of interest-only payments followed by level payments for the remaining term of the loan or up to forty-eight (48) months of interest-only payments followed by level payments for the remaining term of the loan.

In general, each loan must be scheduled for repayment over a period of not more than 30 years after repayment begins. The MBA EXCEL Loan programs currently require a minimum \$50.00 monthly payment for all combined MBA Loans. Repayment terms exclude periods of in-school, grace, deferment, and forbearance.

The MBA Loan Programs also permit forbearance under which the borrower is granted temporary relief from paying principal or interest. In general, forbearance is used most heavily when a loan first enters repayment. However, a borrower may apply for forbearance multiple times and a significant number of the borrowers under the MBA Loan Programs have taken advantage of this option. When a borrower ends forbearance and enters repayment, the account is considered current. Accordingly, a borrower who may have been delinquent in his payments or may not have made any recent payments will be accounted for as a borrower in a current repayment status when he exits the forbearance period.

Supplemental Fees. Borrowers may be required to pay a fee at disbursement and when their MBA Loan enters repayment. For an MBA Loan, disbursement fees are based on the borrower's and/or the cosigner's credit profile and other underwriting criteria and currently range from 0% to 3%. The disbursement fee is generally added to the requested loan amount. For MBA EXCEL Loans, the disbursement fee can either be deducted from the disbursement or added to the requested loan amount. The disbursement fee is based on whether there is a cosigner. Supplemental fees at disbursement range from 0% to 6%. For MBA Loans and MBA

EXCEL Loans, the repayment fee is added to the outstanding principal loan balance (principal plus capitalized interest) at the beginning of the repayment period. The repayment fee for MBA Loans is based on the borrower's and/or the cosigner's credit profile and other underwriting criteria and currently ranges from 0% to 3%. The repayment fee for MBA EXCEL Loans is 2% and is only assessed if the borrower chose to defer principal and interest while enrolled in school and during the grace period.

The MBA Loan Programs and the servicing requirements thereunder may be amended from time to time.

Medical Loan Programs

MEDLOANS[®], MEDLOAN Alternative Loan Program (ALP) loans and MEDEX Loan Program loans (“MEDLOANS”) and MD EXCEL, R&R EXCEL Custom, MED EXCEL Preferred, Med EXCEL Custom, R&R EXCEL Preferred, R&R EXCEL Custom and EXCEL Grad Extension Loan R&R (“MD EXCEL Loans”) provide private supplemental funding for osteopathic, allopathic and veterinary students and can be used to cover education-related expenses. The MEDLOANS and the MD EXCEL Loans programs are referred to collectively as the “Medical Loan Programs.” Since 2000, the Student Loan Marketing Association, prior to its liquidation, Sallie Mae, Inc. and, prior to its merger with Sallie Mae, Inc., Sallie Mae Servicing L.P., have performed the application and origination functions for these loan programs on behalf of the originating lenders. The MEDEX Loan, R&R EXCEL Preferred, R&R EXCEL Custom and EXCEL Grad Extension Loan R&R programs help students in their final year of medical school to cover the costs related to internship/residency interviews and relocation.

Eligibility Requirements.

The eligibility requirements for Medical Loan Programs are as follows:

- Graduate student enrolled or admitted at least half-time at a medical school approved by the Association of American Medical Colleges (AAMC) (for allopathic medical students only).
- Be a U.S. citizen, national or Permanent Resident.
- Have all outstanding student loans in good standing (i.e., not in default).
- Meet established credit requirements.
- Be the age of majority in his/her state of residence.

The eligibility requirements for MD EXCEL Loans are as follows:

- Graduate student enrolled at least half time in a graduate level degree granting program at an approved institution, and must be in the final year of a medical program for the EXCEL Grad Extension Loan R&R program.
- Be a U.S. citizen or eligible permanent resident (foreign students may apply with a creditworthy U.S. citizen or eligible permanent resident as cosigner).
- Have all outstanding student loans in good standing (i.e., not in default).
- Meet established credit requirements.
- Be the age of majority in his/her state of residence.

Interest

MEDLOANS. The interest rate for MEDLOANS depends on the date of disbursement and the period of enrollment.

The borrower’s interest rate on MEDLOANS may be fixed or variable. Prior to the 1992/1993 Academic Year, the borrower received a variable rate during the in-school and grace period, and the borrower had the option of converting to a fixed rate at the beginning of repayment. As of the 1992/1993 Academic Year, rate changes became quarterly variable, with resets on January 1, April 1, July 1 and October 1. The index is the quarterly average of the 91-day Treasury Bill (T-Bill) rounded to the nearest one-hundredth of one percent (.01%) for the quarter preceding the change date. As of the 1999/2000 Academic Year, rate changes remain quarterly variable, with resets on January 1, April 1, July 1 and October 1. The index is the Prime Rate published in *The Wall Street Journal* on the first day of the month preceding the change date. From June 1, 2004 and before March 2008, for MEDLOANS ALP Loans, and from August 1, 2004 and before March 2008, for MEDEX Loans, rate changes are monthly variable with resets on the first day of each month. The index is the Prime Rate published in *The Wall Street Journal* on the next to last business day of the month preceding the change date. In March 2008, SLM changed the index used for calculating the interest rate on its private credit student loan products from the Prime Rate to LIBOR. Accordingly, all such loans applied for on or after March 2008, received an interest rate tied to one-month LIBOR, as published by Reuters on its Reuters Screen LIBOR01 Page on the most recent business day that is at least two business days prior to the twenty-fifth (25th) day of the month. Note, however, that some loans disbursed on or after March 2008 but applied for prior to that date, still received an interest rate tied to the Prime Rate.

For loans with an interest rate tied to one-month LIBOR, the interest rate resets monthly on the twenty-fifth (25th) day of each month.

Interest rates for all borrowers on MEDLOANS currently are LIBOR plus 6.25% during the in-school period and LIBOR plus 8.75% during repayments. The interest rate for all borrowers on the MEDLOAN Residency and Relocation loan is currently LIBOR plus 7.25% during the in-school period and LIBOR plus 8.75% during repayment.

The rate for MEDLOANS is equal to the lesser of:

- The interest rate cap as presented in the following chart

| <u>App Year</u> | <u>Interest Rate Cap</u> | | <u>Limitations on Changes in Interest Rates</u> |
|-----------------------------------|--------------------------|----------------|---|
| | <u>Minimum</u> | <u>Maximum</u> | |
| 1986/1987 through 1988/1989 | 6.00% | 20.00% | Rate will not change more than 10% during each year |
| 1989/1990 through 1990/1991 | 6.00% | 20.00% | Rate will not change more than 10% during each year |
| 1991/1992 to present..... | N/A | N/A | The rate will not exceed the maximum allowed by law |

and

- The sum of

**Prior to
1992/1993**

Variable (In-School and Grace)

- Weekly variable.
- Changes each Wednesday.
- The index is the weekly auction of the 91-day T-Bill that occurs each Tuesday.

Fixed (Repayment)

- The most recent weekly average yield on United States Treasury securities adjusted to a constant maturity of 30 years published prior to the beginning of the repayment period.

As of 1992/1993

Variable (In-School and Grace)

- Quarterly variable.
- Changes January 1, April 1, July 1 and October 1.
- The index is the average of the weekly auctions of the 91-day T-Bill for the quarter preceding the change date.

As of 1999/2000

Variable (In-School, Grace, and Repayment)

- Quarterly variable.
- Changes January 1, April 1, July 1 and October 1.
- The index is the Prime Rate published in *The Wall Street Journal* on the first day of the month preceding the change date.

Disbursed on or after June 1, 2004 and before March 2008, for MEDLOANS ALP Loans, and disbursed on or after August 1, 2004 and before March 2008 for MEDEX Loans (and for such loans applied for prior to March 2008 but disbursed on or after that date) Applied for and disbursed on or after March 2008 for MEDLOANS

Variable (In-School, Grace, and Repayment)

- Monthly variable.
- Changes on the first business day of each month.
- The index is the Prime Rate published in *The Wall Street Journal* on the next to last business day of the month preceding the change date.
- Monthly variable
- Changes on the twenty-fifth (25th) day of each month.
- The index is one-month LIBOR published by Reuters on its Reuters Screen LIBOR01 Page on the most recent business day that is at least two business days prior to the twenty-fifth (25th) day of the month.

and

- The applicable interest rate margin.

and

- Rounded to the nearest one-eighth (0.125) of one percent.

MD EXCEL Loans. The borrower's interest rate on MD EXCEL Loans can be a monthly variable or annual variable rate. Both interest rates are based on the Prime Rate determined by Sallie Mae, Inc., which will not exceed the highest U.S. Prime Rate as published in *The Wall Street Journal* on the applicable determination date, plus or minus a spread.

- The monthly variable interest rate for any month resets monthly on or about the next to last New York business day of the prior month. Any change to the interest rate becomes effective on the first day of the month.
- The annual variable interest rate for any year resets annually on the next to last New York business day of July. Any change to the interest rate becomes effective on August 1.

The spreads for interest rate for MD EXCEL Loans depend on the date of disbursement and the period of enrollment, and range from minus 0.75% to plus 2.25%. All interest rates for MD EXCEL Loans are rounded to the nearest 0.25%. If a borrower defaults on a loan, the borrower may be required to pay an additional spread of 2%.

Repayment.

MEDLOANS. Borrowers are placed in an in-school deferment while in school and during a grace period. Borrowers typically begin to repay a MEDLOAN within 45 days of the status end date. Borrowers are eligible for a three-year (36 month) grace period for internship/residency upon graduation. When a borrower withdraws from school or is no longer continuously enrolled at an eligible school at least half time, the borrower may be eligible for a nine-month grace period. While in repayment, borrowers may request to defer payments during periods of educational enrollment, internship/residency and economic hardship. Accrued unpaid interest will capitalize:

| | |
|-----------------------------------|---|
| Prior to 1992/1993 | Interest will capitalize at the beginning of repayment and at the end of any forbearance. |
| 1993/1994 through 1997/1998 | Interest will capitalize at graduation, annually until repayment begins, and at the end of any deferment or forbearance. |
| 1998/1999 to Present..... | Interest will capitalize: <ul style="list-style-type: none">• At the beginning of the Repayment Period.• Every six (6) months during periods of in-school deferment and at the end of each in-school deferment period. |

- Every twelve (12) months during periods of internship/residency deferment or at the end of the deferment period if it is less than twelve (12) months.
- At the end of each hardship forbearance period.

The standard repayment period for MEDLOANS is 20 years but can be less depending upon the loan balance. The MEDLOANS program currently requires a minimum \$50.00 monthly payment for all combined MEDLOANS. Repayment terms exclude periods of in-school, grace, deferment, and forbearance.

Under the MEDLOANS program, borrowers may request a graduated repayment option. A graduated repayment option offers the borrower:

- For loans disbursed prior to the 1993/1994 Academic Year, the borrower may choose an alternative graduated schedule where the first year (12 months) will be interest-only payments, followed by 19 years (228 months) of principal and interest payments.
- For loans disbursed as of the 1993/1994 Academic Year through the 2002/2003 Academic Year, the borrower may choose an alternative graduated schedule where the first three years (36 months) will be interest-only payments, followed by 17 years (204 months) of principal and interest payments.
- For all loans, the borrower can request twenty-four (24) months of interest-only payments followed by level payments for the remaining term of the loan, or up to forty-eight (48) months of interest-only payments followed by level payments for the remaining term of the loan.
- In addition, certain MEDLOANS Program Loans have unique repayment incentives:
 - (1) MEDLOANS have a 0.50% interest rate reduction for active repayment and an additional 0.25% interest rate reduction for successful ACH payments.
 - (2) Residency & Relocation Loans have a 1.00% interest rate reduction for active repayment and an additional 0.25% reduction for successful ACH payments.

- We cannot predict how many borrowers will participate in these programs.

MD EXCEL Loans. Borrowers typically begin to repay a MD EXCEL Loan 4½ years after the disbursement date of the loan or 6 months after the borrower graduates or is no longer continuously enrolled at an eligible school at least half time, whichever is earlier. Borrowers may make an election upon applying for a MD EXCEL Loan to either:

- pay principal and interest while in school;
- pay only interest while in school; or
- defer principal and interest while in school.

Borrowers are also eligible for a four year (48 month) grace period for an internship or residency upon graduation.

Interest that accrues on a MD EXCEL Loan is capitalized at the start of repayment. An additional 2% interest deferment fee is charged to any borrower who elects to defer principal and interest while in school.

| Total MD EXCEL Loan Indebtedness | Maximum Repayment Terms |
|---|------------------------------------|
| \$500-\$2,999 | Up to 4 years (48 months) |
| \$3,000-\$3,999 | 6 years (72 months) |
| \$4,000-\$7,499 | 10 years (120 months) |
| \$7,500-\$9,999 | 15 years (180 months) |
| \$10,000 and greater..... | 20 years (240 months) |

Under the MD EXCEL Loan program, borrowers may request a graduated repayment option. A graduated repayment option allows the borrower to request twenty-four (24) months of interest-only payments followed by level payments for the remaining term of the loan or up to forty-eight (48) months of interest-only payments followed by level payments for the remaining term of the loan.

In general, each loan must be scheduled for repayment over a period of not more than 20 years after repayment begins. The MD EXCEL Loan program currently requires a minimum \$50.00 monthly payment for all combined MD EXCEL loans. Repayment terms exclude periods of in-school, grace, deferment, and forbearance.

The Medical Loan Programs also permit forbearance under which the borrower is granted temporary relief from paying principal or interest. In general, forbearance is used most heavily when a loan first enters repayment. However, a borrower may apply for forbearance multiple times and a significant number of the borrowers under the Medical Loan Programs have taken advantage of this option. When a borrower ends forbearance and enters repayment, the account is considered current. Accordingly, a borrower who may have been delinquent in his payments or may not have made any recent payments will be accounted for as a borrower in a current repayment status when he exits the forbearance period.

Supplemental Fees. Borrowers may be required to pay a fee at disbursement of the loan and when their MEDLOAN enters repayment. For MEDLOANS disbursed prior to the 2000/2001 Academic Year, the disbursement fee was deducted from the requested loan amount. For loans disbursed on or after the 2000/2001 Academic Year, the disbursement fee is generally added to the requested loan amount. Currently, there is no disbursement fee for MEDLOANS. For MD EXCEL Loans, the disbursement fee can either be deducted from the disbursement or added to the requested loan amount. The disbursement fee is based on whether there is a cosigner. Supplemental fees at disbursement range from 0% to 6%. For MEDLOANS and MD EXCEL Loans, the repayment fee or some portion of the fee may be added to the outstanding principal loan balance at the beginning of the repayment period. The repayment fee for MD EXCEL Loans is 2% and is only assessed if the borrower chose to defer principal and interest while enrolled in school and during the grace period. Currently, there is no repayment fee for MEDLOANS.

The Medical Loan Programs and the servicing requirements thereunder may be amended from time to time.

Dental Loan Programs

Dental EXCEL Preferred, and Dental EXCEL Custom (together, the “Dental EXCEL Loans”) and DENTALoans Private Loan, DENTALoans Advanced Study Private Loan and the DENTALoans Residency, Relocation and Licensure Exam Loan (“DENTALoans”) provide private supplemental funding for dental students and can be used to cover education-related expenses. The DENTALoans and the Dental EXCEL Loans programs are referred to collectively as the “Dental Loan Programs.” Since 2000, the Student Loan Marketing Association, prior to its liquidation, Sallie Mae, Inc. and, prior to its merger with Sallie Mae, Inc., Sallie Mae Servicing L.P. have performed the application and origination functions for these loan programs on behalf of the originating lenders. The DENTALoans Residency, Relocation & Licensure Exam Loan program helps students in their final year of dental school to cover the costs related to internship/residency interviews and relocation.

Eligibility Requirements.

The eligibility requirements for Dental Loan Programs are as follows:

- Graduate student enrolled or admitted at least half-time at a dental school approved by the Association of American Dental Association (ADA).
- Be a U.S. citizen, national or Permanent Resident (foreign students may apply with a creditworthy U.S. citizen or permanent resident as cosigner)
- Have all outstanding student loans in good standing (i.e., not in default).
- Meet established credit requirements.
- Be the age of majority in his/her state of residence.

Interest

DENTALoans. The interest rate for DENTALoans depends on the date of disbursement and the period of enrollment.

The borrower’s interest rate on DENTALoans may be fixed or variable. Prior to the 1992/1993 Academic Year, the borrower received a variable rate during the in-school and grace period, and the borrower had the option of converting to a fixed rate at the beginning of repayment. As of the 1992/1993 Academic Year, rate changes became quarterly variable, with resets on January 1, April 1, July 1 and October 1. The index is the quarterly average of the 91-day Treasury Bill (T-Bill) rounded to the nearest one-hundredth of one percent (.01%) for the quarter preceding the change date. As of the 1999/2000 Academic Year, rate changes remain quarterly variable, with resets on January 1, April 1, July 1 and October 1. The index is the Prime Rate published in *The Wall Street Journal* on the first day of the month preceding the change date.

For DENTALoans disbursed on or after June 1, 2004 and before March 2008, the borrower received a variable rate during the in-school, grace and repayment period, with resets monthly on the first day of each month. The index is the Prime Rate, as published in *The Wall Street Journal*, “Credit Markets” section, “Money Rates” table on the next to last business day of the month prior to the reset date.

In March 2008, SLM changed the index used for calculating the interest rate on its private credit student loan products from the Prime Rate to LIBOR. Accordingly, all such loans applied for on or after March 2008, received an interest rate tied to one-month LIBOR, as published by Reuters on its Reuters Screen LIBOR01 Page on the most recent business day that is at least two business days prior to the twenty-fifth (25th) day of the month. Note, however, that some loans disbursed on or after March 2008 but applied for prior to that date, still received an interest rate tied to the Prime Rate.

For loans with an interest rate tied to one-month LIBOR, the interest rate resets monthly on the twenty-fifth (25th) day of each month.

Interest rates on DENTALoans are variable and currently range from LIBOR plus 4.00% to LIBOR plus 14.00%. Interest rates on the DENTALoans Residency, Relocation & Licensure Exam Loan are variable and currently the interest rate during the in-school period is LIBOR plus 7.25% and the interest rate during repayment is LIBOR plus 8.75%. The index is one-month LIBOR, as published by Reuters on its Reuters Screen LIBOR01 Page on the most recent business day that is at least two New York and two London business days prior to the twenty-fifth (25th) day of the month.

The rate for DENTALoans is equal to the lesser of:

- the maximum interest rate allowed by law, *and*
- the sum of the applicable index and the applicable interest rate margin, *and is*
- rounded to the nearest one-eighth (0.125) of one percent.

Dental EXCEL Loans. The borrower’s interest rate on Dental EXCEL Loans can be a monthly variable or annual variable rate. Both interest rates are based on the Prime Rate determined by Sallie Mae, Inc., which will not exceed the highest U.S. Prime Rate as published in *The Wall Street Journal* on the applicable determination date, plus or minus a spread.

- The monthly variable interest rate for any month resets monthly on or about the next to last New York business day of the prior month. Any change to the interest rate becomes effective on the first day of the month.
- The annual variable interest rate for any year resets annually on the next to last New York business day of July. Any change to the interest rate becomes effective on August 1.

The spreads for interest rate for Dental EXCEL Loans depend on the date of disbursement and the period of enrollment, and range from minus 0.75% to plus 2.25%. All interest rates for Dental EXCEL Loans are rounded to the nearest 0.25%. If a borrower defaults on a loan, the borrower may be required to pay an additional spread of 2%.

Repayment.

DENTALoans. Borrowers are placed in an in-school deferment while in school and during a grace period. Borrowers typically begin to repay a DENTALoan within 45 days of the status end date. Borrowers are eligible for a three-year (36 month) grace period for internship/residency upon graduation. When a borrower withdraws from school or is no longer continuously enrolled at an eligible school at least half time, the borrower may be eligible for a nine-month grace period. While in repayment, borrowers may request to defer payments during periods of educational enrollment, internship/residency, and economic hardship. Accrued unpaid interest will capitalize:

| | |
|-----------------------------------|---|
| Prior to 1992/1993 | Interest will capitalize at the beginning of repayment and at the end of any forbearance. |
| 1993/1994 through 1997/1998 | Interest will capitalize at graduation, annually until repayment begins, and at the end of any deferment or forbearance. |
| 1998/1999 to Present..... | Interest will capitalize: <ul style="list-style-type: none"> • At the beginning of the Repayment Period. • Every six (6) months during periods of in-school deferment and at the end of each in-school for deferment period. • Every twelve (12) months during periods of internship/residency deferment or at the end of the deferment period if it is less than twelve (12) months. • At the end of each hardship forbearance period. |

The standard repayment period for DENTALoans is 20 years but can be less depending upon the loan balance. The DENTALoans program currently requires a minimum \$50.00 monthly payment for all combined DENTALoans. Repayment terms exclude periods of in-school, grace, deferment, and forbearance.

Under the DENTALoans program, borrowers may choose a graduated repayment option. A graduated repayment option offers the borrower:

- For loans disbursed prior to the 1993/1994 Academic Year, the borrower may choose an alternative graduated schedule where the first year (12 months) will be interest-only payments, followed by 19 years (228 months) of principal and interest payments.

- For loans disbursed as of the 1993/1994 Academic Year through the 2002/2003 Academic Year, the borrower may choose an alternative graduated schedule where the first three years (36 months) will be interest-only payments, followed by 17 years (204 months) of principal and interest payments.
- For all loans, the borrower can request twenty-four (24) months of interest-only payments followed by level payments for the remaining term of the loan, or up to forty-eight (48) months of interest-only payments followed by level payments for the remaining term of the loan.

Dental EXCEL Loans. Borrowers typically begin to repay a Dental EXCEL Loan 4½ years after the disbursement date of the loan or 6 months after the borrower graduates or is no longer continuously enrolled at an eligible school at least half time, whichever is earlier. Borrowers may make an election upon applying for a Dental EXCEL Loan to either:

- pay principal and interest while in school;
- pay only interest while in school; or
- defer principal and interest while in school.

Borrowers are also eligible for a four year (48 month) grace period for an internship or residency upon graduation.

Interest that accrues on a Dental EXCEL Loan is capitalized at the start of repayment. An additional 2% interest deferment fee is charged to any borrower who elects to defer principal and interest while in school.

| Total Dental EXCEL Loan Indebtedness | Maximum Repayment Terms |
|---|------------------------------------|
| \$500-\$2,999..... | Up to 4 years (48 months) |
| \$3,000-\$3,999..... | 6 years (72 months) |
| \$4,000-\$7,499..... | 10 years (120 months) |
| \$7,500-\$9,999..... | 15 years (180 months) |
| \$10,000 and greater | 20 years (240 months) |

A graduated repayment option allows the borrower to request twenty-four (24) months of interest-only payments followed by level payments for the remaining term of the loan or up to forty-eight (48) months of interest-only payments followed by level payments for the remaining term of the loan.

In general, each loan must be scheduled for repayment over a period of not more than 20 years after repayment begins. The Dental EXCEL Loan program currently requires a minimum \$50.00 monthly payment for all combined Dental EXCEL loans. Repayment terms exclude periods of in-school, grace, deferment, and forbearance.

The Dental Loan Programs also permit forbearance under which the borrower is granted temporary relief from paying principal or interest. In general, forbearance is used most heavily when a loan first enters repayment. However, a borrower may apply for forbearance multiple times and a significant number of the borrowers under the Dental Loan Programs have taken advantage of this option. When a borrower ends forbearance and enters repayment, the account is considered current. Accordingly, a borrower who may have been delinquent in his payments or may not have made any recent payments will be accounted for as a borrower in a current repayment status when he exits the forbearance period.

Supplemental Fees. Borrowers may be required to pay a fee at disbursement of the loan and when their DENTALoan enters repayment. For DENTALoans disbursed prior to the 2000/2001 Academic Year, the disbursement fee was deducted from the requested loan amount. For loans disbursed on or after the 2000/2001 Academic Year, the disbursement fee is generally added to the requested loan amount. Currently, there is no disbursement fee for DENTALoans. For Dental EXCEL Loans, the disbursement fee can either be deducted from the disbursement or added to the requested loan amount. The disbursement fee is based on whether there is a cosigner. Supplemental fees at disbursement range from 0% to 6%. For DENTALoans and Dental EXCEL Loans, the repayment fee or some portion of the fee may be added to the outstanding principal loan balance at the beginning of the repayment period. The repayment fee for Dental EXCEL Loans, is 2% and is only assessed if the borrower chose to defer principal and interest while enrolled in school and during the grace period. Currently, there is no repayment fee for DENTALoans.

The Dental Loan Programs and the servicing requirements thereunder may be amended from time to time.

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Direct-to-Consumer Loan Programs

The Tuition AnswerSM Loan Program, the Tuition Answer II Loan Program and the Tuition Answer Loan Employee First Loan Program (each, a “Tuition Answer Loan” and together the “Tuition Answer Loan Programs”) are direct-to-consumer loan programs that are available to adult students or parents or other creditworthy individuals borrowing on behalf of students who are enrolled, at least half time, in a two or four year degree granting, Title IV approved institution. Since the inception of the Tuition Answer Loan Programs in 2004, Sallie Mae, Inc. and its affiliates have performed all application and origination functions for these loan programs on behalf of the originating lenders.

Eligibility Requirements. The eligibility requirements for the Tuition Answer Loan Programs are as follows:

- Be currently enrolled at least half-time in a degree or certificate granting program at an eligible degree-granting institution.
- Be a U.S. citizen or eligible Permanent Resident.
- Have all outstanding student loans in good standing (i.e., not in default).
- Meet established credit requirements.
- Be the age of majority in his/her state of residence. A borrower who does not meet the age requirements may be eligible with a creditworthy cosigner.

Interest.

The interest rate for a Tuition Answer Loan is variable and is based on one-month LIBOR plus a margin for loans applied for and disbursed on or after March 2008. For Tuition Answer loans applied for prior to June 1, 2001 the interest rate was based on the Prime Rate and reset monthly on the first day of each month. In March 2008, SLM changed the index used for calculating the interest rate on its private credit student loan products from the Prime Rate to LIBOR. Accordingly, all such loans applied for on or after March 2008, received an interest rate tied to one-month LIBOR, as published by Reuters on its Reuters Screen LIBOR01 Page on the most recent business day that is at least two business days prior to the twenty-fifth (25th) day of the month. Note, however, that some loans disbursed on or after March 2008 but applied for prior to that date, still received an interest rate tied to the Prime Rate.

For loans with an interest rate tied to one-month LIBOR, the interest rate resets monthly on the twenty-fifth (25th) day of each month. The margin may be based on the presence of a cosigner and/or the borrower or cosigner’s credit history. In the absence of a cosigner, the margin is determined by the payment option chosen, the credit profile of the borrower and other underwriting criteria. For cosigned loans, the margin is generally based on the cosigner’s credit profile and other underwriting criteria.

For Tuition Answer Loan Program loans applied for and disbursed on or after March 2008 the borrower's interest rate resets on the twenty-fifth (25th) day of each month and currently ranges from Prime Rate plus 4.25% to Prime Rate plus 14.75%.

The interest rate for Tuition Answer Loans applied for prior to March 2008 is equal to the lesser of:

- The maximum interest rate allowed by law,
and
- The sum of
 - the highest U.S. Prime Rate, as published in *The Wall Street Journal* under the "Money Rates" section on the next to last New York business day of the month prior to the reset date, *and*
 - the applicable interest rate margin,
and is
- Rounded to the nearest one-fourth (0.25) of one percent.

A borrower's interest rate may also be increased by up to 6.5% if a borrower fails to make a payment when due, is in default, or if certain other events outlined in the promissory note occur.

Repayment.

Borrowers are placed in an in-school deferment while in school and during a grace period. Borrowers typically begin to repay principal on a Tuition Answer Loan after the applicable grace period, which is usually six months after graduation or when the borrower is no longer continuously enrolled at least half time at an eligible school. While in repayment, borrowers may defer payments during periods of educational enrollment, internship/residency and economic hardship.

For loans disbursed prior to July 1, 2007, interest will capitalize:

- At the beginning of the Repayment Period.
- At the end of any in-school deferment.
- At the end of each hardship forbearance period.
- When the interest rate changes.

For loans disbursed on or after July 1, 2007 where payments of principal and interest are deferred during the in-school period, interest will capitalize:

- Quarterly during the in-school and grace periods.

- At the beginning of the Repayment Period.
- At the end of any in-school deferment.
- At the end of each hardship forbearance period.

For loans disbursed on or after July 1, 2007 where payments are made during the in-school period, interest will capitalize:

- At the end of any in-school deferment.
- At the end of each hardship forbearance period.

In general, each loan must be scheduled for repayment over a period of not more than 20 years after repayment begins. The Tuition Answer Loan Programs currently require a minimum monthly payment of \$50.00 for all combined Tuition Answer loans. The standard repayment term schedule is presented in the following chart. Repayment terms exclude periods of deferment and forbearance.

| Total Outstanding Tuition Answer Loan Indebtedness | Maximum Repayment Terms |
|---|------------------------------------|
| \$2,999 and under..... | 4 years (48 months) |
| \$3,000 to \$3,999 | 6 years (72 months) |
| \$4,000 to \$7,499 | 10 years (120 months) |
| \$7,500 to \$9,999 | 15 years (180 months) |
| \$10,000 to \$39,999 | 20 years (240 months) |
| \$40,000 to \$59,999 | 25 years (300 months) |
| \$60,000 and greater..... | 30 years (360 months) |

Under the Tuition Answer Loan Programs, borrowers may request an interest-only repayment option. Under the interest-only repayment option while the student is continuously enrolled at an eligible school, a borrower may request to make interest-only payments for up to forty-eight (48) months followed by level payments of principal and interest for the remaining term of the loan.

Supplemental Fees. Borrowers may be required to pay a fee at disbursement. The disbursement fee is added to the requested loan amount and is based among other factors on the borrower's and/or cosigner's credit profile and other underwriting criteria and ranges from 0% to 6%.

The Tuition Answer Loan Programs and the servicing requirements thereunder may be amended from time to time.

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Private Consolidation Loan Program

The Sallie Mae Private Consolidation Loan Program (“Private Consolidation Loans”) allows eligible borrowers to combine several existing private credit student loans into one new loan. Since the inception of the Sallie Mae Private Consolidation Loan Program in 2006, Sallie Mae, Inc. and its affiliates have performed all application and origination functions for this loan program on behalf of the originating lenders.

Eligibility Requirements. The eligibility requirements for the Private Consolidation Loan Program are as follows:

- Be a U.S. citizen or eligible Permanent Resident.
- Have good credit or apply with a creditworthy cosigner and have a minimum three-year credit history.
- Have all outstanding student loans in good standing (i.e., not in default).
- Meet minimum income requirements.
- Be the age of majority in his/her state of residence. A borrower who does not meet the age requirements may be eligible with a creditworthy cosigner.
- Be consolidating private credit student loans on which he/she is the primary borrower.
- Students must have successfully completed his/her post-secondary course of study (or will do so within the next 30 days).

Interest.

The interest rate for a Private Consolidation Loan is variable and ranges from Prime Rate minus 0.5% to Prime Rate plus 6.5%. The borrower’s interest rate resets monthly on the first day of each month. The margin is generally based on whether there is a cosigner and the borrower and/or cosigner’s credit profile and other underwriting criteria. If there is a cosigner, the analysis is based on the cosigner’s credit profile and other underwriting criteria.

The interest rate for Private Consolidation Loans is equal to the lesser of:

- The maximum interest rate allowed by law,
and
- The sum of
 - the highest U.S. Prime Rate, as published in *The Wall Street Journal* under the “Money Rates” table on the next to last New York business day of the month prior to the reset date, *and*
 - the applicable interest rate margin,
and is

- Rounded to the nearest one-fourth (0.25) of one percent.

A borrower’s interest rate may also be increased by 2% if the borrower fails to make any monthly installment payment within 15 days after it becomes due.

Repayment.

Borrowers typically begin to repay principal and interest on a Private Consolidation Loan immediately, within 45 days after the disbursement date. If a student borrower re-enrolls in school at least half-time, the student borrower is eligible for up to forty-eight (48) months of in-school payment postponement, during which time the borrower is not required to make any payments. Borrowers may defer payments during periods of educational enrollment, internship/residency and economic hardship. Accrued unpaid interest will capitalize:

- At the end of any in-school deferment.
- At the end of each hardship forbearance period.

In general, each loan must be scheduled for repayment over a period of not more than 30 years after repayment begins. The Private Consolidation Loan Program currently requires a minimum monthly payment of \$50.00 per loan. The standard repayment term schedule is presented in the following chart. Repayment terms exclude periods of postponement, deferment and forbearance.

| Total Outstanding Private Consolidation Loan Indebtedness | Maximum Repayment Terms |
|--|--------------------------------|
| \$5,000 to \$19,999 | 15 years (180 months) |
| \$20,000 to \$39,999 | 20 years (240 months) |
| \$40,000 to \$59,999 | 25 years (300 months) |
| \$60,000 and above | 30 years (360 months) |

Under the Private Consolidation Loan Program, borrowers may also choose an interest-only repayment option. Under the interest-only repayment option, a borrower will make one (1) year of interest-only payments followed by level payments of principal and interest for the remaining term of the loan. The interest-only period, if any, is included in the maximum repayment term. Interest only payments are based on the interest rate in effect at the time of disclosure. The borrower must meet certain eligibility requirements for this repayment option.

Supplemental Fees. Borrowers may be required to pay a fee at disbursement. The disbursement fee is added to the requested loan amount and is based on the borrower’s and/or co-borrower’s credit profile and other underwriting criteria and ranges from 0% to 4%.

The Private Consolidation Loan Program and the servicing requirements thereunder may be amended from time to time.

Career Training Loan Program

The Career Training loans (“Career Training Loans”) provide private funding for students enrolled in technical training, trade and vocational schools and on-line courses, students attending certain 2 or 4-year Title IV institutions and not seeking a degree, and parents or other creditworthy individuals to fund the cost of children attending a private primary or secondary tutoring center or private kindergarten through secondary school. Students may be enrolled full time, half time, or less than half time. From the inception of the program in 1999 through 2005, SLM Financial performed all application and origination functions for this loan program. Since 2006, Sallie Mae, Inc. has performed all application and origination functions for this loan program.

Eligibility Requirements. The eligibility requirements for the Career Training Loans are as follows:

- Be currently enrolled at a primary or secondary tutoring center or primary or secondary school or be enrolled in an eligible 2 or-4 year college/university or trade school that has met SLM’s established underwriting criteria.

SLM will not disburse loans to a school unless the school has met SLM’s underwriting criteria, which consists of evidence that the school (i) has all licenses and approvals it needs to operate as an educational institution, (ii) meets various financial tests, including minimum net worth and revenue, (iii) has a refund policy that complies with applicable law, and (iv) does not offer any type of unconditional guarantees.

- Be the age of majority in his/her state of residence. A borrower who does not meet the age requirement may be eligible with a creditworthy cosigner.
- Meet established credit requirements, including the required minimum FICO score.

The chart below lists the range of minimum FICO scores that have been required for the program since July 31, 1999.

| Range of Dates | Minimum FICO Score |
|------------------------------------|---|
| July 31, 1999 – April 29, 2000 | 700 |
| April 30, 2000 – September 4, 2002 | 550 |
| September 5, 2002 – March 11, 2003 | 575 |
| March 12, 2003 – June 1, 2004 | 600 |
| June 1, 2004 – October 16, 2008 | 630 |
| October 16, 2008 – Present | 700 for strategic partner schools and 760 for non-strategic partner schools |

Through July 28, 2008, if an applicant (excluding residents of Iowa) has filed for bankruptcy, then unless the applicant has agreed to a payment arrangement and made prompt payments for the past 18 months, such applicant will be denied. Further, the

applicant should not have any unpaid tax liens, judgments, or charge-offs greater than a set amount based on the related FICO score. An applicant must not have any defaulted student loans unless (i) the prior education loan default has been paid in full or (ii) satisfactory progress has been made in repaying the loan.

Following July 28, 2008, if an applicant (excluding residents of Iowa) has filed for bankruptcy, then unless the applicant has agreed to a payment arrangement and made prompt payments for the past 12 months, such applicant will be denied. Further, the applicant should not have any unpaid tax liens, judgments, or charge-offs greater than a set amount based on the related FICO score. In addition, an applicant should not have any foreclosures unless the foreclosure was paid and completed for at least 12 months, and the applicant re-established credit for the most recent 12-month period. An applicant must not have any defaulted student loans unless (i) the prior education loan default has been paid in full or (ii) satisfactory progress has been made in repaying the loan. Also, an applicant must not have (i) an open (not discharged) bankruptcy or a bankruptcy that has only been discharged for less than 12 months, or (ii) an education loan currently 90+ days delinquent or (iii) an uncured defaulted education loan.

- Demonstrate credit experience.
- Through August 19, 2008, provide income verification if the applicant's FICO score was lower than 700 or the loan amount was \$20,000 or greater. Following August 19, 2008, provide income verification when requested by SLM. Such request for income verification will be based upon the amount to be financed, an overall review of the credit file and information provided on the loan application.
- Meet established debt-to-income ratio requirements. Typically the required debt-to-income ratio is 45% or less, subject to limited exceptions based on the amount to be financed or the presence of additional residual income.
- Generally, the loan amount must be a minimum of \$1,000 (subject to an exception for Sylvan Learning Centers where the minimum loan amount is \$500) up to the lower of the total cost of education or a certain maximum loan amount, less other aid received. The total cost of education includes tuition, as certified by the student's school, and can also include other allowable expenses. These other allowable expenses are typically books, fees, computer purchases and living expenses. The loan amount to be applied to these allowable expenses can be up to 60% of the tuition amount, not to exceed \$6,000. A portion of tuition must be financed to enable financing of other education-related expenses.
- Be a U.S. citizen, permanent resident, or alien resident (foreign students must obtain a creditworthy U.S. citizen or permanent resident as cosigner).

Interest. The interest rate for a Career Training Loan depends on the date of disbursement, period of enrollment, type of school and the borrower and/or cosigner's credit history. Generally, the borrower's interest rate on a Career Training Loan is variable, resets either monthly or quarterly, and is determined by adding a spread to an index. Through March 2008, the index used was the Prime Rate and interest rates charged to borrowers have ranged from the Prime Rate to the Prime Rate plus 12.00%. In March 2008, SLM changed the index used for calculating interest on its private student loan products from the Prime Rate to LIBOR. Accordingly, all such loans disbursed on or after March 2008 received an interest rate tied to one-month LIBOR, as published by Reuters on its Reuters Screen LIBOR01 Page on the most recent business day that is at least two business days prior to the twenty-fifth (25th) day of the month. Interest rates charged to borrowers currently range from one-month LIBOR plus 5.5% to one-month LIBOR plus 14%.

The interest rate for LIBOR-based Career Training Loans is equal to the lesser of:

- the maximum borrower interest rate allowed by law;

and

- the sum of one-month LIBOR and the applicable interest rate margin;

and is

- rounded to the nearest one-eighth (0.125) of one percent.

The interest rate for Prime Rate-based Career Training Loans is equal to the lesser of:

- the maximum borrower interest rate allowed by law;

and

- the sum of the Prime Rate and the applicable interest rate margin;

and is

- rounded to the nearest one-eighth (0.125) of one percent (prior to February 2007 it was rounded to the nearest one-quarter (0.25) of one percent).

Factors in determining the interest rate margin for a Career Training Loan include school type and the borrower and/or cosigner's credit history.

Repayment. Under the Career Training Loan program, borrowers have the option to select the standard repayment option of making immediate payments of principal and interest. The first required monthly payment on a Career Training Loan is typically due no earlier than the 28th day, but no later than the 60th day after the first disbursement. Prior to October 16, 2009, the maximum repayment period for a loan was 180 months after the first payment was due, exclusive of interest-

only periods or the utilization of the \$10 Deferred Payment Option discussed below (provided that prior to October 16, 2009, loans to parents of dependent students attending a private kindergarten, primary or secondary school had a maximum repayment term of 240 months). Effective October 16, 2009, the maximum repayment period for all Career Training Loans has been reduced to 120 months and the \$10 Deferred Repayment Option is no longer available. Under the standard repayment plan, the Career Training Loan program currently requires a minimum monthly payment of \$30.00.

In addition to the standard repayment option described above, borrowers may also choose to make monthly interest-only payments during the in-school period and then begin standard repayment of interest and principal once the student is no longer enrolled in school. The interest-only repayment period cannot exceed a student's school-certified anticipated graduation date. Alternatively, the borrower may choose the \$10 Deferred Payment Option, which allows deferment of principal payments on the loan for up to 24 months. The maximum number of months in which the \$10 payments are available varies by school. Under the \$10 Deferred Payment Option, the borrower makes a \$10 monthly payment during the in-school period, which is applied toward interest that accrues on the account while the student is in school. Unpaid interest is capitalized at the end of the in-school period. After the student graduates, the borrower begins standard repayment of principal and interest. Additional fees and/or a higher interest rate are also assessed for borrowers electing the \$10 Deferred Payment Option. Interest-only payments and the \$10 Deferred Payment Option are not available for loans to parents of dependent students attending a private kindergarten, primary or secondary school and loans for tutoring centers. Only the standard repayment option is available for these types of loans.

Generally, the Career Training Loan program grants forbearance on loans on a limited basis and at SLM's discretion. In order to qualify for forbearance, a borrower must:

- provide a reason that demonstrates financial difficulty;
- make at least two consecutive monthly scheduled payments (one payment in the month prior to the processing of the forbearance and one in the current month) OR one payment in the current month equal to at least two full monthly scheduled payments;
- request a forbearance grant that does not exceed maximum hardship forbearance months allowed (24 months over the life of the loan);
- request a forbearance grant that does not exceed 7 months; and
- pay a forbearance fee (if the loan was disbursed prior to October 22, 2005 and the borrower requests a one to two-month forbearance, the fee will be \$20 per loan; however, if the borrower requests more than a three month forbearance, or the loan was disbursed after October 22, 2005, the fee will be \$50 per loan).

Supplemental Fees. Borrowers may be required to pay a supplemental fee, which is the sum of any disbursement fee, any repayment fee, and any application fee. Since July 31, 1999 the supplemental fee has ranged from 0% to 10% and is based on the borrower's and/or cosigner's

credit history as well as the type of school attended. In addition, once the loan is in repayment, borrowers and/or cosigners may be assessed late fees, service fees, modification fees and returned check or non-sufficient funds fees.

Cosigner Release Option. If the primary borrower is the age of majority for the state in which he/she resides and is also either a U.S. citizen or permanent resident of the U.S., after 24 consecutive on-time monthly payments of principal and interest and the lack of an education loan (FFELP or private) which is 90 days or more delinquent within this 24-month period, the primary borrower on a loan can apply to have a cosigner released. The release of a cosigner will be granted at SLM's discretion and SLM will review the credit of the primary borrower when reviewing the request for release.

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EFG Loan Programs

The Platinum Alternative Loan, EFG Select Alternative Loan, EFG Select International Medical Schools Loan and EFG Medical Extra Loan programs (collectively, “EFG Loans”) provide private supplemental funding for undergraduate, graduate, and health professional students. The EFG Loans were originated during the 1998/1999 Academic Year through the 2003/2004 Academic Year. Sallie Mae, Inc. and its affiliates (including Educational Finance Group) have been involved with the establishment of application and origination standards for these loan programs on behalf of and in concert with the originating lenders. The EFG Medical Extra Loan program helps students in their final year of medical school to cover the costs related to board preparation, internship/residency interviews and relocation.

Eligibility Requirements. Generally, the eligibility requirements for EFG Loans are as follows:

- Be enrolled or admitted at an eligible institution.
- Be a U.S. citizen, national or Permanent Resident (foreign students may apply with a creditworthy U.S. citizen or Permanent Resident as cosigner).
- Have all outstanding student loans in good standing (i.e., not in default).
- Meet established credit requirements.
- Be the age of majority in his/her state of residence. A borrower who does not meet the age requirements may be eligible with a creditworthy cosigner.

Interest.

EFG Loans. The interest rate for an EFG Loan depends on the date of disbursement and period of enrollment. Generally, for EFG Loans, the borrower’s interest rate is tied to the Prime Rate (Platinum Alternative Loans are tied to 13-week U.S. Treasury Bills) plus or minus an interest rate margin and resets quarterly on the first day of each January, April, July and October. The margin may be based on the presence of a cosigner and/or the borrower’s or cosigner’s credit profile and other underwriting criteria. In the absence of a cosigner, the margin is determined by the credit profile of the borrower and other underwriting criteria. For cosigned loans, the margin is generally based on the cosigner’s credit profile and other underwriting criteria. The interest rate margin for EFG Loans depends on the date of disbursement and the period of enrollment, and ranges from minus 0.50% to plus 2.5%.

Generally, the interest rate for EFG Loans is equal to the lesser of:

- The maximum interest rate allowed by law,
- and
- The sum of
 - *either* the previous calendar quarter’s average of the 13-week U.S. Treasury Bills rounded to the nearest one-hundredth (0.01) of one percent, as published

weekly in *The Wall Street Journal*, “Credit Markets” section, in the table that quotes the result as the “bond equivalent” rate of the most recent auction,

- or the Prime Rate, as published in *The Wall Street Journal*, “Credit Markets” section, “Money Rates” table on the forty-fifth day prior to the related reset date, and
- the applicable interest rate margin.

Repayment.

EFG Loans. Borrowers are placed in an in-school deferment while in school and during the grace period. Borrowers typically begin to repay principal on an EFG Loan after the applicable grace period, which is usually six months after graduation or when the borrower falls below half-time enrollment at an eligible school. While in repayment, borrowers may request to defer the payment of and capitalize unpaid accrued interest due during periods of educational enrollment, internship/residency or economic hardship. Generally, unpaid accrued interest will capitalize at the beginning of the Repayment Period and the end of any deferment or forbearance.

Generally, the standard repayment terms for Signature Student Loans is 20 years, but can be less based upon the loan balance. In addition, as provided in the related promissory note, the borrower may be able to request an extended repayment term of an additional 2 ½ years if an interest rate increase significantly impacts the borrower’s ability to repay the loan during the normal 20 year period. EFG Loans require a minimum \$50.00 monthly payment for all combined EFG Loans.

EFG Loans also permit forbearance under which the borrower is granted temporary relief from paying principal or interest. In general, forbearance is used most heavily when a loan first enters repayment. However, a borrower may apply for forbearance multiple times. When a borrower ends forbearance and enters repayment, the account is considered current. Accordingly, a borrower who may have been delinquent in his payments or may not have made any recent payments will be accounted for as a borrower in a current repayment status when he exits the forbearance period.

Supplemental Fees. Borrowers may be required to pay a fee at disbursement. Depending on the loan documentation, the disbursement fee was either deducted from the requested loan amount or added to the requested loan amount. For EFG Loans, the disbursement fee is based on the borrower’s and/or cosigner’s credit profile and other underwriting criteria and ranges from 5.0% to 9.5%.

The EFG Loans and the servicing requirements thereunder may be amended from time to time.

Global Clearance, Settlement and Tax Documentation Procedures

Except in some limited circumstances, the notes offered under the related offering memorandum supplement will be available only in book-entry form as “Global Securities.” Investors in the Global Securities may hold them through DTC or, if applicable, Clearstream, Luxembourg or Euroclear. The Global Securities are tradeable as home market instruments in both the European and U.S. domestic markets. Initial settlement and all secondary trades (other than with respect to a reset date as described under “*Additional Information Regarding the Notes—Book Entry Registration*” in this base offering memorandum) will settle in same-day funds.

Secondary market trading between investors holding Global Securities through Clearstream, Luxembourg and Euroclear will be conducted in the ordinary way in accordance with their normal rules and operating procedures and in accordance with conventional eurobond practice.

Secondary market trading between investors holding Global Securities through DTC will be conducted according to the rules and procedures applicable to U.S. corporate debt obligations.

Secondary cross-market trading between Clearstream, Luxembourg or Euroclear and DTC participants holding Securities will be effected on a delivery-against-payment basis through the depositaries of Clearstream, Luxembourg and Euroclear and as participants in DTC.

Non-U.S. holders of Global Securities will be exempt from U.S. withholding taxes, provided that the holders meet specific requirements and deliver appropriate U.S. tax documents to the securities clearing organizations or their participants.

Initial Settlement

All U.S. Dollar denominated Global Securities will be held in book-entry form by DTC in the name of Cede & Co., as nominee of DTC. Investors’ interests in the U.S. Dollar denominated Global Securities will be represented through financial institutions acting on their behalf as direct and indirect participants in DTC. As a result, Clearstream, Luxembourg and Euroclear will hold positions in U.S. Dollar denominated Global Securities on behalf of their participants through their respective depositaries, which in turn will hold positions in accounts as participants of DTC.

Investors electing to hold their Global Securities through DTC will follow the settlement practices applicable to U.S. corporate debt obligations. Investor securities custody accounts will be credited with their holdings against payment in same-day funds on the settlement date.

Investors electing to hold their Global Securities through Clearstream, Luxembourg or Euroclear accounts will follow the settlement procedures applicable to conventional eurobonds, except that there will be no temporary global security and no “lock-up” or restricted period. Global Securities will be credited to the securities custody accounts on the settlement date against payment in same-day funds.

Secondary Market Trading

Since the purchase determines the place of delivery, it is important to establish at the time of the trade where both the purchaser's and the depositor's accounts are located to ensure that settlement can be made on the desired value date.

Trading on a Reset Date. Secondary market trading on a reset date will be settled as described under “*Additional Information Regarding the Notes—Book-Entry Registration*” in this base offering memorandum.

Trading between DTC participants. Secondary market trading between DTC participants will be settled using the procedures applicable to U.S. corporate debt issues in same-day funds.

Trading between Clearstream, Luxembourg and/or Euroclear participants. Secondary market trading between Clearstream, Luxembourg participants and/or Euroclear participants will be settled using the procedures applicable to conventional eurobonds in same-day funds.

Trading between DTC seller and Clearstream, Luxembourg or Euroclear purchaser. When Global Securities are to be transferred from the account of a DTC participant to the account of a Clearstream, Luxembourg participant or a Euroclear participant, the purchaser will send instructions to Clearstream, Luxembourg or Euroclear through a participant at least one business day before settlement. Clearstream, Luxembourg or Euroclear will instruct the applicable depository to receive the Global Securities against payment. Payment will include interest accrued on the Global Securities from and including the last coupon payment date to and excluding the settlement date. Payment will then be made by the respective depository to the DTC participant's account against delivery of the Global Securities.

Securities. After settlement has been completed, the Global Securities will be credited to the applicable clearing system and by the clearing system, in accordance with its usual procedures, to the Clearstream, Luxembourg participant's or Euroclear participant's account. The Global Securities credit will appear the next day (European time) and the cash debit will be back-valued to, and the interest on the Global Securities will accrue from, the value date, which would be the preceding day when settlement occurred in New York. If settlement is not completed on the intended value date so that the trade fails, the Clearstream, Luxembourg or Euroclear cash debit will be valued instead as of the actual settlement date.

Clearstream, Luxembourg participants and Euroclear participants will need to make available to the clearing systems the funds necessary to process same-day funds settlement. The most direct means of doing so is to preposition funds for settlement, either from cash on hand or existing lines of credit, as they would for any settlement occurring within Clearstream, Luxembourg or Euroclear. Under this approach, they may take on credit exposure to Clearstream, Luxembourg or Euroclear until the Global Securities are credited to their accounts one day later.

As an alternative, if Clearstream, Luxembourg or Euroclear has extended a line of credit to them, participants can elect not to preposition funds and allow that credit line to be drawn upon to finance settlement. Under this procedure, Clearstream, Luxembourg participants or Euroclear participants purchasing Global Securities would incur overdraft charges for one day, assuming they cleared the overdraft when the Global Securities were credited to their accounts. However, interest on the Global Securities would accrue from the value date. Therefore, in many cases the investment income on the Global Securities earned during that one-day period may

substantially reduce or offset the amount of the overdraft charges, although this result will depend on each participant's particular cost of funds.

Since the settlement is taking place during New York business hours, DTC participants can employ their usual procedures for sending Global Securities to the applicable depository for the benefit of Clearstream, Luxembourg participants or Euroclear participants. The sale proceeds will be available to the DTC seller on the settlement date. Thus, to the DTC participant a cross-market transaction will settle no differently than a trade between two DTC participants.

Trading between Clearstream, Luxembourg or Euroclear seller and DTC purchaser. Due to time zone differences in their favor, Clearstream, Luxembourg and Euroclear participants may employ their customary procedures for transactions in which Global Securities are to be transferred by the respective clearing system, through the respective depository, to a DTC participant. The depositor will send instructions to Clearstream, Luxembourg or Euroclear through a participant at least one business day before settlement. In this case, Clearstream, Luxembourg or Euroclear will instruct the applicable depository to deliver the securities to the DTC participant's account against payment. Payment will include interest accrued on the Global Securities from and including the last coupon payment date to and excluding the settlement date. The payment will then be reflected in the account of the Clearstream, Luxembourg participant or Euroclear participant the following day, and receipt of the cash proceeds in the Clearstream, Luxembourg or Euroclear participant's account would be back-valued to the value date, which would be the preceding day, when settlement occurred in New York. Should the Clearstream, Luxembourg or Euroclear participant have a line of credit with its clearing system and elect to be in debit in anticipation of receipt of the sale proceeds in its account, the back-valuation will extinguish any overdraft charges incurred over that one-day period. If settlement is not completed on the intended value date so that the trade fails, receipt of the cash proceeds in the Clearstream, Luxembourg or Euroclear participant's account would instead be valued as of the actual settlement date.

Finally, day traders that use Clearstream, Luxembourg or Euroclear and that purchase Global Securities from DTC Participants for delivery to Clearstream, Luxembourg participants or Euroclear participants should note that these trades would automatically fail on the sale side unless affirmative action is taken. At least three techniques should be readily available to eliminate this potential problem:

- borrowing through Clearstream, Luxembourg or Euroclear for one day until the purchase side of the day trade is reflected in their Clearstream, Luxembourg or Euroclear accounts, in accordance with the clearing system's customary procedures;
- borrowing the Global Securities in the U.S. from a DTC participant no later than one day before settlement, which would give the Global Securities sufficient time to be reflected in their Clearstream, Luxembourg or Euroclear account in order to settle the sale side of the trade; or
- staggering the value dates for the buy and sell sides of the trade so that the value date for the purchase from the DTC participant is at least one day before the value date for the sale to the Clearstream, Luxembourg participant or Euroclear participant.

U.S. Federal Income Tax Documentation Requirements

A holder of Global Securities may be subject to U.S. withholding tax (currently at 30%), or U.S. backup withholding tax (currently at 28%), as appropriate, on payments of interest, including original issue discount, on registered debt issued by U.S. persons, unless:

- each clearing system, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business in the chain of intermediaries between the beneficial owner and the U.S. entity required to withhold tax complies with applicable certification requirements, and
- that holder takes one of the following steps to obtain an exemption or reduced tax rate:

1. Exemption for non-U.S. person—Form W-8BEN. Non-U.S. persons that are beneficial owners can obtain a complete exemption from the withholding tax. To obtain this exemption, they are generally required to file a signed Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding).

If the information shown on Form W-8BEN changes, a new Form W-8BEN must be filed within 30 days of the change.

2. Exemption for non-U.S. persons with effectively connected income—Form W-8ECI. A non-U.S. person, including a non-U.S. corporation or partnership, for which the income is effectively connected with its conduct of a trade or business in the United States, can obtain an exemption from the withholding tax by filing Form W-8ECI (Certificate of Foreign Person's Claim That Income Is Effectively Connected With the Conduct of a Trade or Business in the United States).

3. Exemption or reduced rate for non-U.S. persons resident in treaty countries—Form W-8BEN. Non-U.S. persons that are beneficial owners residing in a country that has a tax treaty with the United States can obtain an exemption or reduced tax rate, depending on the treaty terms, by filing Form W-8BEN.

4. Exemption for U.S. persons—Form W-9. U.S. persons can obtain a complete exemption from the withholding tax by filing Form W-9 (Request for Taxpayer Identification Number and Certification certifying that they are not subject to U.S. backup withholding tax).

U.S. Federal Income Tax Reporting Procedure. The Global Securityholder or his agent files by submitting the appropriate form to the person through which he holds. This is the clearing agency, in the case of persons holding directly on the books of the clearing agency. Form W-8BEN, provided without a taxpayer identification number ("TIN") and Form W-8ECI are generally effective from the date the form is signed to the last day of the third succeeding calendar year. Form W-8BEN provided with a TIN will generally be effective until a change in circumstances makes any information on the form incorrect.

For these purposes, a U.S. person is:

- a citizen or individual resident of the United States,

- a corporation or partnership, including an entity treated as such, organized in or under the laws of the United States or any state thereof or the District of Columbia,
- an estate the income of which is includible in gross income for U.S. federal income tax purposes, regardless of its source, or
- a trust whose administration is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust.

To the extent provided in Treasury regulations, some trusts in existence on August 20, 1996, and treated as U.S. persons before that date, that elect to continue to be treated as U.S. persons, will be U.S. persons and not foreign persons.

This discussion does not deal with all aspects of U.S. federal income tax withholding that may be relevant to foreign holders of the Global Securities. Investors are advised to consult their own tax advisors for specific tax advice concerning their holding and disposing of the Global Securities.

\$1,701,442,000

SLM Private Education Loan Trust 2010-C
Issuing Entity

\$ 451,000,000 Floating Rate Class A-1 Student Loan-Backed Notes
\$ 209,383,000 Floating Rate Class A-2 Student Loan-Backed Notes
\$ 300,000,000 Floating Rate Class A-3 Student Loan-Backed Notes
\$ 335,000,000 Floating Rate Class A-4 Student Loan-Backed Notes
\$ 406,059,000 Floating Rate Class A-5 Student Loan-Backed Notes

SLM Education Credit Funding LLC
Depositor

Sallie Mae, Inc.
Sponsor, Servicer and Administrator

Initial Purchasers and Joint Book-Runners

BofA Merrill Lynch
Barclays Capital
Credit Suisse
RBS

Initial Purchaser and Co-Manager

RBC Capital Markets

July 13, 2010

LISTING PARTICULARS - FOR USE IN LUXEMBOURG ONLY