
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 25, 2007

SLM CORPORATION

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other jurisdiction
of incorporation)

File No. 001-13251

(Commission File Number)

52-2013874

(IRS Employer
Identification Number)

12061 Bluemont Way, Reston, Virginia

(Address of principal executive offices)

20190

(zip code)

Registrant's telephone number, including area code: **(703) 810-3000**

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

At its meeting on January 25, 2007, the Compensation and Personnel Committee of the Board of Directors of SLM Corporation (the “Compensation Committee” or “Committee”), in consultation with the Board of Directors, took the following actions regarding executive compensation.

2007 Bonus Plan

The Compensation Committee established the performance bonus plan for 2007 (“2007 Bonus Plan”) under the shareholder-approved SLM Corporation Incentive Plan. Named Executive Officers and other members of executive management are eligible for the 2007 Bonus Plan described below.

Under the 2007 Bonus Plan, the Committee will determine bonus compensation in January 2008 based on corporate and individual performance throughout 2007. The total amount of bonus compensation to be awarded under the 2007 Bonus Plan will be determined based on the extent to which the goals for the corporate performance categories set forth below are achieved. Individual awards will be based primarily on individual performance. Individual performance goals vary by position and include goals set within various business units.

The Committee set the corporate performance goals after consideration of the 2007 business plan. The goals are directly related to key components of the 2007 business plan. The categories for each corporate goal and its relative weighting in the overall performance score are as follows:

<u>Categories for Corporate Goals</u>	<u>Weighting</u>
“Core earnings” earnings per share growth	25%
Loan acquisition growth	20%
“Core earnings” fee income growth	15%
“Core earnings” operating efficiency ratio	20%
Student loan spread before loan loss provision	20%

The numeric goals for each category are set above the business plan goals. Thus, in order to achieve the corporate performance goals for the 2007 Bonus Plan, the 2007 business plan goals need to be exceeded.

The Committee set maximum bonus amounts for executive officers. The maximum bonus amount set for the Chief Executive Officer is four times his base salary. The maximum bonus amount set for other executive officers ranges from 3.0 to 2.5 of their base salaries.

In order to allow for the tax deductibility of bonuses paid, the 2007 Bonus Plan set a maximum bonus that may be earned by any individual in a given year. The maximum individual bonus is the lesser of \$5 million and 1 percent of the Corporation’s “core earnings” net income for the year. The Committee will then use its discretion, as described above, and pay individual bonuses no more than that amount.

At least 40 percent of each executive officer’s after-tax annual bonus will be awarded in the form of SLM common stock.

The Committee also added a “clawback” provision to the 2007 Bonus Plan. Under this provision, if the Board of Directors, or an appropriate committee thereof, determines that any fraud or intentional misconduct by an officer at the level of Senior Vice President or above was a significant contributing factor to the Corporation having to restate all or a portion of its financial statements, the Board or committee shall, to the extent permitted by governing law, require reimbursement of the bonus awarded under the 2007 Bonus Plan to the extent the timing of the payment and the amount of the bonus were related to the false financial statement.

Stock-Based Compensation Awards

On January 26, 2006, the Compensation Committee adopted a form of award of performance stock (the "Performance Stock"). On January 25, 2007, the Compensation Committee approved two modifications to the form of award, effective beginning with grants made in 2007. The first modification adds a "clawback" provision, similar to the provision described above regarding the 2007 Bonus Plan. Under this provision, if the Board of Directors of the Corporation, or an appropriate committee thereof, determines that any fraud or intentional misconduct by an officer at the level of Senior Vice President or above was a significant contributing factor to the Corporation having to restate all or a portion of its financial statements, the Board or committee shall, to the extent permitted by governing law, require reimbursement of any compensation resulting from the vesting of Performance Stock to the extent the vesting event is determined to be related to the filing of the false financial statement. A "clawback" provision was also added to the form of award of stock options effective beginning with grants made in 2007.

The second modification to the form of award of Performance Stock is with regard to dividends declared on Performance Stock. Dividends declared will be subject to the same risk of forfeiture as the underlying Performance Stock and will become payable when the underlying Performance Stock vests.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year

On January 25, 2007, the Board of Directors of SLM Corporation approved two amendments to the Corporation's bylaws. The first amendment is to Article III, Section 2 of the bylaws. This amendment adopts a majority vote standard for the election of directors in the case of uncontested elections. Under the majority vote standard, a director nominee must receive a majority of the votes cast such that the number of votes cast "for" the nominee exceeds the number of votes cast "against" the nominee. A plurality vote standard is retained for the election of directors in the event of a contested election. The Corporation's cumulative voting provision continues to apply in the case of all elections of directors.

The bylaw amendment further provides that the Nominations and Governance Committee will establish procedures under which an incumbent director nominee will offer to tender his or her resignation and such resignation will be effective if the incumbent director nominee is not re-elected to the Board and his or her resignation is accepted by the Board.

As required under the Corporation's bylaws, the amendment will be effective upon the Corporation's next meeting of shareholders scheduled for May 17, 2007 and therefore will take effect with the Corporation's annual election of directors in 2008.

The second amendment is to Article V of the bylaws. This amendment provides for the issuance of shares of SLM capital stock in electronic or "book entry" format. As required under the Corporation's bylaws, this amendment will be effective upon the Corporation's next meeting of shareholders scheduled for May 17, 2007.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SLM CORPORATION

By: /s/ C.E. ANDREWS
Name: C.E. Andrews
Title: Executive Vice President, Accounting and
Chief Financial Officer

Dated: January 31, 2007

SLM CORPORATION

Form 8-K

CURRENT REPORT

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
3.1	SLM Corporation Text of By-Laws amendment effective May 17, 2007

Amendment to Article III, Section 2 of the
By-Laws of SLM Corporation

Section 2. Election of Directors. Except as provided in Section 3 of this Article, *each director shall be elected by the majority of the votes cast with respect to the nominee at any meeting of the election of directors at which a quorum is present, provided that if as of the record date for a meeting at which directors are to be elected the number of nominees exceeds the number of directors to be elected, the directors shall be elected by the vote of a plurality of the shares represented in person or by proxy at any such meeting and entitled to vote on the election of directors. For purposes of this Section, a majority of the votes cast means that the number of shares voted “for” a director must exceed the number of votes cast “against” that director, without regard to abstentions or votes cumulated for another nominee. For elections at which the majority vote standard applies, the Nominations and Governance Committee will establish procedures under which any currently serving director shall offer to tender his or her resignation which resignation shall be effective only if: 1) he or she is not re-elected, and 2) the resignation is accepted by the Board. The Nominations and Governance Committee will make a recommendation to the Board on whether to accept or reject any such resignation, or whether other action should be taken with respect to any such director who is not re-elected. The Board will act on the Committee’s recommendation and publicly disclose its decision and the rationale behind it within 90 days from the date of the certification of the election results. Any director may resign at any time upon notice to the Corporation. Such resignation shall take effect at the time specified therein or, if the time be not specified, upon the receipt thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Directors need not be stockholders of the Corporation.*

Restatement of Article V of the
By-Laws of SLM Corporation

ARTICLE V — STOCK

Section 1. Form and Execution of Certificates. *Certificates for the shares of stock of the Corporation shall be issued only to the extent as may be required by applicable law or as otherwise authorized by the Secretary or an Assistant Secretary, and if so issued shall be in such form as is consistent with the Certificate of Incorporation and applicable law. Otherwise, evidence of stock ownership shall be by electronic format. Any such certificate shall be signed by, or in the name of the Corporation by, the Chairman of the Board, or by the Chief Executive Officer, or by the President or any Vice President and by the Treasurer or Assistant Treasurer or the Secretary or an Assistant Secretary, certifying the number of shares owned by him or her in the Corporation. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or register before such certificate is issued, it may be issued with the same effect as if he or she were such officer, transfer agent, or registrar at the date of issue.*

Section 2. Lost Certificates. The Board of Directors or the Secretary or an Assistant Secretary may direct a new certificate to be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate, the Board of Directors or the Secretary or an Assistant Secretary may, in its or their discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate, or his legal representative, to advertise the same in such manner as the Board of Directors shall require and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 3. Transfers. *Transfers of record of shares of stock of the Corporation shall be made only upon its books by the holders thereof, in person or by attorney duly authorized, and with regard to certificated shares, upon the surrender of a certificate or certificates for a like number of shares, properly endorsed.*

Section 4. Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty days nor less than ten days before the date of such meeting, nor more than sixty days prior to any other action. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 5. Registered Owners. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by law.

New language is in italics