

U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 4

OMB APPROVAL

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

[] Check this box if no longer Subject to Section 16.

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or
Section 30(f) of the Investment Company Act 1940

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| | | | | | | |
|--|---------|-------|---|--|---|--|
| 1. Name and Address of Reporting Person* | | | 2. Issuer Name and Ticker or Trading Symbol | | 6. Relationship of Reporting Person to Issuer (Check all Applicable) | |
| Carey | J. Paul | | USA Education, Inc. of Reporting Person Year | | ---(give title below) ---(Specify below) Director 10% Owner | |
| (Last) | (First) | (MI) | 3. IRS or Soc. Sec. No. of Reporting Person (Voluntary) | | X Officer Other ---(give title below) ---(Specify below) | |
| 11600 Sallie Mae Drive | | | | | Executive Vice President | |
| (Street) | | | | | 5. If Amendment, Date of Original (Month/Year) | |
| Reston | VA | 20193 | | | 7. Individual or Joint/Group Filing (Check Applicable Line) | |
| (City) | (State) | (Zip) | | | X Form filed by One Reporting Person --- Form filed by More than One Reporting Person | |

TABLE I - Non-Derivative Securities Acquired, Disposed of or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Mon/Day/Yr) | 3. Trans. Code (Instr. 8) | 4. Security Acquired (A) or Disposed of (D) (Instr. 3, 4 & 5) | | | 5. Amount of Securities Beneficially Owned at End of Month (Instr. 3 & 4) | 6. Own. Form (D) or (I) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|----------------------------------|---------------------------|---|---------|-----------|---|-------------------------|---|
| | | | Amount | (A) (D) | Price | | | |
| Common Stock | 10/30/2000 | M | 25000 | A | \$39.3393 | | | |
| Common Stock | 10/30/2000 | S | 17250 | D | \$57.0000 | | | |
| Common Stock | 10/30/2000 | F | 2901 | D | \$57.0000 | | | |
| Common Stock | 10/31/2000 | M | 25000 | A | \$39.3393 | | | |
| Common Stock | 10/31/2000 | S | 18500 | D | \$55.7500 | | | |
| Common Stock | 10/31/2000 | F | 2756 | D | \$55.7500 | 50087 | D | |

Reminder: Report on a separate line for each class securities owned directly or indirectly.
*If the form is filed by more than one reporting person, see Instruction 4(b)(v).

SEC 1474 (7-96)

FORM 4 (continued)

TABLE II - Derivative Securities Acquired, Disposed of, Beneficially Owned (e.g., puts, calls, warrants, options, convertible security)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Mon/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 & 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Underlying Securities (Instr. 3 & 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned at End of Month (Instr. 4) | 10. Own. Form (D) or (I) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|------------------------------------|--------------------------------|--|-------|--|-----------|---|--|--|--------------------------|--|
| | | | | (A) | (D) | Date Exbl. | Exp. Date | | | | | |
| Stock Opti | \$39.3393 | 10/30 | S | | 25000 | 08/13 | | Common Sto | | 25000 | | |

| | | | | | | | | | | | | | |
|-----------------------------|-----------|------------|---|--|-------|------|------------|--------------|-------|--|--------|---|--|
| on (Right to buy) | | 2000 | | | | | 2007 | ck | | | | | |
| | | | | | | (01) | | | | | | | |
| Stock Option (Right to buy) | \$39.3393 | 10/31/2000 | S | | 25000 | | 08/13/2007 | Common Stock | 25000 | | 300000 | D | |
| | | | | | | (01) | | | | | | | |

Explanation of Responses:

(01) The options become exercisable in increments of one-third upon the Company's common stock having a closing price on the New York Stock Exchange of \$42.86, \$57.15 and \$71.43, respectively, for five trading days, they also become exercisable on the eighth anniversary of their grant (August 13, 2005) subject to the reporting person's continued service with the Company.

**Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

/s/Mary F. Eure (POA)

11/07/2000

**Signature of Reporting Person

Date

Note: File three copies of this form, one of which must be manually signed. If space provided is insufficient, see Instruction 6 for procedure.

SEC 1474 (7-96)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMD Number

Carey, J. Paul

USA Education, Inc.

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