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As filed with the Securities and Exchange Commission on August 1, 2003

Registration No. 333-107132

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

PRE-EFFECTIVE AMENDMENT NO. 1 TO FORM S-3

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

SLM CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**52-2013874**
(State or other jurisdiction of incorporation or organization)	(I.R.S. employer identification no.)

11600 Sallie Mae Drive
Reston, VA 20193
(703) 810-3000
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Marianne M. Keler, Esq.
Executive Vice President and General Counsel
SLM Corporation
11600 Sallie Mae Drive
Reston, VA 20193
(703) 810-3000
(Address, including zip code, and telephone number, including area code, of agent for service)

Copies To:

Diana de Brito, Esq.
Cadwalader, Wickersham & Taft LLP
1201 F Street, N.W.
Washington D.C. 20004
(202) 862-2200

Approximate date of commencement of proposed sale to the public: From time to time after this registration statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. / /

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. /x/

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: / / _____

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: / / _____

If the delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. /x/

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered(1)	**Proposed Maximum Aggregate Offering Price(2)**	**Amount of Registration Fee**
Debt Securities (3), Common Stock, $0.20 par value per share (4), Preferred Stock, $0.20 par value per share and Warrants	$20,000,000,000(5)(6)(7)	$1,618,000(8)

(1) Any securities registered hereunder may be sold separately or as units with other securities registered hereunder.
(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o).
(3) The Debt Securities to be offered hereunder will consist of one or more series of senior debt securities or subordinated debt securities or any combination thereof, as more fully described herein.
(4) Common Stock is registered primarily for the purpose of allowing flexibility to make sales of Common Stock in connection with the settlement of privately negotiated equity forward contracts. Common Stock may also be issued upon conversion, exercise or exchange of any Debt Securities, Preferred Stock or Warrants.
(5) No separate consideration will be received for Debt Securities, Common Stock or Preferred Stock that are issued upon the conversion of Debt Securities or Preferred Stock.
(6) In U.S. Dollars or the equivalent thereof in one or more foreign currencies or composite currencies.
(7) Also includes such additional principal amount as may be necessary such that, if Debt Securities are issued with an original issue discount, the aggregate initial offering price of all Debt Securities will equal $20,000,000,000 less the dollar amount of other securities previously issued.
(8) An aggregate of $851,095.70 in registration fees was previously paid in connection with (i) $1,000,000,000 in unsold securities registered under registration statement no. 333-78725 filed on September 3, 1999 by Nellie Mae Education Corporation, which corporation was acquired by the registrant's wholly-owned subsidiary Student Loan Marketing Association on May 25, 1999, as

reported on the registrant's current report on Form 8-K (File No. 1-13251) on June 3, 1999, (of the $278,000 in total fees paid, $278,000 is now applied to offset the current filing fee); (ii) $725,000,000 in unsold securities registered under registration statement no. 333-64283 filed on July 28, 1999 by Student Loan Funding LLC, which limited liability corporation was acquired by the registrant on July 7, 2000 (of the $347,500 in total fees paid, $201,550 is now applied to offset the current filing fee); (iii) $758,000,000 in unsold securities registered under registration statement no. 333-93643 filed on March 27, 2000 by USA Group Secondary Market Services Inc., which corporation was acquired by the registrant on June 15, 2000, as reported on the registrant's current report on Form 8-K (File No. 1-13251) on June 19, 2000 (of the $516,912 in total fees paid, $200,112 is now applied to offset the current filing fee); (iv) $592,125,000 in unsold securities registered under registration statement no. 333-77301 filed on July 15, 1999 by USA Group Secondary Market Services Inc. (of the $486,535 in total fees paid, $164,610.75 is now applied to offset the current filing fee) and (v) $24,543,000 in unsold securities registered under registration statement no. 333-63081 filed on February 16, 1999 by USA Group Secondary Market Services Inc. (of the $389,142 in total fees paid, $6,822.95 are now applied to offset the current filing fee). Accordingly, pursuant to Rule 457(p) under the Securities Act of 1933, the registrant offset $851,095.70 against the total filing fee of $851,095.70 due in connection with the initial filing fee for this registration statement. Thus, we are paying the Commission the sum of $766,904.30 in connection with the filing of this pre-effective amendment no. 1 to the registration statement.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Prospectus

SLM CORPORATION

$20,000,000,000
Debt Securities
Common Stock
Preferred Stock
Warrants

• This prospectus provides you with a general description of the securities we may offer. We will provide specific terms of these securities in supplements to this prospectus. You should read this prospectus and the applicable supplement carefully before you invest.

• We are registering shares of our common stock primarily to preserve our flexibility to deliver or sell shares of our common stock in connection with the settlement of privately negotiated equity forward purchase contracts. We also may issue common stock upon conversion, exercise or exchange of any debt securities, preferred stock or warrants. Our common stock is listed on the New York Stock Exchange under the symbol "SLM."

• We are required to include the following legend:

> **Obligations of SLM Corporation and any subsidiary of SLM Corporation are not guaranteed by the full faith and credit of the United States of America. Neither SLM Corporation nor any subsidiary of SLM Corporation (other than Student Loan Marketing Association) is a government-sponsored enterprise or an instrumentality of the United States of America.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This prospectus is dated , 2003

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement we filed with the SEC using a "shelf" registration process. Under this shelf process, we may sell debt securities, preferred stock and warrants in one or more offerings up to a total dollar amount of $20,000,000,000. We may sell these securities either separately or in units. We may also issue common stock upon conversion, exchange or exercise of any of the securities mentioned above, and we may sell or deliver our

common stock in connection with the settlement of privately negotiated equity forward or equity option transactions we have entered into or may enter into from time to time.

This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read this prospectus and the applicable prospectus supplement together with the additional information described under the heading "Where You Can Find More Information."

The registration statement that contains this prospectus, including the exhibits to the registration statement, contains additional information about us and the securities we may offer under this prospectus. You can read that registration statement at the SEC's web site or at the SEC's offices mentioned under the heading "Where You Can Find More Information."

WHERE YOU CAN FIND MORE INFORMATION

We file annual and quarterly reports, proxy statements and other information with the SEC. You may read and copy any of these documents at the SEC's public facilities in Washington, D.C. (located at 450 Fifth Street, N.W., Washington, D.C. 20549), Chicago (located at Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661) and New York (located at 233 Broadway, New York, New York 10279). Please call the SEC at 1-800-SEC-0330 for further information about the public reference rooms. The SEC also maintains a site on the World Wide Web at http://www.sec.gov. This site contains reports, proxy and information statements and other information about registrants that file electronically with the SEC. You can also inspect reports and other information we file at the office of the New York Stock Exchange, Inc. (located at 20 Broad Street, New York, New York 10005) or at our web site at http://www.salliemae.com.

We have filed a registration statement and related exhibits with the SEC under the Securities Act of 1933. This registration statement contains additional information about us and our securities. You can inspect the registration statement and exhibits without charge at the SEC's office in Washington, D.C. (located at 450 Fifth Street, N.W.), and you may obtain copies from the SEC at prescribed rates.

The SEC permits us to "incorporate by reference" the information and reports we file with it. This means that we can disclose important information to you by referring to another document. The information that we incorporate by reference is considered to be part of this prospectus, and later information that we file with the SEC automatically updates and supersedes this information. Specifically, we incorporate by reference:

- our annual report on Form 10-K for the fiscal year ended December 31, 2002, which we filed on March 27, 2003;
- our quarterly report on Form 10-Q for the fiscal quarter ended March 31, 2003, which we filed on May 13, 2003;
- the description of our common stock in our Form 8-A, which we filed on August 7, 1997 and amended on July 27, 1999, and any amendments or reports filed for the purpose of updating this description;
- the description of our currently outstanding preferred stock in our form 8-A, which we filed on November 10, 1999;

- our current report on Form 8-K, which we filed on January 17, 2003, attaching our Fourth Supplemental Indenture for our Medium Term Notes, Series B;
- our current report on Form 8-K, which we filed on January 28, 2003, attaching our Selling Agency Agreement for our Medium Term Notes, Series B;
- our current report on Form 8-K, which we filed on May 29, 2003, attaching our press releases dated May 13, 2003 and May 14, 2003;
- all documents we file with the SEC under Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934 after the date of this prospectus and before we sell all of the securities offered by this prospectus.

You may request a copy of these filings at no cost by writing or telephoning us at the following address:

Corporate Secretary
SLM Corporation
11600 Sallie Mae Drive
Reston, VA 20193
(703) 810-3000

You should rely only on the information incorporated by reference or provided in this prospectus and any prospectus supplement. We have not authorized anyone else to provide you with different information. You should not assume that the information in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front of these documents.

FORWARD-LOOKING STATEMENTS

This prospectus and the information incorporated by reference in this prospectus include forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. These forward-looking statements are based on our management's beliefs and assumptions and on information currently available to our management. Forward-looking statements include information concerning our possible or assumed future results of operations and statements preceded by, followed by or that include the words "believes," "expects," "anticipates," "intends," "plans," "estimates" or similar expressions.

Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. You should not put undue reliance on any forward-looking statements. We do not have any intention or obligation to update forward-looking statements after we distribute this prospectus.

You should understand that the following important factors could cause our results to differ materially from those expressed in forward-looking statements:

- changes in the terms of student loans and the educational credit marketplace arising from the implementation of applicable laws and regulations and from changes in these laws and regulations that may reduce the volume, average term, costs and yields on education loans under the Federal Family Education Loan Program or for non-FFELP loans or result in loans being originated or refinanced under non-FFELP programs or affect the terms upon which banks and others agree to sell FFELP loans to us;

- changes in the demand for educational financing or in financing preferences of educational institutions, students and their families, which could reduce demand for our products and services or increase our costs; and

- changes in the general interest rate environment, in the capital markets or in the securitization markets for education loans, which could increase the costs or limit the availability of financings necessary to originate, purchase or carry education loans.

SLM CORPORATION

We were formed in 1997 in connection with the reorganization of the Student Loan Marketing Association under the Student Loan Marketing Association Reorganization Act of 1996. Our principal business is financing and servicing education loans. We presently conduct a majority of this business through two wholly owned entities: Student Loan Marketing Association, a government-sponsored enterprise chartered by an act of Congress, and Sallie Mae Servicing L.P., a Delaware limited partnership. We are the largest non-governmental source of financing and servicing for education loans in the United States.

We changed our name from USA Education, Inc. to SLM Corporation, effective May 17, 2002.

Our principal executive offices are located at 11600 Sallie Mae Drive, Reston, VA 20193, and our telephone number is (703) 810-3000.

USE OF PROCEEDS

Unless the applicable prospectus supplement states otherwise, we intend to use the net proceeds from the sale of the offered securities for general corporate purposes.

RATIO OF EARNINGS TO FIXED CHARGES AND PREFERRED STOCK DIVIDENDS

The following table sets forth our ratio of earnings to fixed charges and preferred stock dividends for the five years ended December 31, 2002 and the three month periods ended March 31, 2002 and March 31, 2003.

	Years ended December 31,					Three Months ended March 31,	
	1998	1999	2000	2001	2002	2002	2003
Ratio of Earnings to Fixed Charges and Preferred Stock Dividends (1)	1.37	1.34	1.23	1.27	1.99	3.03	3.57
Ratio of Earnings to Fixed Charges (1)	1.38	1.34	1.24	1.27	2.0	3.05	3.62

(1) For purposes of computing these ratios, earnings represent income before income tax expense plus fixed charges less preferred stock dividends. Fixed charges represent interest expense plus the estimated interest component of net rental expense.

SECURITIES WE MAY OFFER

This section describes the general terms and provisions of the securities to which this prospectus and any prospectus supplement relates.

Types of Securities

The types of securities that we may offer and sell from time to time by this prospectus are:

- debt securities, which we may issue in one or more series;

- preferred stock, which we may issue in one or more series;

- common stock;

- warrants entitling the holders to purchase common stock, preferred stock or debt securities;

- warrants or other rights relating to foreign currency exchange rates; or

- warrants for the purchase or sale of debt securities of, or guaranteed by, the United States government or its agencies, units of a stock index or a stock basket or a commodity or a unit of a commodity index.

The aggregate initial offering price of all securities we sell will not exceed $20,000,000,000. We will determine when we sell securities, the amounts of securities we will sell and the prices and other terms on which we will sell them.

ADDITIONAL INFORMATION

We will describe in a prospectus supplement, which we will deliver with this prospectus, the terms of particular securities that we may offer in the future. Each prospectus supplement will include the following information:

- the type and amount of securities that we propose to sell;
- the initial public offering price of the securities;
- the names of the underwriters or agents, if any, through or to which we will sell the securities;
- the compensation, if any, of those underwriters or agents;
- information about securities exchanges or automated quotation systems on which the securities will be listed or traded;
- any material United States federal income tax considerations that apply to the securities; and
- any other material information about the offering and sale of the securities.

DESCRIPTION OF DEBT SECURITIES

This section discusses debt securities we may offer under this prospectus.

We will issue debt securities under an indenture, dated as of October 1, 2000, between us and JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank, New York, New York, as trustee, as amended or supplemented from time to time. JPMorgan Chase Bank is qualified to act as trustee under the Trust Indenture Act of 1939. The indenture permits there to be more than one trustee under the indenture with respect to different series of debt securities. The indenture is governed by the Trust Indenture Act.

We may offer debt securities for an aggregate principal amount of up to $20,000,000,000 under this prospectus. From January 1, 2003 to March 31, 2003, we issued approximately $2,324,000,000 in aggregate principal amount of debt securities under the indenture. As of March 31, 2003, we had approximately $8,168,000,000 in aggregate principal amount of our debt securities outstanding under the indenture.

The following is a summary of the indenture. It does not restate the indenture entirely. We urge you to read the indenture. The indenture and any applicable indenture supplement will be filed or incorporated by reference as exhibits to the registration statement of which this prospectus is a part, and you may inspect them at the office of the trustee, or as described under the heading "Where You Can Find More Information." References below to an "indenture" are references to the indenture and the applicable indenture supplement under which we issue a particular series of debt securities.

Terms of the Debt Securities

Our debt securities will be unsecured obligations of SLM Corporation. We may issue them in one or more series. Authorizing resolutions, a certificate or a supplemental indenture will set forth the specific terms of each series of debt securities. We will provide a prospectus supplement with, for some offerings, a pricing supplement, for each series of debt securities that will describe:

- the title of the debt securities and their CUSIP and ISIN numbers, as applicable;
- any limit upon the aggregate principal amount of the series of debt securities;

- the date or dates on which principal and premium, if any, of the debt securities will be payable;
- if the debt securities will bear interest:
  - the interest rate on the debt securities or the method by which the interest rate may be determined;
  - the date from which interest will accrue;
  - the record and interest payment dates for the debt securities; and
  - any circumstances under which we may defer interest payments;

- the place or places where:

  • we can make payments on the debt securities;

  • the debt securities can be surrendered for registration of transfer or exchange; and

  • notices and demands can be given to us relating to the debt securities and under the applicable indenture, and where notices to holders pursuant to the applicable indenture will be published;

- any optional redemption provisions that would permit us or the holders of debt securities to elect to redeem the debt securities before their final maturity;

- any conversion features;

- any sinking fund provisions that would obligate us to redeem the debt securities;

- whether any of the debt securities are to be issuable as registered securities, bearer securities or both, whether debt securities are to be issuable with or without coupons or both and, if issuable as bearer securities, the date as of which the bearer securities will be dated (if other than the date of original issuance of the first debt security of that series of like tenor and term to be issued);

- whether all or part of the debt securities will be issued in whole or in part as temporary or permanent global securities and, if so, the depositary for those global securities and a description of any book-entry procedures relating to the global securities;

- if we issue temporary global securities, any special provisions dealing with the payment of interest and any terms relating to the ability to exchange interests in a temporary global security for interests in a permanent global security or for definitive debt securities;

- the denominations in which the debt securities will be issued, if other than $1,000 or an integral multiple of $1,000 in the case of registered securities or $5,000 in the case of bearer securities;

- the portion of the principal amount of debt securities payable upon a declaration of acceleration of maturity, if other than the full principal amount;

- the currency or currencies in which the debt securities will be denominated and payable and, if a composite currency, any related special provisions;

- any circumstances under which the debt securities may be paid in a currency other than the currency in which the debt securities are denominated and any related provisions;

- the manner in which principal, premium and interest on debt securities will be determined if they are determined with reference to an index based upon a currency or currencies other than that in which the debt securities are denominated or payable;

- any events of default that will apply to the debt securities in addition to those contained in the applicable indenture;

- whether the issue of debt securities may be "reopened" by offering additional securities with substantially the same terms;

- any additions or changes to the covenants contained in the applicable indenture and the ability, if any, of the holders to waive our compliance with those additional or changed covenants;

- whether the provisions described below under the heading "Defeasance" apply to the debt securities;

- the identity of the security registrar and paying agent for the debt securities if other than the applicable trustee;

- any risk factors; and

- any other terms of the debt securities.

Covenants Contained in Indenture

In the indenture, we promise not to create or guarantee any debt for borrowed money that is secured by a lien on the capital stock of our wholly owned subsidiary, Student Loan Marketing Association, unless we also secure the debt securities on an equal or priority basis with the other secured debt. Our promise, however, is subject to an important exception: we may grant liens on that stock without securing the debt securities if our board of directors determines that the liens do not materially detract from or interfere with the fair market value or control of that stock.

Except as noted above, the indenture does not restrict our ability to put liens on our interests in our subsidiaries, and it does not restrict our ability to sell or otherwise dispose of our interests in any of our subsidiaries, including Student Loan Marketing Association.

We are required to deliver to the trustee an annual statement as to our fulfillment of all of our obligations under the indenture.

Consolidation, Merger or Sale

The indenture generally permits us to consolidate with or merge into another entity. It also permits us to sell or transfer all or substantially all of our property and assets. These transactions are permitted if:

- the resulting or acquiring entity, if it is not us, is organized and existing under the laws of a domestic jurisdiction and assumes all of our responsibilities and liabilities under the applicable indenture, including the payment of all amounts due on the debt securities and performance of obligations under the indenture; and

- immediately after the transaction, and giving effect to the transaction, no event of default under the indenture exists; and

- we deliver to the trustee an officers' certificate and an opinion of counsel stating that the transactions comply with these conditions.

If we consolidate with or merge into any other entity or sell or lease all or substantially all of our assets according to the terms and conditions of the indenture, the resulting or acquiring entity will be substituted for us in the indenture with the same effect as if it had been an original party to the indenture. As a result, the successor entity may exercise our rights and powers under the indenture, in our name and, except in the case of a lease of all or substantially all of our properties, we will be released from all our liabilities and obligations under the indenture and under the debt securities.

Events of Default and Remedies

An event of default with respect to any series of debt securities is defined in the indenture as being:

- default for 30 days in payment of any installment of interest on any debt security of that series beyond any applicable grace period;

- default in payment of the principal of or premium, if any, on any of the debt securities of that series when due;

- default for 60 days after notice in the observance or performance of any other covenants in the indenture or applicable supplemental indenture relating to that series; and

- our bankruptcy, insolvency or reorganization.

Additional events of default for your series of debt securities may be defined in a supplemental indenture for your securities.

The indenture provides that the trustee may withhold notice to the holders of any series of debt securities of any default, except a default in payment of principal, premium, if any, or interest, if any, with respect to a series of debt securities, if the trustee considers it in the interest of the holders of that series of debt securities to do so.

The indenture provides that if any event of default (other than our bankruptcy, insolvency or reorganization) has occurred and is continuing with respect to any series of debt securities, the trustee or the holders of not less than 25% in principal amount of all debt securities of that series then outstanding, acting together as a single class, may declare the principal amount of and all accrued but unpaid interest on all the debt securities of that series to be due and payable immediately. If our bankruptcy, insolvency or reorganization causes an event of default, the principal amount of and all accrued but unpaid interest on all series of debt securities that are affected by the event of default will be immediately due and payable without any declaration or action by the trustee or the holders.

The holders of a majority in principal amount of the debt securities of a series then outstanding that are affected by an event of default, acting as a single class, by written notice to the trustee and to us, may waive any past default, other than any event of default in payment of principal or interest or in respect of an indenture provision that may be amended only with the consent of the holder of each affected debt security. Holders of a majority in principal amount of debt securities of any series affected by an event of default that were entitled to declare the event of default may rescind and annul the declaration and its consequences if the recission will not conflict with any judgment or decree for payment of money due that has been obtained by the trustee.

The holders of a majority of the outstanding principal amount of the debt securities of any series will have the right to direct the time, method and place of conducting any proceedings for any remedy available to the trustee with respect to that series, subject to limitations specified in the indenture.

Defeasance

Defeasance and Discharge. At the time that we establish a series of debt securities under the indenture, we can provide that the debt securities of that series are subject to the defeasance and discharge provisions of the indenture. If we so provide, we will be discharged from our obligations on the debt securities of that series if we deposit with the trustee, in trust, sufficient money or, if the debt securities of that series are denominated and payable in U.S. dollars only, eligible instruments, to pay the principal, any interest, any premium and any other sums due on the debt securities of that series, such as sinking fund payments, on the dates the payments are due under the indenture and the terms of the debt securities.

When we use the term "eligible instruments" in this section, we mean monetary assets, money market instruments and securities that are payable in dollars only and are essentially risk free as to collection of principal and interest, including:

- direct obligations of the United States backed by the full faith and credit of the United States; or

- any obligation of a person controlled or supervised by and acting as an agency or instrumentality of the United States if the timely payment of the obligation is unconditionally guaranteed as a full faith and credit obligation by the United States.

In the event that we deposit money and/or eligible instruments in trust and discharge our obligations under a series of debt securities as described above, then:

- the indenture will no longer apply to the debt securities of that series; but certain obligations to compensate, reimburse and indemnify the trustee, to register the transfer and exchange of debt securities, to replace lost, stolen or mutilated debt securities, to maintain paying agencies and the trust funds and to pay additional amounts, if any, required as a result of U.S. withholding taxes imposed on payments to non-U.S. persons will continue to apply; and

- holders of debt securities of that series can only look to the trust fund for payment of principal, any premium and any interest on the debt securities of that series.

Defeasance of Covenants and Events of Default. At the time that we establish a series of debt securities under the indenture, we can provide that the debt securities of that series are subject to the covenant defeasance provisions of the indenture. If we so provide and we make the deposit, we will not have to comply with any covenant we designate when we establish the series of debt securities.

In the event of a covenant defeasance, our obligations under the indenture and the debt securities, other than with respect to the covenants specifically referred to above, will remain in effect.

If we exercise our option not to comply with any covenant and the debt securities of the series become immediately due and payable because an event of default has occurred, other than as a result of an event of default related to a covenant that is subject to defeasance, the amount of money and/or eligible instruments on deposit with the applicable trustee will be sufficient to pay the principal, any interest, any premium and any other sums, due on the debt securities of that series, such as sinking fund payments, on the date the payments are due under the applicable indenture and the terms of the debt securities, but may not be sufficient to pay amounts due at the time of acceleration. We would remain liable, however, for the balance of the payments.

Registration and Transfer

Unless we indicate otherwise in the applicable prospectus supplement, we will issue debt securities only as registered securities without coupons. Debt securities that we issue as bearer securities will have interest coupons attached, unless we indicate otherwise in the applicable prospectus supplement.

With respect to registered securities, we will keep or cause to be kept a register in which we will provide for the registration of registered securities and the registration of transfers of registered securities. We will appoint a "security registrar," and we may appoint any "co-security registrar," to keep the security register.

Upon surrender for registration of transfer of any registered security of any series at our office or agency maintained for that purpose in a place of payment for that series, we will execute one or more new registered securities of that series in any authorized denominations, with the same aggregate principal amount and terms. At the option of the holder, a holder may exchange registered securities of any series for other registered securities of that series, or bearer securities (along with all necessary related coupons) of any series for registered securities of the same series. Registered securities will not be exchangeable for bearer securities in any event.

We will agree in the indenture that we will maintain in each place of payment for any series of debt securities an office or agency where:

- any debt securities of each series may be presented or surrendered for payment;

- any registered securities of that series may be surrendered for registration of transfer;

- debt securities of that series may be surrendered for exchange or conversion; and

- notices and demands to or upon us in respect of the debt securities of that series and the indenture may be served.

We will not charge holders for any registration of transfer or exchange of debt securities. We may require holders to pay for any tax or other governmental charge that may be imposed in connection with any such registration of transfer or exchange, other than exchanges expressly provided in the indenture to be made at our own expense or without expense or without charge to the holders.

Global Securities

We may issue debt securities of a series, in whole or in part, in the form of one or more global securities, registered in the name of Cede & Co., the nominee of The Depository Trust Company, New York, New York, unless the prospectus supplement or pricing supplement describes another depositary or states that no global securities will be issued. Unless and until it is exchanged in whole or in part for the individual debt securities it represents, a global security may not be transferred except as a whole by:

- DTC to its nominee;

- DTC's nominee to the depositary or another nominee of the depositary; or

- DTC or any nominee to a successor depositary or any nominee of that successor.

Upon the issuance of a global security, DTC will credit, on its book-entry registration and transfer system, the principal amount of the securities represented by the global security to accounts of institutions that have accounts with DTC. Institutions that have accounts with DTC are referred to as "participants." The accounts to be credited will be designated by the agents, or by us if we sell the securities directly. Owners of beneficial interests in a global security that are not participants or persons that may hold through participants but desire to purchase, sell or otherwise transfer ownership of the securities by book-entry on the records of DTC may do so only through participants and persons that may hold through participants. Because DTC can only act on behalf of participants and persons that may hold through participants, the ability of an owner of a beneficial interest in a global security to pledge securities to persons or entities that do not

participate in the book-entry and transfer system of DTC, or otherwise take actions in respect of the securities, may be limited. In addition, the laws of some states require that some purchasers of securities take physical delivery of such securities in definitive form. These limits and laws may impair a purchaser's ability to transfer beneficial interests in a global security.

So long as DTC, or its nominee, is the registered owner of a global security, DTC or its nominee will be considered the sole owner or holder of the securities represented by the global security for all purposes under the indenture. Generally, owners of beneficial interest in a global security will not be entitled to have securities represented by the global security registered in their names, will not receive or be entitled to receive physical delivery of securities in definitive form and will not be considered the owners or holders of the securities under the indenture.

Principal and interest payments on securities registered in the name of DTC or its nominee will be made to DTC or its nominee as the registered owner of a global security. Neither we, the trustee, any paying agent nor the security registrar will have any responsibility or liability for any aspect of the

records relating to, or payments made on account of, beneficial ownership interests in a global security or for maintaining, supervising or reviewing any records relating to the beneficial ownership interests.

We expect that DTC, upon receipt of any payment of principal or interest, will credit immediately participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of a global security as shown on the records of DTC. We also expect that payments by participants to owners of beneficial interests in a global security held through the participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers and registered in "street name," and will be the responsibility of such participants. Owners of beneficial interests in a global security that hold through DTC under a book-entry format (as opposed to holding certificates directly) may experience some delay in the receipt of interest payments since DTC will forward payments to its participants, which in turn will forward them to persons that hold through participants.

If DTC is at any time unwilling or unable to continue as depositary and a successor depositary is not appointed by us or DTC within ninety days, we will issue securities in definitive registered form in exchange for a global security. In addition, either we or DTC may at any time, in our sole discretion, determine not to have the securities represented by a global security and, in that event, we will issue securities in definitive registered form in exchange for the global security. In either instance, an owner of a beneficial interest in a global security will be entitled to have securities equal in principal amount to the beneficial interest registered in its name and will be entitled to physical delivery of the securities in definitive form.

DTC has advised us that it is a limited-purpose trust company organized under 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; a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act, as amended; and a "banking organization" within the meaning of the New York Banking Law. DTC holds securities that its participants deposit with DTC. DTC also facilitates settlement of securities transactions among its participants, such as transfers and pledges in deposited securities, through electronic book-entry changes in accounts of the participants, thereby eliminating the need for physical movement of securities certificates. DTC's participants include securities brokers and dealers, banks, trust companies, clearing corporations and other organizations. DTC is owned by several DTC participants and by the New York Stock Exchange, the American Stock Exchange and the National Association of Securities Dealers, Inc. Access to DTC's book-entry system is also available to others, including banks, brokers, dealers and trust companies, that clear through or maintain a custodian relationship with a participant, whether directly or indirectly.

Payment and Paying Agents

Unless we indicate otherwise in a prospectus supplement:

- we will maintain an office or agency in each place of payment for any series of debt securities where debt securities of that series may be presented or surrendered for payment; we may also from time to time designate one or more other offices or agencies where debt securities of one or more series may be presented or surrendered for payment and may appoint one or more paying agents for the payment of debt securities, in one or more other cities, and may from time to time rescind these designations and appointments;

- at our option, we may pay any interest by check mailed to the address of the person entitled to payment as that address appears in the applicable security register kept by us or by wire transfer; and

- we will pay any installment of interest on registered securities to the person in whose name the debt security is registered at the close of business on the regular record date for that payment.

The holder of any coupon relating to a bearer security will be entitled to receive the interest payable on that coupon upon presentation and surrender of the coupon on or after the interest payment date of the coupon. We will not make payment with respect to any bearer security at any of our offices or agencies in the United States, by check mailed to any address in the United States or by transfer to an account maintained with a bank located in the United States.

Modification and Amendment

Some of our rights and obligations and some of the rights of holders of the debt securities may be modified or amended with the consent of the holders of at least a majority of the aggregate principal amount of the outstanding debt securities of all series of debt securities affected by the modification or amendment, acting as one class. The following modifications and amendments, however, will not be effective against any holder without its consent:

- a change in the stated maturity date of any payment of principal or interest;

- a reduction in payments due on the debt securities;

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a change in the place of payment or currency in which any payment on the debt securities is payable;

- a limitation of a holder's right to sue us for the enforcement of payments due on the debt securities;
- a change in the ranking or priority of any debt securities;
- a reduction in the percentage of outstanding debt securities required to consent to a modification or amendment of the applicable indenture or required to consent to a waiver of compliance with certain provisions of the applicable indenture or past defaults under the applicable indenture;
- a reduction in the requirements contained in the applicable indenture for quorum or voting;
- a limitation of a holder's right, if any, to repayment of debt securities at the holder's option; and
- a modification of any of the foregoing requirements contained in the applicable indenture supplement.

Concerning the Trustee

JPMorgan Chase Bank, the trustee, provides and may continue to provide various services to us in the ordinary course of its business. The indenture contains limitations on the rights of the trustee, should it become our creditor, to obtain payment of claims in specified cases or to realize on property received in respect of any claim as security or otherwise. The indenture permits the trustee to engage in other transactions; but if it acquires any conflicting interest, it must eliminate the conflict or resign.

The indenture provides that in case an event of default occurs and is not cured, the trustee will be required, in the exercise of its power, to use the degree of care of a prudent person in similar circumstances in the conduct of its own affairs. The trustee may refuse to perform any duty or exercise any right or power under the indenture, unless it receives indemnity satisfactory to it against any loss, liability or expense.

Governing Law

The laws of the State of New York will govern the indenture and the debt securities.

DESCRIPTION OF CAPITAL STOCK

Our authorized capital stock is 1,125,000,000 shares of common stock, $.20 par value, and 20,000,000 shares of preferred stock, $.20 par value. As of June 30, 2003, 450,492,723 shares of our common stock and 3,300,000 shares of our preferred stock were outstanding. Effective on June 20, 2003, we paid a stock dividend to the holders of our common stock of two shares for each share held.

Common Stock

We are registering shares of our common stock primarily to preserve our flexibility to deliver or sell shares of our common stock in connection with the settlement of privately negotiated equity forward purchase contracts. We may also issue common stock upon conversion, exercise or exchange of any debt securities, preferred stock or warrants or in connection with acquisitions.

Our common stock is described in our registration statement on Form 8-A, which we filed with the SEC on August 7, 1997, as amended by our Form 8-A/A, which we filed with the SEC on July 27, 1999. These documents are incorporated by reference into this prospectus.

We will distribute a prospectus supplement with regard to each issue of common stock. Each prospectus supplement will describe the specific terms of the common stock offered through that prospectus supplement and any general terms outlined in our Form 8-A, as amended, that will not apply to that common stock.

Preferred Stock

We may issue preferred stock in one or more series with any rights and preferences that may be authorized by our board of directors. Our currently outstanding preferred stock is described in our registration statement on Form 8-A, which we filed with the SEC on November 10, 1999 and which is incorporated by reference into this prospectus.

We will distribute a prospectus supplement with regard to each particular series of preferred stock. Each prospectus supplement will describe, as to the series of preferred stock to which it relates:

- the title of the series of preferred stock;
- any limit upon the number of shares of the series of preferred stock that may be issued;
- the preference, if any, to which holders of the series of preferred stock will be entitled upon our liquidation;
- the date or dates, if any, on which we will be required or permitted to redeem the preferred stock;
- the terms, if any, on which we or holders of the preferred stock will have the option to cause the preferred stock to be redeemed or purchased;
- the voting rights, if any, of the holders of the preferred stock;
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the dividends, if any, that will be payable with regard to the series of preferred stock, which may be fixed dividends or participating dividends, and may be cumulative or non-cumulative;

- the right, if any, of holders of the preferred stock to convert it into another class of our stock or securities, including provisions intended to prevent dilution of those conversion rights;
- any provisions by which we will be required or permitted to make payments to a sinking fund to be used to redeem preferred stock, or a purchase fund to be used to purchase preferred stock; and
- any other material terms of the preferred stock.

Any or all of these rights may be greater than the rights of the holders of common stock.

Our board of directors, without shareholder approval, may issue preferred stock with voting, conversion or other rights that could adversely affect the voting power and other rights of the holders of our common stock. The terms of the preferred stock that might be issued could conceivably prohibit us from:

- consummating a merger;
- reorganizing;
- selling substantially all of our assets;
- liquidating; or
- engaging in other extraordinary corporate transactions without shareholder approval.

Preferred stock could therefore be issued with terms calculated to delay, defer or prevent a change in our control or to make it more difficult to remove our management. Our issuance of preferred stock may have the effect of decreasing the market price of the common stock.

DESCRIPTION OF WARRANTS

We may issue:

- warrants for the purchase of debt securities, preferred stock, common stock or units of two or more of these types of securities;
- currency warrants, which are warrants or other rights relating to foreign currency exchange rates; or
- index warrants, which are warrants for the purchase or sale of debt securities of, or guaranteed by, the United States government or its agencies, units of a stock index or a stock basket or a commodity or a unit of a commodity index.

Warrants may be issued independently or together with debt securities, preferred stock or common stock, and may be attached to or separate from any offered securities. Each series of warrants will be issued under a separate warrant agreement to be entered into between us and a bank or trust company, as warrant agent. The warrant agent will act solely as our agent in connection with the warrants and will not assume any obligation or relationship of agency or trust for or with any registered holders of warrants or beneficial owners of warrants.

We will distribute a prospectus supplement with regard to each issue of warrants. Each prospectus supplement will describe:

- in the case of warrants to purchase debt securities, the designation, aggregate principal amount, currencies, denominations and terms of the series of debt securities purchasable upon exercise of the warrants, and the price at which you may purchase the debt securities upon exercise;
- in the case of warrants to purchase preferred stock, the designation, number of shares, stated value and terms, such as liquidation, dividend, conversion and voting rights, of the series of preferred stock purchasable upon exercise of the warrants, and the price at which you may purchase shares of preferred stock of that series upon exercise;
- in the case of warrants to purchase common stock, the number of shares of common stock purchasable upon the exercise of the warrants and the price at which you may purchase shares of common stock upon exercise;

- in the case of currency warrants, the designation, aggregate principal amount, whether the currency warrants are put or call currency warrants or both, the formula for determining any cash settlement value, exercise procedures and conditions, the date on which your right to exercise the currency warrants commences and the date on which your right expires, and any other terms of the currency warrants;
- in the case of index warrants, the designation, aggregate principal amount, the procedures and conditions relating to the exercise of the index warrants, the date on which your right to exercise the index warrants commences and the date on which your right expires, the national securities exchange on which the index warrants will be listed, if any, and any other material terms of the index warrants;
- in the case of warrants to purchase units of two or more securities, the type, number and terms of the units purchasable upon exercise of the warrants and the price at which you may purchase units upon exercise;

- the period during which you may exercise the warrants;
- any provision adjusting the securities that may be purchased on exercise of the warrants, and the exercise price of the warrants, to prevent dilution or otherwise;
- the place or places where warrants can be presented for exercise or for registration of transfer or exchange; and
- any other material terms of the warrants.

Unless we provide otherwise in a prospectus supplement, warrants for the purchase of preferred stock and common stock will be offered and exercisable for U.S. dollars only, and will be issued in registered form only. The exercise price for warrants will be subject to adjustment as described in the prospectus supplement for those warrants.

Prior to the exercise of any warrants to purchase debt securities, preferred stock or common stock, holders of the warrants will not have any of the rights of holders of the securities purchasable upon exercise, including:

- in the case of warrants for the purchase of debt securities, the right to receive payments of principal of or any premium or interest on the debt securities purchasable upon exercise, or to enforce covenants in the applicable indenture; or
- in the case of warrants for the purchase of preferred stock or common stock, the right to vote or to receive any payments of dividends on the preferred stock or common stock purchasable upon exercise.

PLAN OF DISTRIBUTION

We may sell any of the securities being offered by this prospectus separately or together:

- through agents;
- to or through underwriters who may act directly or through a syndicate represented by one or more managing underwriters;
- through dealers;
- through a block trade in which the broker or dealer engaged to handle the block trade will attempt to sell the securities as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- in exchange for our outstanding indebtedness;

- directly to purchasers, through a specific bidding, auction or other process; or
- through a combination of any of these methods of sale.

If the securities offered under this prospectus are issued in exchange for our outstanding securities, the applicable prospectus supplement will describe the terms of the exchange, and the identity and the terms of sale of the securities offered under this prospectus by the selling security holders.

The distribution of securities may be effected from time to time in one or more transactions at a fixed price or prices that may be changed, at market prices prevailing at the time of sale or prices related to prevailing market prices or at negotiated prices.

Agents designated by us from time to time may solicit offers to purchase the securities. We will name any agent involved in the offer or sale of the securities and set forth any commissions payable by us to an agent in the prospectus supplement. Unless otherwise indicated in the prospectus supplement, any agent will be acting on a best efforts basis for the period of its appointment. Any agent may be deemed to be an "underwriter" of the securities as that term is defined in the Securities Act.

If we utilize an underwriter or underwriters in the sale of securities, we will execute an underwriting agreement with the underwriter or underwriters at the time we reach an agreement for sale. We will set forth in the prospectus supplement the names of the specific managing underwriter or underwriters, as well as any other underwriters, and the terms of the transactions, including compensation of the underwriters and dealers. This compensation may be in the form of discounts, concessions or commissions. Underwriters and others participating in any offering of securities may engage in transactions that stabilize, maintain or otherwise affect the price of securities. We will describe any of these activities in the prospectus supplement.

If a dealer is utilized in the sale of the securities, we or an underwriter will sell securities to the dealer, as principal. The dealer may then resell the securities to the public at varying prices to be determined by the dealer at the time of resale. The prospectus supplement will set forth the name of the dealer and the terms of the transactions.

We may directly solicit offers to purchase the securities, and we may sell directly to institutional investors or others. These persons may be deemed to be underwriters within the meaning of the Securities Act with respect to any resale of the securities. The prospectus supplement will describe the terms of any direct sales, including the terms of any bidding or auction process, if utilized.

Agreements we enter into with agents, underwriters and dealers may entitle them to indemnification by us against specified liabilities, including liabilities under the Securities Act, or to contribution by us to payments they may be required to make in respect of these liabilities. The prospectus supplement will describe the terms and conditions of indemnification or contribution. Some of the agents, underwriters or dealers, or their affiliates, may be our customers, or engage in transactions with or perform services for us and our subsidiaries in the ordinary course of business.

Certain of the agents, underwriters and dealers that we sell the securities offered under this prospectus to or through, and certain of their affiliates, engage in transactions with and perform services for us in the ordinary course of business. We may enter into hedging transactions in connection with any particular issue of the securities offered under this prospectus, including forwards, futures, options, interest rate or exchange rate swaps and repurchase or reverse repurchase transactions with, or arranged by, the applicable agent, underwriter or dealer, an affiliate of that agent, underwriter or dealer or an unrelated entity. We, the applicable agent, underwriter or dealer or other parties may receive compensation, trading gain or other benefits in connection with these transactions. We are not required to engage in any of these transactions. If we commence these transactions, we may discontinue them at any time. Counterparties to these hedging activities also may engage in market transactions involving the securities offered under this prospectus.

No securities may be sold under this prospectus without delivery (in paper format, in electronic format, in electronic format on the Internet, or by other means) of the applicable prospectus supplement describing the method and terms of the offering.

LEGAL MATTERS

Marianne M. Keler, Esq., who is our Executive Vice President and General Counsel, or another of our lawyers, will issue an opinion about the legality of the securities offered by this prospectus. Ms. Keler owns shares of our common stock and holds stock options and stock-based awards under our compensation and management incentive plans. Other of our lawyers may also own our common stock and hold similar stock options or awards. They may receive additional awards under these plans in the future.

Certain legal matters will be passed upon for any underwriters or agents by Cadwalader, Wickersham & Taft LLP, Washington, DC. Cadwalader, Wickersham & Taft LLP represents us in other legal matters.

EXPERTS

The financial statements for the fiscal years ended December 31, 2001 and 2000 have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their reports with respect thereto. On May 7, 2002, our board of directors decided no longer to engage Arthur Andersen LLP as our independent public accountants. Arthur Andersen LLP has ceased operations in the United States. We have retained PricewaterhouseCoopers LLP as our independent public accountants.

We have not been able to obtain, after reasonable efforts, the written consent of Arthur Andersen LLP to the inclusion of their report in this prospectus. Therefore, you will not be able to sue Arthur Andersen LLP under Section 11 of the Securities Act and your right of recovery under that section for any untrue statements of material fact contained in the financial statements audited by Arthur Andersen LLP and incorporated by reference or any omissions to state a material fact required to be stated therein may be limited.

The consolidated financial statements as of and for the fiscal year ended December 31, 2002 (other than the interim financial information contained in any Form 10-Q Report incorporated by reference in this prospectus) incorporated by reference into this prospectus and registration statement have been audited by PricewaterhouseCoopers LLP, independent public accountants, as stated in their report thereto, and are incorporated by reference herein in reliance upon the report of said firm given as experts in accounting and auditing.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution

The following table sets forth all expenses payable by us in connection with the offering of the securities being registered, other than discounts and commissions.

Registration Fee	$	1,618,000
Printing Expenses	$	500,000*
Legal Fees and Expenses	$	500,000*
Accounting Fees and Expenses	$	700,000*
Blue Sky Fees and Expenses	$	10,000*
Trustee, Transfer Agent and Registrar Fees and Expenses	$	150,000*
Rating Agency Fees and Expenses	$	2,500,000*
Miscellaneous	$	25,000*
Total	$	6,003,000*

* estimated

Item 15. Indemnification of Officers and Directors

Article VIII of SLM Corporation's By-Laws provides for indemnification of the officers and directors of SLM Corporation to the fullest extent permitted by applicable law. Section 145 of the Delaware General Corporation Law provides, in relevant part, that a corporation organized under the laws of Delaware shall

have the power, and in certain cases the obligation, to indemnify any person who was or is a party or is threatened to be made a party to any suit or proceeding because such person is or was a director, officer, employee or agent of the corporation or is or was serving, at the request of the corporation, as a director, officer, employee or agent of another corporation, against all costs actually and reasonably incurred by him in connection with such suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal proceeding, he had no reason to believe his conduct was unlawful. Similar indemnity is permitted to be provided to such persons in connection with an action or suit by or in right of the corporation, provided such person acted in good faith and in a manner he believed to be in or not opposed to the best interests of the corporation, and provided further (unless a court of competent jurisdiction otherwise determines) that such person shall not have been adjudged liable to the corporation.

The directors and officers of SLM Corporation and its subsidiaries are covered by a policy of insurance under which they are insured, within limits and subject to certain limitations, against certain expenses in connection with the defense of actions, suits or proceedings, and certain liabilities that might be imposed as a result of such actions, suits or proceedings in which they are parties by reason of being or having been directors or officers.

Item 16. Exhibits

The following exhibits are filed herewith or incorporated by reference:

Exhibit No.	Description of Document
**1.1	Form of Underwriting Agreement (Debt Securities) (incorporated by reference to the similarly numbered exhibit to the registrant's registration statement on Form S-3 (File No. 333-46056))
**1.2	Form of Distribution Agreement for Medium Term Notes (incorporated by reference to the similarly numbered exhibit to the registrant's registration statement on Form S-3 (File No. 333-63164))
*1.3	SLM Corporation Medium Term Notes, Series A, Amended and Restated Distribution Agreement, dated September 13, 2002, among SLM Corporation and the Agents thereto
**1.4	Selling Agent Agreement, dated as of January 23, 2003, between the Company and the agents party thereto (incorporated by reference to the registrant's current report on Form 8-K filed January 28, 2003 (File No. 1-13251))
**1.5	Standard Underwriting Provisions (Preferred Stock) (incorporated by reference to the registrant's current report on Form 8-K filed November 12, 1999 (File No. 1-13251))
***1.6	Standard Underwriting Provisions (Warrants)
**4.1	Indenture, dated as of October 1, 2000, between the registrant and The Chase Manhattan Bank, now known as JPMorgan Chase Bank (incorporated by reference to Exhibit 4.1 to the registrant's Current Report on Form 8-K dated October 5, 2000)
**4.2	Fourth Supplemental Indenture, dated as of January 16, 2003, between the registrant and Deutsche Bank Trust Company Americas (incorporated by reference to the registrant's current report on Form 8-K filed January 17, 2003 (File No. 1-13251))
***4.3	Form of Warrant Agreement
*4.4	Amended and Restated Certificate of Incorporation of SLM Corporation, as amended by the first, second and third amendments thereto
**4.5	Bylaws of SLM Corporation (incorporated by reference to Exhibit 3.2 to the registrant's annual report on Form 10-K for the period ended December 31, 2000 (File No. 1-13251))
**4.6	Medium Term Note Master Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.7	Form of Fixed Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.8	Form of CD Rate Floating Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.9	Form of CMT Rate Floating Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.10	Form of Commercial Paper Rate Floating Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.11	Form of Federal Funds Rate Floating Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.12	Form of LIBOR Floating Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.13	Form of Prime Rate Floating Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))

**4.14	Form of Treasury Bill Rate Floating Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.15	Medium Term Note Master Note, Series B (incorporated by reference to the registrant's current report on Form 8-K filed January 28, 2003 (File No. 1-13251))
**4.16	Form of Fixed Rate Medium Term Note, Series B (incorporated by reference to the registrant's current report on Form 8-K filed January 28, 2003 (File No. 1-13251))
**4.17	Form of Floating Rate-Commercial Paper Rate Medium Term Note, Series B (incorporated by reference to the registrant's current report on Form 8-K filed January 28, 2003 (File No. 1-13251))

**4.18	Form of Floating Rate-LIBOR Medium Term Note, Series B, (incorporated by reference to the registrant's current report on Form 8-K filed January 28, 2003 (File No. 1-13251))
**4.19	Form of Floating Rate-Prime Rate Medium Term Note, Series B (incorporated by reference to the registrant's current report on Form 8-K filed January 28, 2003 (File No. 1-13251))
**4.20	Form of Floating Rate-Treasury Bill Rate Medium Term Note, Series B (incorporated by reference to the registrant's current report on Form 8-K filed January 28, 2003 (File No. 1-13251))
*5.1	Opinion of Marianne M. Keler, Esq.
**12.1	Statement of Computation of Ratio of Earnings to Fixed Charges and Preferred Stock Dividends (incorporated by reference to the similarly numbered exhibit to the registrant's registration statement on Form S-3 (File No. 333-107132))
*23.1	Consent of Marianne M. Keler, Esq. (included in Exhibit 5.1)
*23.2	Consent of PricewaterhouseCoopers LLP
**25.1	Statement of Eligibility of Trustee on Form T-1 of JPMorgan Chase Bank (incorporated by reference to the similarly numbered exhibit to the registrant's registration statement on Form S-3 (File No. 333-107132))
**25.2	Statement of Eligibility of Trustee on Form T-1 of Deutsche Bank Trust Company Americas (incorporated by reference to the similarly numbered exhibit to the registrant's registration statement on Form S-3 (File No. 333-107132))

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* Filed herewith.
** Previously filed.
*** To be filed pursuant to an amendment or incorporated by reference.

Item 17. Undertakings

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any

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deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (1)(i) and (1)(ii) do not apply if the information required to be included in the post-effective amendment by those paragraphs is contained in periodic reports filed by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) For purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(5) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

(6) That, for purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act of 1933 shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(7) That, for the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(8) The undersigned registrant hereby undertakes to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act in accordance with the rules and regulations prescribed by the Commission under Section 305(b)(2) of the Act.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, SLM Corporation certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Reston, state of Virginia, on July 31, 2003.

SLM CORPORATION

/S/ ALBERT L. LORD*

By: Albert L. Lord
Its: *Chief Executive Officer*

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ EDWARD A. FOX*	Chairman of the Board of Directors	
Edward A. Fox		July 31, 2003
/s/ ALBERT L. LORD*	Vice Chairman and Chief Executive Officer (principal executive officer and director)	July 31, 2003
Albert L. Lord		
/s/ JOHN F. REMONDI*	Executive Vice President, Finance (principal financial officer)	July 31, 2003
John F. Remondi		
/s/ C.E. ANDREWS*	Executive Vice President, Accounting and Risk Management (principal accounting officer)	July 31, 2003
C.E. Andrews		
/s/ CHARLES L. DALEY*	Director	
Charles L. Daley		July 31, 2003
/s/ WILLIAM M. DIEFENDERFER III*	Director	
William M. Diefenderfer III		July 31, 2003
/s/ THOMAS J. FITZPATRICK*	Director	
Thomas J. Fitzpatrick		July 31, 2003
/s/ DIANE SUITT GILLELAND*	Director	
Diane Suitt Gilleland		July 31, 2003
/s/ ANN TORRE GRANT*	Director	
Ann Torre Grant		July 31, 2003
/s/ RONALD F. HUNT*	Director	
Ronald F. Hunt		July 31, 2003
/s/ BENJAMIN J. LAMBERT, III*	Director	
Benjamin J. Lambert, III		July 31, 2003

/s/ BARRY A. MUNITZ*	Director	
Barry A. Munitz		July 31, 2003
/s/ A. ALEXANDER PORTER, JR.*	Director	
A. Alexander Porter, Jr.		July 31, 2003
/s/ WOLFGANG SCHOELLKOPF*	Director	
Wolfgang Schoellkopf		July 31, 2003
/s/ STEVEN L. SHAPIRO*	Director	
Steven L. Shapiro		July 31, 2003
/s/ BARRY L. WILLIAMS*	Director	
Barry L. Williams		July 31, 2003

*By: /s/ MARY F. EURE

Mary F. Eure
Attorney-in-Fact

EXHIBIT INDEX

Exhibit No.	Description of Document
**1.1	Form of Underwriting Agreement (Debt Securities) (incorporated by reference to the similarly numbered exhibit to the registrant's registration statement on Form S-3 (File No. 333-46056))
**1.2	Form of Distribution Agreement for Medium Term Notes (incorporated by reference to the similarly numbered exhibit to the registrant's registration statement on Form S-3 (File No. 333-63164))
*1.3	SLM Corporation Medium Term Notes, Series A, Amended and Restated Distribution Agreement, dated September 13, 2002, among SLM Corporation and the Agents thereto
**1.4	Selling Agent Agreement, dated as of January 23, 2003, between the Company and the agents party thereto (incorporated by reference to the registrant's current report on Form 8-K filed January 28, 2003 (File No. 1-13251))
**1.5	Standard Underwriting Provisions (Preferred Stock) (incorporated by reference to the registrant's current report on Form 8-K filed November 12, 1999 (File No. 1-13251))
***1.6	Standard Underwriting Provisions (Warrants)
**4.1	Indenture, dated as of October 1, 2000, between the registrant and The Chase Manhattan Bank, now known as JPMorgan Chase Bank (incorporated by reference to Exhibit 4.1 to the registrant's Current Report on Form 8-K dated October 5, 2000)
**4.2	Fourth Supplemental Indenture, dated as of January 16, 2003, between the registrant and Deutsche Bank Trust Company Americas (incorporated by reference to the registrant's current report on Form 8-K filed January 17, 2003 (File No. 1-13251))
***4.3	Form of Warrant Agreement
*4.4	Amended and Restated Certificate of Incorporation of SLM Corporation, as amended by the first, second and third amendments thereto
**4.5	Bylaws of SLM Corporation (incorporated by reference to Exhibit 3.2 to the registrant's annual report on Form 10-K for the period ended December 31, 2000 (File No. 1-13251))
**4.6	Medium Term Note Master Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.7	Form of Fixed Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.8	Form of CD Rate Floating Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.9	Form of CMT Rate Floating Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.10	Form of Commercial Paper Rate Floating Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.11	Form of Federal Funds Rate Floating Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))

**4.12	Form of LIBOR Floating Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.13	Form of Prime Rate Floating Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.14	Form of Treasury Bill Rate Floating Rate Medium Term Note, Series A (incorporated by reference to the registrant's current report on Form 8-K filed November 7, 2001 (File No. 1-13251))
**4.15	Medium Term Note Master Note, Series B (incorporated by reference to the registrant's current report on Form 8-K filed January 28, 2003 (File No. 1-13251))
**4.16	Form of Fixed Rate Medium Term Note, Series B (incorporated by reference to the registrant's current report on Form 8-K filed January 28, 2003 (File No. 1-13251))
**4.17	Form of Floating Rate-Commercial Paper Rate Medium Term Note, Series B (incorporated by reference to the registrant's current report on Form 8-K filed January 28, 2003 (File No. 1-13251))
**4.18	Form of Floating Rate-LIBOR Medium Term Note, Series B, (incorporated by reference to the registrant's current report on Form 8-K filed January 28, 2003 (File No. 1-13251))
**4.19	Form of Floating Rate-Prime Rate Medium Term Note, Series B (incorporated by reference to the registrant's current report on Form 8-K filed January 28, 2003 (File No. 1-13251))
**4.20	Form of Floating Rate-Treasury Bill Rate Medium Term Note, Series B (incorporated by reference to the registrant's current report on Form 8-K filed January 28, 2003 (File No. 1-13251))
*5.1	Opinion of Marianne M. Keler, Esq.
**12.1	Statement of Computation of Ratio of Earnings to Fixed Charges and Preferred Stock Dividends (incorporated by reference to the similarly numbered exhibit to the registrant's registration statement on Form S-3 (File No. 333-107132))
*23.1	Consent of Marianne M. Keler, Esq. (included in Exhibit 5.1)
*23.2	Consent of PricewaterhouseCoopers LLP
**25.1	Statement of Eligibility of Trustee on Form T-1 of JPMorgan Chase Bank (incorporated by reference to the similarly numbered exhibit to the registrant's registration statement on Form S-3 (File No. 333-107132))
**25.2	Statement of Eligibility of Trustee on Form T-1 of Deutsche Bank Trust Company Americas (incorporated by reference to the similarly numbered exhibit to the registrant's registration statement on Form S-3 (File No. 333-107132))

* Filed herewith.

** Previously filed.

*** To be filed pursuant to an amendment or incorporated by reference.

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 1.3

SLM CORPORATION

MEDIUM TERM NOTES, SERIES A

AMENDED AND RESTATED DISTRIBUTION AGREEMENT

Dated as of September 13, 2002

SLM Corporation, formerly known as USA Education, Inc., a Delaware corporation (the "Company"), entered into a distribution agreement with the agents party thereto as of October 1, 2001, which distribution agreement was amended by amendments dated as of March 28, 2002 and August 20, 2002. The Company desires to amend further and restate the distribution agreement (the distribution agreement, as amended or supplemented from time to time, the "Distribution Agreement"). The Company proposes to continue to issue and sell, from time to time, its medium term debt securities (the "Notes") in an amount up to Thirteen Billion Dollars (U.S. $13,000,000,000) in the aggregate, plus increases from time to time under Rule 462(b) of the General Rules and Regulation s under the Securities Act of 1933, as amended, and agrees with each person serving as an agent under the Distribution Agreement (individually an "Agent" and collectively, the "Agents").

Subject to the terms and conditions stated herein and the reservation by the Company of the right to sell the Notes directly on its own behalf, the Company hereby (i) appoints each Agent as an agent of the Company for the purpose of soliciting and receiving offers to purchase Notes from the Company pursuant to Section 2(a) hereof and (ii) agrees that whenever it determines to sell Notes directly to any Agent as principal, it will enter into a separate agreement (each a "Terms Agreement"), substantially in the form of Annex I hereto, relating to such sale in accordance with Section 2(b) hereof (unless the Company and such Agent shall otherwise agree). The Distribution Agreement shall not be construed to create either an obligation on the part of the Company to sell any Notes or an obligation of any of the Agents to purchase Notes as principal.

The Notes will be issued under an indenture, dated as of October 1, 2000, as amended or supplemented from time to time (the "Indenture"), between the Company and JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank, as Trustee (the "Trustee"). The Notes shall have the currency, denomination, maturities, interest rates, if any, redemption provisions and other terms set forth in the Prospectus referred to below, as it may be amended or supplemented from time to time. The Notes will be issued, and the terms and rights thereof established, from time to time, by the Company in accordance with the Indenture and the Administrative Procedures attached hereto as Annex II, as the procedures may be amended from time to time by written agreement between the Agents and the Company (the "Procedures") and, if applicable, will be specified in a Terms Agreement.

1. The Company hereby represents and warrants to, and agrees with, each Agent that:

(a) Two registration statements on Form S-3 (Registration Nos. 333-63164 and 333-90316) in respect of U.S. $13,000,000,000 aggregate principal amount (or the equivalent in foreign currency or currency units) of debt securities, common stock, preferred stock and warrants of the Company, including the Notes, have been filed with the Securities and Exchange Commission (the "Commission"). Such registration statements and any post-effective amendment relating to the Notes, each in the form heretofore delivered or to be delivered to the Agents, have been declared effective by the Commission. No other document with respect to such registration statements has heretofore been filed or transmitted for filing with the Commission (other than the prospectuses filed pursuant to Rule 424(b) of the rules and regulations of the Commission, each in the form heretofore delivered to the Agents and such other documents as may be related to securities other than the Notes). No stop order suspending the effectiveness of such registration statements has been issued and no proceeding for that purpose has been initiated or threatened by the Commission. For purposes hereof, any preliminary prospectus included in such registration statements or filed with the Commission pursuant to Rule 424(a) of the rules and regulations of the Commission, is hereinafter called a "Preliminary Prospectus", the various parts of such registration statements, including all exhibits thereto and all documents incorporated by reference

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at the time such parts of the registration statements became effective but excluding the Forms T-1 filed in connection with such Registration Statements, each as amended at the time such parts became effective, is hereinafter collectively called the "Registration Statement", *provided* that any registration statement filed by the Company with the Commission pursuant to Rule 462(b) of the General Rules and Regulations under the Securities Act of 1933, as amended, including Registration Statement No. 333-98399 (each a "462(b) Registration Statement"), shall be deemed to be part of the "Registration Statement"; the prospectus (including, if applicable, any prospectus supplement) relating to the Notes, in the form in which it has most recently been filed with the Commission on or prior to the date of this Agreement, is hereinafter called the "Prospectus;" any reference to any amendment or supplement to any Preliminary Prospectus or the Prospectus, including any supplement to the Prospectus that sets forth only the terms of a particular issue of Notes hereinafter called a "Pricing Supplement", shall be deemed to refer to and include any documents filed after the date of such Preliminary Prospectus or Prospectus, as the case may be, under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and incorporated therein by reference; any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Company filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Registration Statement that is incorporated by reference in the Registration Statement and any reference to the Prospectus, as amended or supplemented, shall be deemed to refer to the Prospectus as amended or supplemented (including by the applicable Pricing Supplement filed in accordance with Section 4(a) hereof), in relation to the Notes sold pursuant to this Agreement, in the form in which it is filed or transmitted for filing with the Commission pursuant to Rule 424(b) of Regulation C under the Securities Act, including any documents incorporated by reference therein as of the date of such filing;

(b) (i) The documents incorporated by reference in the Prospectus, as amended or supplemented, when they became effective or were filed with the Commission, as the case may be, complied as to form in all material respects with the requirements of the Securities Act of 1933, as amended (the "Securities Act") or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents, when they became effective or were so filed, as the case may be, contained, in the case of documents which became effective under the Securities Act, an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and, in the case of documents which were filed under the Exchange Act with the Commission, an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, and (ii) any further documents so filed and incorporated by reference in the Prospectus, when such documents become effective or are filed with the Commission, as the case may be, will comply as to form in all material respects with the requirements of the Securities Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain, in the case of documents which become effective under the Securities Act, an

untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and in the case of documents which are filed under the Exchange Act with the Commission, an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by any Agent expressly for use in the Prospectus, as amended or supplemented, to relate to a particular issuance of Notes or other securities registered under the Registration Statement;

(c) The Registration Statement and the Prospectus conformed, and any further amendments or supplements thereto will, when they become effective or are filed with the Commission, as the

case may be, conform, in all material respects to the requirements of the Securities Act and the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date in the case of the Registration Statement and any amendment thereto and as of the applicable filing date in the case of the Prospectus and any amendment or supplement thereto, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by any Agent expressly for use in the Prospectus, as amended or supplemented, to relate to a particular issuance of Notes or other securities registered under the Registration Statement;

(d) (i) The Company has not sustained, since the date of the latest audited financial statements included or incorporated by reference in the Prospectus, any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus and (ii) since the respective dates as of which information is given in the Registration Statement and the Prospectus, there has not been any change in the capital stock or long-term debt of the Company or any material adverse change in or affecting the general affairs, financial position or results of operations of the Company and its subsidiaries, taken as a whole, otherwise than as set forth or contemplated in the Prospectus.

(e) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus.

(f) The Company has an authorized capitalization as set forth in the Prospectus, and all of the issued shares or capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable.

(g) The Notes have been duly authorized, and, when issued and delivered pursuant to this Agreement and any Terms Agreement or other agreement by an Agent to purchase Notes as principal, will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture, which will be substantially in the form filed as an exhibit to the Registration Statement; the Indenture has been duly authorized and duly qualified under the Trust Indenture Act and constitutes a valid and legally binding instrument, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Indenture conforms and the Notes will conform to the descriptions thereof contained in the Prospectus as amended or supplemented to relate to such issuance of Notes.

(h) The issue and sale of the Notes and the compliance by the Company with all of the provisions of the Notes, the Indenture, this Agreement and any Terms Agreement or other agreement by an Agent to purchase Notes as principal, and the consummation of the transactions herein and therein contemplated, will not conflict with or result in a breach which would constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company, under the terms of any indenture, mortgage, deed of trust, loan agreement or other material agreement or instrument to which the Company is a party or by which the Company may be bound or to which any property or assets of the Company, is subject, nor will such action result in any violation of the provisions of the Certificate of Incorporation, as amended, or the By-Laws of the Company or, to the best of its knowledge, any statute or any order, rule or regulation applicable to the Company or any court or any Federal, State or other regulatory authority or governmental agency or body having jurisdiction over the Company or any of its properties, and no consent, approval, authorization, order, registration or qualification of, or

filing with, any such court or regulatory agency or body is required for the issuance and sale of the Notes or the consummation by the Company of the transactions contemplated by this Agreement, any Terms Agreement or other agreement by an Agent to purchase Notes as principal, or the Indenture, except such as have been obtained, or will have been obtained prior to the Commencement Date, under the Securities Act and the Trust Indenture Act and such other consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws or other applicable laws of any other jurisdiction in connection with the solicitation by the Agents of offers to purchase Notes from the Company and with purchases of Notes by the Agents as principal, as the case may be, in each case in the manner contemplated hereby.

(i) The Company is not (i) in violation of its Certificate of Incorporation or By-laws or (ii) in default in, and no condition exists which with the giving of notice, the lapse of time or both would a constitute a default in, the performance or observance of any obligation, agreement, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except for violations or defaults which individually and in the aggregate are not material to the Company and its subsidiaries taken as a whole.

(j) The statements set forth in the Prospectus under the caption "Description of Debt Securities" and "Description of Notes", insofar as they purport to constitute a summary of the terms of the Notes, under the caption "Taxation", and under the caption "Plan of Distribution", insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate and complete.

(k) Immediately after the settlement of any sale of Notes by the Company resulting from solicitation by such Agent hereunder and immediately after any Time of Delivery (as defined below) relating to a sale to an Agent as principal, the aggregate principal amount of Notes issued and sold by the Company hereunder or under any Terms Agreement or other agreement by an Agent to purchase Notes as principal and of any securities of the Company (other than such Notes) issued and sold pursuant to the Registration Statement will not exceed the amount of securities registered under the Registration Statement.

(l) Other than as set forth in or incorporated by reference into the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or to which any property of the Company or any of its subsidiaries is the subject which, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a material adverse effect on the current or future consolidated financial position, stockholders' equity or results of operations of the Company and its subsidiaries; and, to the best of the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others.

(m) Each of Arthur Andersen LLP and Pricewaterhouse Coopers LLP has certified certain financial statements of the Company and its subsidiaries, and were or are independent public accountants as required by the Securities Act and the rules and regulations of the Commission thereunder.

(n) The Company is not and, after giving effect to the offering and sale of the Notes, will not be an "investment company", as such term is defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(o) Neither the Company nor any of its affiliates does business with the government of Cuba or with any person or affiliate located in Cuba within the meaning of Section 517.075, Florida Statutes.

2 (a) On the basis of the representations and warranties herein contained, and subject to the terms and conditions herein set forth, each Agent hereby, severally and not jointly, agrees to act as an agent of the Company, to use its reasonable efforts to solicit offers to purchase the Notes from the Company upon the terms and conditions set forth in the Prospectus relating to the Notes, as amended or supplemented from time to time, and in the Procedures. So long as this Agreement shall remain in effect with respect to any Agent, the Company shall not, without the consent of such Agent, solicit or accept offers to purchase, or sell, any debt securities with a maturity at the time of original issuance of 9 months to 30 years except pursuant to this Agreement, pursuant to any Terms Agreement or other agreement by an Agent to purchase Notes as principal, pursuant to a private placement not constituting a public offering under the Act or in connection with a firm commitment underwriting pursuant to an underwriting agreement that does not provide for a continuous offering of medium term debt securities.

Subject to the provisions of this Section 2 and to the Procedures, offers for the purchase of Notes may be solicited by each Agent, as agent for the Company, at such time and in such amounts as such Agent deems advisable; provided, however, that the Company reserves the right to sell, and may solicit and accept offers to purchase, Notes directly on its own behalf or through other agents, dealers or underwriters, and to appoint additional persons from time to time to serve as Agents under this Agreement.

Each Agent agrees that it will not solicit an offer to purchase Notes or deliver any of the Notes in any jurisdiction outside the United States of America except under circumstances that will result in compliance with the applicable laws thereof. Each Agent understands that no action has been taken to permit a public offering in any jurisdiction outside the United States of America where action would be required for such purpose. The Agents further undertake that in connection with the distribution of

Notes denominated in any foreign currency or currency unit, they will as agents, directly or indirectly, not solicit offers to purchase and as principals under any Terms Agreement or otherwise, directly or indirectly, not offer, sell or deliver, such Notes in or to residents of the country issuing such currency, except as permitted by applicable law.

The Company reserves the right, in its sole discretion, to instruct the Agents to suspend at any time, for any period of time or permanently, the solicitation of offers to purchase the Notes. As soon as practicable, but in any event not less than one business day after receipt of notice from the Company, the Agents will suspend solicitation of offers to purchase Notes from the Company until such time as the Company has advised them that such solicitation may be resumed. During the period of time that such solicitation is suspended, the Company shall not be required to deliver any opinions, letters or certificates in accordance with Sections 4(e), (g) and (h) hereof. Upon advising the Agents that such solicitation may be resumed, however, the Company shall simultaneously provide the documents required to be delivered by Sections 4(e), (g) and (h) hereof, and the Agents shall have no obligation to solicit offers to purchase the Notes until such documents have been received by the Agents. In addition, any failure by the Company to comply with its obligation to deliver documents required by Sections 4(e), (g) and (h) hereof shall give each Agent the right to terminate its obligations under this Agreement to solicit offers to purchase Notes hereunder as agent.

The Company agrees to pay each Agent, at the time of settlement of any sale of a Note by the Company, the purchase of which is solicited by such Agent, a commission in United States dollars (which, in the case of Notes denominated in other than United States dollars, shall be based upon the Market Exchange Rate (as defined below) for such currency or currency unit at the time of any acceptance of an offer to purchase a Note) in such amount as may from time to time be negotiated between such Agent and the Company).

Notwithstanding anything herein to the contrary, if, at or prior to the time of settlement, the Company and an Agent have entered into, or such Agent has arranged for the Company to enter into, a contract with respect to the sale of the currency (other than United States dollars) or currency unit in

which a Note has been denominated and the purchase of which was solicited by such Agent, the commission in United States dollars payable by the Company to such Agent shall be based upon the same exchange rate set forth in such contract.

The authorized denominations of Notes denominated in a currency or currency unit other than United States dollars shall be the equivalent, as determined by the Market Exchange Rate for such currency or currency unit on the business day immediately preceding the date on which the offer for such Notes is accepted, of U.S. $1,000 (rounded down to an integral multiple of 10,000 units of such currency or currency unit), and any larger amount.

The authorized denominations of Notes denominated in United States dollars shall be U.S. $1,000 and any larger amount in integral multiples of $1,000 or such other amount as may be set forth in a Pricing Supplement for the Notes.

The "Market Exchange Rate" on a given date for a given foreign currency means the noon buying rate in New York City for cable transfers in such currency as certified for customs purposes by the Federal Reserve Bank of New York on such date; provided, however, that in the case of European Currency Units, Market Exchange Rate means, unless otherwise agreed by the Company and the Agents, the rate of exchange determined by the Council of European Communities (or any successor thereto) as published on such date or the most recently available date in the Official Journal of the European Communities (or any successor publication).

Unless otherwise agreed between the Company and each Agent, each Agent shall communicate to the Company, orally or in writing, each offer to purchase Notes received by it as Agent, other than those rejected by such Agent. Each Agent may, in its discretion reasonably exercised, reject any offer received by it in whole or in part. Any such rejection shall not be deemed a breach of the Agent's agreements under this Agreement. The Company shall have the sole right to accept offers to purchase Notes and may reject any proposed purchase of Notes.

Each Agent agrees that in respect of any Notes to be offered in, from or otherwise involving the United Kingdom:

(i) it has not offered or sold and will not offer or sell any Notes to persons in the United Kingdom prior to the expiration of the period of six months from the issue date of the Notes except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments, as principal or agent, for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995;

(ii) 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 Financial Services and Markets Act 2000 (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 Company;

(iii) 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; and

(iv) in relation to any Notes which must be redeemed before the first anniversary of the date of their issue:

(A) it is a person whose ordinary activities involve it acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and

(B) it has not offered or sold and will not offer or sell any Notes other than to persons:

(1) whose ordinary activities involve them in acquiring, holding, managing or disposing of investment (as principal or agent) for the purposes of its business; or

(2) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of its business, or

(3) where the issue of Notes would otherwise constitute a contravention of section 19 of the FSMA by the Company.

The Company agrees with each Agent that it will not authorize any offer of Notes to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995. As such, 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.

Each Agent agrees that, in respect of any Notes to be offered in, from or otherwise involving Singapore, unless agreed to by an Agent and the Company at the time of the solicitation of offers to purchase the Notes, no Prospectus Supplement or Prospectus will be or has been registered as a "prospectus" with the Registrar of Companies and Businesses in Singapore and the Notes, if any, will be offered in Singapore under an exemption invoked under Section 106C of the Companies Act, Chapter 50, of Singapore (the "Singapore Companies Act"). Accordingly, each Agent offering the Notes acknowledges and agrees that it has not offered or sold and will not offer or sell the Notes nor will it circulate or distribute any Prospectus Supplement, the accompanying Prospectus or any other offering document or material relating to the Notes, either directly or indirectly, to the public or any member of the public in Singapore other than to an institutional investor, and in accordance with the conditions specified in Section 106D of the Singapore Companies Act; or otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Singapore Companies Act.

(b) Each sale of Notes to any Agent as principal shall be made in accordance with the terms of this Agreement and (unless the Company and such Agent shall otherwise agree) a Terms Agreement, which shall be substantially in the form of Annex 1 hereto, which will provide for the sale of such Notes to, and the purchase thereof by, such Agent. A Terms Agreement may also specify certain provisions relating to the re-offering of such Notes by such Agent; the commitment of any Agent to purchase Notes as principal, whether pursuant to any Terms Agreement or otherwise, shall be deemed to have been made on the basis of the representations and warranties of the Company herein contained and shall be subject to the terms and conditions herein set forth. Each Terms Agreement shall specify the principal amount of Notes to be purchased by any Agent pursuant thereto, the price to be paid to the Company for such Notes, any provisions relating to rights of, and default by, underwriters acting together with such Agent in the re-offering of the Notes and the time and date and place of delivery of and payment for such Notes; and such Terms Agreement shall also specify any requirements for opinions of counsel, accountants' letters and officers' certificates pursuant to Section 6 hereof. Terms Agreements may take the form of an exchange of any standard form of written telecommunication between any Agent and the Company, including by telecopy or telex. The Company and any Agent who is a party to a Terms Agreement agree to exchange copies of such Terms Agreement as promptly as practicable after they have entered into such Terms Agreement pursuant to the foregoing exchange of written telecommunication. Each Agent proposes to offer Notes purchased by it as principal for sale at prevailing market prices or prices related thereto at the time of sale, which may be equal to, greater than or less than the price at which such Notes are purchased by such Agent from the Company. The Agents may utilize a selling or dealer group in connection with the re-offering of the Notes purchased as principal.

Each time and date of delivery of and payment for Notes to be purchased by an Agent as principal, whether set forth in a Terms Agreement or in accordance with the Procedures, is referred to herein as a "Time of Delivery."

(c) Procedural details relating to the issue and delivery of Notes, the solicitation of offers to purchase Notes, and the payment in each case therefor, shall be as set forth in the Procedures. The provisions of the Procedures shall apply to all transactions contemplated hereunder other than those made pursuant to a Terms Agreement. Each of the Agents and the Company agrees to perform the respective duties and obligations specifically provided to be performed by each of them in the Procedures. The Company will furnish to the Trustee a copy of the Procedures as from time to time in effect.

3. The documents required to be delivered pursuant to Section 6 hereof shall be delivered at the offices of the Company, 11600 Sallie Mae Drive, Reston, Virginia 20193, at 11:00 a.m., New York City time, on the date of this Agreement, or at such other date and time as the Agents and the Company agree. The Commencement Date shall be deemed to be September 13, 2002, except for any Agent executing and delivering this Agreement as of a later date, in which case, the Commencement Date for such Agent shall be deemed to be such later date.

4. The Company hereby covenants and agrees with each Agent:

(a) Prior to the termination of the offering of the Notes,

(i) to make no amendment or supplement to the Registration Statement or the Prospectus (except for a Pricing Supplement or a prospectus supplement or other amendment or supplement relating to securities other than the Notes) without first having furnished the Agents with a copy of the proposed form thereof and given the Agents a reasonable opportunity to review and comment on the same and if the Prospectus is amended or supplemented as a result of the filing under the Exchange Act of any document incorporated by reference in the Prospectus, no Agent shall be obligated to solicit offers to purchase Notes so long as it is not reasonably satisfied with such document;

(ii) to prepare, with respect to any Notes to be sold through or to such Agent pursuant to this Agreement, a Pricing Supplement with respect to such Notes substantially in a form previously approved by the Agents and to file such Pricing Supplement pursuant to Rule 424(b) under the Securities Act not later than the close of business of the Commission on the fifth business day after the date on which such Pricing Supplement is first used or the date of determination of the offering price;

(iii) to file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 3(a), 13(c), 14 or 15(d) of the Exchange Act for so long as the delivery of a prospectus is required in connection with the offering or sale of the Notes,

(iv) for so long as the delivery of a prospectus is required in connection with the offering or sale of the Notes, to advise the Agents promptly after the Company receives notice thereof, of: (A) the time when any amendment to the Registration Statement has been filed or has become effective or any supplement to the Prospectus or any amended Prospectus (other than any Pricing Supplement that relates to Notes not purchased through or by such Agent or a prospectus supplement or other amendment or supplement relating to securities other than the Notes) has been filed with the Commission, and to confirm such advice in writing; (B) the issuance by the Commission of any stop order or of any order preventing or suspending the use of any prospectus relating to the Notes; (C) the suspension of the qualification of the Notes for offering or sale in any jurisdiction; (D) the initiation or threatening of any proceeding for any such purpose; or (E) any request by the Commission for the amending or

supplementing of the Registration Statement or Prospectus or for additional information (other than in relation to securities other than the Notes);

(v) in the event of the issuance of any such stop order or of any such order preventing or suspending the use of any such prospectus or suspending any such qualification, to use promptly its best efforts to obtain its withdrawal;

(vi) to notify the Agents promptly in writing of any downgrading, or on its receipt of any notice of (A) any intended or potential downgrading or (B) any review or possible change that does not indicate an improvement in the rating accorded any of the securities of, or guaranteed by, the Company by any "nationally recognized statistical rating organization", as such term is defined for purposes of Rule 436(g)(2) under the Securities Act; and

(vii) to make generally available to the holders of the Notes and to the Agents as soon as practicable, but in any event not later than eighteen months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including, at the option of the Company, Rule 158).

(b) So long as any Notes are outstanding, to furnish to the Agents copies of all reports or other communications (financial or other) furnished to stockholders of the Company and, as soon as they are available, copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange on which any class of securities of the Company is listed.

(c) Promptly from time to time to take such action as the Agents reasonably may request to qualify the Notes for offering and sale under the securities laws of such jurisdictions as the Agents may request and to comply with such laws so as to permit the continuance of sales and dealings therein for as long as may be necessary to complete the distribution or sale of the Notes provided that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

(d) To furnish the Agents with copies of the Registration Statement and each amendment thereto relating to any Notes to be sold pursuant to this Agreement, and with copies of the Prospectus, as amended or supplemented, other than any Pricing Supplement (except as provided in the Procedures), in the form in which it is filed with the Commission pursuant to Rule 424 under the Securities Act or in the form first used to confirm sales which was not required to be filed pursuant to Rule 424 under the Securities Act, and with copies of the documents incorporated by reference therein, all in such

quantities as the Agents may from time to time reasonably request, and, if the delivery of a prospectus is required at any time in connection with the offering or sale of the Notes (including Notes purchased from the Company by such Agent as principal) and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Securities Act, the Exchange Act or the Trust Indenture Act, to (i) promptly notify the Agents to suspend solicitation of offers to purchase Notes from the Company (and, if so notified, the Agents shall promptly cease such solicitations), (ii) prepare and cause to be filed with the Commission, an amendment or supplement to the Registration Statement or the Prospectus as then amended or supplemented that will correct such statement or omission or effect such compliance and (iii) supply such Prospectus as then amended or

supplemented to the Agents in such quantities as the Agents may reasonably request; if such amendment or supplement, and any documents, certificates and opinions furnished to the Agents pursuant to Section 4 in connection with the preparation or filing of such amendment or supplement are reasonably satisfactory in all respects to the Agents, the Agents will, upon the filing of such amendment or supplement with the Commission and upon the effectiveness of an amendment to the Registration Statement if such an amendment is required, resume the Agents' obligation to solicit offers to purchase Notes hereunder; if such amendment or supplement, or any documents, certificates and opinions furnished to the Agents pursuant to Section 4 in connection with the preparation or filing of such amendment or supplement, are not satisfactory to the Agents, the Agents will as promptly as reasonably practicable notify the Company in writing;

(e) Each time the Registration Statement or the Prospectus shall be amended or supplemented (other than by a Pricing Supplement or in relation to securities other than the Notes), each time a document filed under the Securities Act or the Exchange Act is incorporated by reference into the Prospectus, including quarterly following the filing of the Company's Form 10-K or Form 10-Q (other than by reference of the Company's proxy statement for its annual meeting of shareholders or of a filing by the Company of a Current Report on Form 8-K, in each case under the Exchange Act, unless, in the Agents' reasonable judgment, the information contained in such documents are of such a character that an opinion referred to below should be furnished), and each time the Company sells Notes to an Agent as principal and the applicable Terms Agreement or other agreement by an Agent to purchase Notes as principal specifies the delivery of an opinion of Company's counsel under this Section 4(e) as a condition to the purchase of Notes pursuant to such Terms Agreement or other agreement, the Company shall furnish or cause to be furnished to the Agents the written opinion of the counsel to the Company, who may be an employee of the Company or of any affiliate, dated each such date, in form and substance satisfactory to the Agents in the Agents' reasonable judgment to the effect that such Agents may rely on the opinion of such counsel referred to in Section 6(c)(ii) hereof which was last furnished to such Agents to the same extent as though it were dated the date of such letter authorizing reliance (except that the statements in such last opinion shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such opinion, an opinion of the same tenor as the opinion of such counsel referred to in Section 6(c)(ii) hereof, but modified to relate to the Registration Statement and the Prospectus as amended and supplemented to such date;

(f) Reasonably in advance of each time the Registration Statement or the Prospectus shall be amended or supplemented (other than by a Pricing Supplement or in relation to securities other than the Notes), each time a document filed under the Securities Act or the Exchange Act is incorporated by reference into the Prospectus, including quarterly following the filing of the Company's Form 10-K or Form 10-Q (other than by reference of the Company's proxy statement for its annual meeting of shareholders or of a filing by the Company of a Current Report on Form 8-K, in each case under the Exchange Act, unless in the Agents' reasonable judgment, the information contained in such documents are of such a character that information referred to below should be furnished), and each time the Company sells Notes to an Agent as principal pursuant to a Terms Agreement or other agreement by an Agent to purchase Notes as principal (if such Terms Agreement or other agreement specifies the delivery of an opinion or opinions by Cadwalader, Wickersham & Taft, counsel to the Agents, as a condition to the purchase of Notes pursuant to such Terms Agreement or other agreement), the Company shall furnish to such counsel such papers and information as they may reasonably request to enable them to furnish to such Agent the opinion or opinions referred to in Section 6(c)(iii) hereof;

(g) Each time the Registration Statement or the Prospectus shall be amended or supplemented (other than by a Pricing Supplement or in relation to securities other than the

Notes), each time a document filed under the Securities Act or the Exchange Act is incorporated by reference into the Prospectus, including quarterly following the filing of the Company's Form 10-K or Form 10-Q (other than by reference of the Company's proxy statement for its annual meeting of shareholders or of a filing by the Company of a Current Report on Form 8-K under the Exchange Act, unless in the Agents' reasonable judgment, the information contained in such documents are of such a character that letters referred to below should be furnished), and each time the Company sells Notes to an Agent as principal and the applicable Terms Agreement or other agreement by an Agent to purchase Notes as principal specifies the delivery of an accountant's letter under this Section 4(g) as a condition to the purchase of Notes pursuant to such Terms Agreement or other agreement, the Company shall cause the independent certified public accountants who have certified the financial statements of the Company and its subsidiaries included or incorporated by reference in the Registration Statement to furnish the Agents a letter or letters, dated each such date, in form satisfactory to the Agents, of the same tenor as the letter referred to in Section 6(c)(iv) hereof (modified in the case of amended or supplemented financial information to reflect such amended and supplemental financial information included or incorporated by reference in the Registration Statement and the Prospectus, as amended or supplemented to the date of such letter, provided that if the Registration Statement or the Prospectus is amended or supplemented solely to include or incorporate by reference unaudited quarterly financial information, the scope of such letter, which shall be satisfactory in form and substance to the Agents, may be limited to relate to such unaudited financial information unless any other accounting, financial or statistical information included or incorporated by reference therein is of a character that, in the reasonable judgment of the Agents, such letter should address such other information); provided however, that, with respect to any financial information or other matter, such letter may reconfirm as true and correct as such date as though made at and as of such date, rather than repeat, statements with respect to such financial information or other matter made in the letter referred to in Section 6(c)(iv) hereof which was last furnished to the Agents;

(h) Each time the Registration Statement or the Prospectus shall be amended or supplemented (other than by a Pricing Supplement or in relation to securities other than the Notes), each time a document filed under the Securities Act or the Exchange Act is incorporated by reference into the Prospectus, including quarterly following the filing of the Company's Form 10-K or Form 10-Q (other than by reference of the Company's proxy statement for its annual meeting of shareholders or of a filing by the Company of a Current Report on Form 8-K under the Exchange Act, unless in the Agents' reasonable judgment, the information contained in such documents are of such a character that certificates of officers referred to below should be furnished), and each time the Company sells Notes to an Agent as principal and the applicable Terms Agreement or other agreement by an Agent to purchase Notes as principal specifies the delivery of a certificate under this Section 4(h) as a condition to the purchase of Notes pursuant to such Terms Agreement or other agreement, the Company shall furnish or cause to be furnished to the Agents a certificate, dated the date of each such supplement, amendment, incorporation or Time of Delivery relating to such sale, as the case may be, in such form and executed by such officers of the Company as shall be satisfactory to the Agents, to the effect that the statements contained in the certificates referred to in Section 6(c)(v) hereof which were last furnished to the Agents are true and correct at such date as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, certificates of the same tenor as the certificates referred to in Section 6(c)(v), but modified to relate to the Registration Statement and the Prospectus as amended and supplemented to such date.

(i) That each acceptance by the Company of an offer to purchase Notes hereunder (including any purchase by an Agent as principal pursuant to an agreement other than a Terms Agreement, and each execution and delivery by the Company of a Terms Agreement with an

Agent) shall be deemed to be an affirmation to such Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance hereunder or of such Terms Agreement, as the case may be, as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Time of Delivery relating to the sale of such Notes and as of the settlement date for the Notes relating to such acceptance, as the case may be, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus, as amended and supplemented, relating to such Notes); and

(j) If specified in any Terms Agreement or any other agreement under which an Agent agrees to purchase Notes as principal, the Company covenants and agrees with each Agent that, during the period beginning from the date of such Terms Agreement or other agreement and continuing to and including the later of (i) the termination of the trading restrictions for the Notes purchased thereunder, of which termination such Agent or Agents party to the Terms Agreement or other agreement, as the case may be, agree to give the Company prompt notice confirmed in writing and (ii) the Time of Delivery for such Notes, not to offer, sell, contract to sell or otherwise dispose of any debt securities of the Company which (A) mature nine months or more after such Time of Delivery, (B) mature within six months of the maturity of such Notes, (C) bear interest at the same interest rate or with reference to the same interest rate index and (D) are denominated in the same currency or currency unit specified in such Terms Agreement or other agreement, without the prior written consent of such Agent or Agents, which consent shall not be unreasonably withheld, except pursuant to arrangements of which such Agent or Agents have been advised by the Company prior to the time of execution of such Terms Agreement or other agreement, as the case may be, which advice is confirmed in writing (which may be by telecopy or telex, receipt acknowledged) to such Agent or Agents by the end of the business day following the date of such Terms Agreement or other agreement, as the case may be.

5. The Company covenants and agrees with each Agent that the Company will pay or cause to be paid, whether or not any sale of Notes is consummated, the following: (i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the Notes under the Securities Act and all other expenses in connection with the preparation, printing and filing of the Registration Statement, any Preliminary Prospectus, the Prospectus, any Pricing Supplements and any amendments and supplements thereto and the mailing and delivering of copies thereof to the Agents; (ii) the cost of printing or reproducing this Agreement, any Terms Agreement, any Indenture, any Blue Sky and legal investment surveys and any other documents in connection with the offering, purchase, sale and delivery of the Notes; (iii) all fees, disbursements and expenses in connection with the qualification of the Notes for offering and sale under state securities laws as provided in Section 4(c) hereof and in connection with any Blue Sky and legal investment surveys; (iv) all fees charged by security rating services for rating the Notes; (v) any filing fees incident to any required review by the National Association of Securities Dealers, Inc. of the terms of the sale of the Notes; (vi) the cost of preparing, issuing, executing, authenticating and delivering the Notes; (vii) the fees and expenses of any Trustee and any transfer or paying agent of the Company and the fees and disbursements of counsel for any Trustee or such agent in connection with the Indenture and the Notes; (viii) on a monthly basis all out-of-pocket expenses (including advertising expenses) incurred by such Agent connected with the solicitation of offers to purchase and the sale of Notes so long as such Agent has received the prior written approval of the Company for such expenses; and (ix) all other costs and expenses incident to the performance of the Company's obligations hereunder (other than costs and expenses incurred by any Agent) which are not otherwise specifically provided for in this Section 5.

6. The obligation of each Agent, as agent of the Company, at any time ("Solicitation Time") to solicit offers to purchase the Notes and the obligation of each Agent to purchase Notes as principal pursuant to any Terms Agreement or any other agreement by an Agent to purchase Notes as principal shall in each case be subject, in such Agent's discretion, to the conditions that:

(a) All representations and warranties of the Company herein (or, in the case of an obligation of an Agent under a Terms Agreement or other agreement by an Agent to purchase Notes as principal, in or incorporated by reference in such Terms Agreement or other agreement) are true and correct at and as of the Commencement Date, and any applicable date referred to in Section 4(h) hereof that is prior to the Solicitation Time or Time of Delivery for such Notes, and as of the Solicitation Time or Time of Delivery for such Notes;

(b) Prior to the Solicitation Time or Time of Delivery for such Notes, as the case may be, the Company shall have performed all of its obligations hereunder theretofore to be performed; and

(c) The following additional conditions have been met:

(i) (A) With respect to any Notes sold at or prior to the Solicitation Time or Time of Delivery, as the case may be, the Prospectus as amended or supplemented (including the Pricing Supplement) with respect to such Notes shall have been filed with the Commission pursuant to

Rule 424(b) under the Act within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 4(a) hereof; (B) no stop order suspending the effectiveness of the Registration Statement shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; and (C) all requests for additional information on the part of the Commission shall have been complied with to the Agent's reasonable satisfaction;

(ii) Counsel to the Company, who may be an employee of the Company or any affiliate, shall have furnished to the Agents such counsel's written opinion, dated the Commencement Date, each Time of Delivery to the extent the applicable Terms Agreement or other agreement by an Agent to purchase Notes as principal requires an opinion, and the date of effectiveness of each amendment or the filing of each supplement to the Registration Statement or the Prospectus (including the filing under the Securities Act or the Exchange Act of documents incorporated by reference in the Prospectus as amended or supplemented, including the Company's Form 10-K and Form 10-Q, but excluding amendments or supplements (i) providing solely for a change in the interest rates, redemption provisions, amortization schedules or maturities offered on the Notes or for a change which the Agents deem to be immaterial, (ii) relating to an offering of securities other than the Notes, (iii) constituting a Pricing Supplement, (iv) setting forth or incorporating by reference financial statements as of and for a fiscal quarter or (v) relating solely to the incorporation by reference of the Company's proxy statement for its annual meeting of shareholders or of a filing by the Company of a Current Report on Form 8-K under the Exchange Act, unless in the case of clauses (iv) or (v) above, in the Agents' reasonable judgment, such financial statements or other information contained in such documents are of such a character that an opinion of counsel should be furnished), as the case may be, in form and substance satisfactory to the Agents in the Agents' reasonable judgment to the effect that:

(A) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus as amended or supplemented;

(B) The Company has an authorized capitalization as set forth in the Prospectus as amended or supplemented and all of the issued and outstanding shares of capital stock of

the Company have been duly and validly authorized and issued and are fully paid and non-assessable;

(C) Each of this Agreement and any applicable Terms Agreement or other agreement by an Agent to purchase Notes as principal has been duly authorized, executed and delivered on the part of the Company;

(D) The Notes have been duly authorized and, when duly executed, authenticated, issued and delivered by the Company, will constitute valid and legally binding obligations of the Company, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles, and the Notes will conform to the descriptions thereof in the Prospectus as amended or supplemented;

(E) The Indenture has been duly authorized, executed and delivered on the part of the Company and constitutes a valid and binding instrument in accordance with its terms subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles, and has been qualified under the Trust Indenture Act, and the Indenture conforms to the description thereof in the Prospectus as amended or supplemented;

(F) The issue and sale of the Notes, the compliance by the Company with all of the provisions of the Notes, the Indenture, this Agreement and any applicable Terms Agreement or other agreement by an Agent to purchase Notes as principal, and the consummation of the transactions herein and therein contemplated will not (a) conflict with or result in any breach which would constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to the terms of, any indenture, loan agreement or other material agreement or instrument known to such counsel to which the Company is a party or by which the Company may be bound or to which any property or assets of the Company, is subject, (b) result in any violation of the provisions of the Certificate of Incorporation, as amended, or the By-Laws of the Company or (c) to the best of the knowledge of such counsel, result in any violation of any statute or any order, rule or regulation applicable to the Company of any court or any Federal, State or other regulatory authority or other governmental body having jurisdiction over the Company and any of its properties;

(G) To the best knowledge of such counsel, no consent, approval, authorization, order, registration or qualification of or filing with, any court or any governmental agency or body is required for solicitation of offers to purchase Notes, the issue and sale of the Notes except as have been obtained or made under the Securities Act, the Exchange Act, the Trust Indenture Act and securities laws of the various states or other jurisdictions which are applicable to the issue and sale of the Notes, as the case may be, in each case in the manner contemplated by this Agreement;

(H) To the best of such counsel's knowledge and other than as set forth in the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or to which any property of the Company or any of its subsidiaries is subject, which, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a material adverse effect on the current or future consolidated financial position, stockholders' equity or results of operations of the Company and its subsidiaries, taken as a whole; and to the best of such counsel's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(I) The Company is not in violation of its Certificate of Incorporation or By-laws or in default in the performance or observance of any material obligation, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound;

(J) The statements set forth in the Prospectus or the Prospectus Supplement under the caption "Description of Debt Securities" and "Description of the Notes We May Offer", insofar as they purport to constitute a summary of the terms of the Notes, under the caption "United States Federal Taxation", and under the captions "Plan of Distribution" and "Supplemental Plan of Distribution" as they relate to the Notes and insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate, complete and fair;

(K) The Company is not and, after giving effect to the offering and sale of the Notes, will not be, an "investment company" within the meaning of the Investment Company Act of 1940, as amended;

(L) The documents incorporated by reference in the Prospectus inasmuch as those documents relate to the Notes (other than the financial statements and related schedules therein, as to which such counsel need express no opinion), when they became effective or were filed with the Commission, as the case may be, complied as to form in all material respects with the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder; and they have no reason to believe that any of such documents, when they became effective or were so filed, as the case may be, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and, in the case of other documents which were filed under the Act or the Exchange Act with the Commission, an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such documents were so filed, not misleading;

(M) The Registration Statement and the Prospectus as amended or supplemented and any further amendments or supplements thereto made by the Company prior to the date of such opinion in as much as those documents relate to the Notes (other than the financial statements and related schedules therein, as to which such counsel need express no opinion) comply as to form in all material respects with the requirements of the Act and the Trust Indenture Act and the rules and regulations thereunder; although they do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement or the Prospectus, except for those referred to in the opinion in subsection (J) of this Section 6(c)(ii), they have no reason to believe that, as of its effective date, the Registration Statement or any further amendment or supplement thereto made by the Company prior to the date of such opinion (other than the financial statements and related schedules therein, as to which such counsel need express no opinion) contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that, as of the date of such opinion, the Prospectus as amended or supplemented or any further amendment or supplement thereto made by the Company prior to the date of such opinion (other than the financial statements and related schedules therein, as to which such counsel need express no opinion) contained an untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading;

and they do not know of any amendment to the Registration Statement required to be filed or any contracts or other documents of a character required to be filed as an exhibit to the Registration Statement or required to be incorporated by reference into the Prospectus as amended or supplemented or required to be described in the Registration Statement or the Prospectus as amended or supplemented which are not filed or incorporated by reference or described as required; and

(N) Such counsel does not know of any contract or other document to which the Company is a party required to be filed as an exhibit to the Registration Statement or required to be incorporated by reference into the Prospectus, as amended or supplemented, or required to be described in the Prospectus, as amended or supplemented, which has not been so filed, incorporated by reference or described.

In rendering such opinion, such counsel may rely to the extent such counsel deems appropriate upon certificates of officers or other executives of the Company and its affiliates and of public officials as to factual matters and upon opinions of other counsel.

In rendering the opinion referred to in item (D) above, such counsel need not express an opinion as to whether, with respect to any Notes denominated in a currency other than United States dollars, a court located in the United States of America would grant a judgment relating to the Notes in other than United States dollars, nor an opinion as to the date which any such court would utilize for determining the rate of conversion into United States dollars in granting such judgment.

(iii) Cadwalader, Wickersham & Taft, counsel to the Agents, shall have furnished to such Agent (A) such opinion or opinions, dated the Commencement Date, with respect to the matters covered in paragraphs (A), (B), (C), (D), (E), (J) and (M) of Subsection 6(c)(ii) above, as well as such other related matters as such Agent may reasonably request, and (B) if and to the extent requested by such Agent, with respect to each applicable date referred to in Section 4(f) hereof that is on or prior to such Solicitation Time or Time of Delivery, as the case may be, an opinion or opinions, dated such applicable date, to the effect that such Agent may rely on the opinion or opinions which were last furnished to such Agent pursuant to this Section 6(c)(iii) to the same extent as though it or they were dated the date of such letter authorizing reliance (except that the statements in such last opinion or opinions shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in any case, in lieu of such an opinion or opinions, an opinion or opinions of the same tenor as the opinion or opinions referred to in clause (A) of this Section 6(c)(iii) but modified to relate to the Registration Statement and the Prospectus as amended and supplemented to such date; and in each case such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(iv) As of (A) the Commencement Date, (B) the date of effectiveness of each amendment or the filing of each supplement to the Registration Statement or the Prospectus setting forth or incorporating by reference amended or supplemental financial information, as the case may be (including the filing under the Securities Act or the Exchange Act of documents which are incorporated by reference in the Prospectus as amended or supplemented, including the Company's Annual Report on Form 10-K and Quarterly Report on Form 10-Q, but excluding amendments or supplements (i) relating to an offering of securities other than the Notes, (ii) constituting a Pricing Supplement, or (iii) relating solely to the incorporation by reference of the Company proxy statement for its annual meeting of shareholders or of a filing by the Company of a Current

Report on Form 8-K under the Exchange Act, unless in the case of clause (iii) above, in such Agent's reasonable judgment, the information contained in such documents is of such a character that certificates of officers referred to below should be furnished, as the case may be), and (C) each Time of Delivery if the applicable Terms Agreement or other agreement by an Agent to purchase Notes as principal specifies the delivery of an accountant's letter, the independent certified public accountants who have certified the financial statements of the Company and its subsidiaries included or incorporated by reference in the Registration Statement shall have furnished to the Agents a letter or letters, dated such date in form and substance satisfactory to the Agents, to the effect set forth in Annex III hereto (modified in the case of amended or supplemented financial information to reflect such amended and supplemental financial information included or incorporated by reference in the Registration Statement and the Prospectus, as amended or supplemented to the date of such letter, provided that if the Registration Statement or the Prospectus is amended or supplemented solely to include or incorporate by reference unaudited quarterly financial information, the scope of such letter, which shall be satisfactory in form and substance to the Agents, may be limited to relate to such unaudited financial information unless any other accounting, financial or statistical information included or incorporated by reference therein is of a character that, in the reasonable judgment of the Agents, such letter should address such other information);

(v) The Company shall have furnished or caused to be furnished to such Agent certificates of officers of the Company dated the Commencement Date and each applicable date referred to in Section 4(h) hereof that is on or prior to such Solicitation Time or Time of Delivery, as the case may be, in such form as shall be satisfactory to such Agent, as to the accuracy of the representations and warranties of the Company herein at and as of the Commencement Date or such applicable date, as the case may be, as to the performance by the Company of all of its obligations hereunder to be performed at or prior to the Commencement Date or such applicable date, as the case may be, and as to the matters set forth in subsections (c)(i) and (c)(vi) of this Section 6;

(vi) The Company shall not have sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus as amended or supplemented prior to the date of the Pricing Supplement relating to the Notes to be delivered at the relevant Time of Delivery any change in the capital stock or long-term debt of the Company or any change, or any development involving a prospective change, in or affecting the business, financial position, stockholders' equity or results of operations of the Company, otherwise than as set forth or contemplated in the Prospectus as amended or supplemented prior to the date of the Pricing Supplement relating to the Notes to be delivered at the relevant Time of Delivery, the effect of which is in the judgment of such Agent so material and adverse as to make it impracticable or inadvisable to proceed with the solicitation by such Agent of offers to purchase Notes from the Company or the purchase by such Agent of Notes from the Company as principal, as the case may be, on the terms and in the manner contemplated in the Prospectus as amended or supplemented prior to the date of the Pricing Supplement relating to the Notes to be delivered at the relevant Time of Delivery;

(vii) On or after the date of this Agreement or on or after the date of any applicable Terms Agreement, (A) no downgrading shall have occurred in the rating accorded the Company's debt securities by any "nationally recognized statistical rating organization", as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Act, and (B) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's debt securities provided, however, that this Section 6(c)(vii) shall not apply to any such rating agencies which shall have notified the Company of the downgrading in the rating of its debt securities and of which the Company shall have given the Agents written notice prior to the execution of the Terms Agreement;

(viii) During the period in which the Agents are soliciting offers to purchase Notes, including the period between the date that any Agent agreed to purchase such Notes as principal and the related Time of Delivery, there shall not have occurred: (A) a suspension or material limitation in trading in securities generally on the New York Stock Exchange (the "Exchange"); (B) a suspension or material limitation in trading in the Company's securities on the Exchange; (C) a general moratorium on commercial banking activities declared in the United States by Federal authorities, a general moratorium on commercial banking activities declared in New York declared by either Federal authorities or New York State authorities, or a general moratorium on commercial banking activities in the District of Columbia declared by either Federal or District of Columbia authorities; or (D) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war, if the effect of any such event specified in the clause (D) in the judgment of such Agent makes it impracticable or inadvisable to proceed with the solicitation of offers to purchase Notes or the purchase of the Notes from the Company as principal pursuant to the applicable Terms Agreement or otherwise, as the case may be, on the terms and in the manner contemplated in the Prospectus; and

(ix) With respect to any Note denominated in a currency other than the U.S. dollar, more than one currency or a composite currency or any Note the principal or interest of which is indexed to such currency, currencies or composite currency, there shall not have occurred a suspension or material limitation in foreign exchange trading in such currency, currencies or composite currency by a major international bank, a general moratorium on commercial banking activities in the country or countries issuing such currency, currencies or composite currency, the outbreak or escalation of hostilities involving, the occurrence of any material adverse change in the existing financial, political or economic conditions of, or the declaration of war or a national emergency by, the country or countries issuing such currency, currencies or composite currency or the imposition or proposal of exchange controls by any governmental authority in the country or countries issuing such currency, currencies or composite currency.

7. (a) The Company will indemnify and hold harmless each Agent against any losses, claims, damages or liabilities, joint or several, to which such Agent may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Registration Statement, the Prospectus, the Prospectus as amended or supplemented, any other prospectus relating to the Notes, or any amendment or supplement thereto furnished by the Company, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; and will reimburse each Agent for any legal or other expenses reasonably incurred by such Agent in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any Preliminary Prospectus, the Registration Statement, the Prospectus, the Prospectus as amended or supplemented or any other prospectus relating to

the Notes or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by the Agents expressly for use therein; and provided, further, that the Company shall not be liable to any Agent under the indemnity agreement in this subdivision (a) with respect to the Preliminary Prospectus, the Prospectus, the Prospectus as amended or supplemented, any other prospectus relating to the Notes or any amendment or supplement thereto, as the case may be, to the extent that any such loss, claim, damage or liability of such Agent results solely from the fact that such Agent sold Notes to a person to whom there was not sent or given, at or prior to the written confirmation of such sale, a copy of the Prospectus (excluding documents incorporated by reference) or of the Prospectus as then amended or supplemented (excluding documents incorporated by reference), whichever is most recent, if the Company has previously furnished copies thereof to such Agent.

(b) Each Agent, on a several and not joint basis, will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any Preliminary Prospectus, the Registration Statement, the Prospectus, or the Prospectus as amended or supplemented, any other prospectus relating to the Notes or any amendment or supplement thereto, or arise out of or are based upon the omission or the alleged omission to state therein a material fact required to be stated therein necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Preliminary Prospectus, the Registration Statement, the Prospectus, the Prospectus as amended or supplemented, any other prospectus relating to the Notes or such amendment or supplement in reliance upon and in conformity with written information furnished

to the Company by such Agent expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party (which consent shall not be unreasonably withheld, conditioned or delayed), be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include any statement as to, or an admission of, fault, culpability or a failure to act, by or on behalf of any indemnified party. The consent in this last sentence shall not be unreasonably withheld, conditioned or delayed and the indemnifying party agrees that the indemnified party shall in all cases be justified in withholding consent unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 7 is unavailable to or insufficient to hold harmless an indemnified party under subdivision (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and each Agent, on the other, from the offering of the Notes to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company, on the one hand, and each Agent, on the other, in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and each Agent on the other shall be deemed to be in the same proportion as the total net proceeds from the sale of Notes (before deducting expenses) received by the Company bear to the total commissions or discounts received by such Agent with respect thereof. The relative fault shall

be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company, on the one hand or by any Agent, on the other, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. With respect to any Agent, such relative fault shall also be determined by reference to the extent (if any) to which such losses, claims, damages or liabilities (or actions in respect thereof) with respect to any Preliminary Prospectus result solely from the fact that such Agent sold Notes to a person to whom there was not sent or given, at or prior to the written confirmation of such sale, a copy of the Prospectus (excluding documents incorporated by reference) or of the Prospectus as then amended or supplemented (excluding documents incorporated by reference) if the Company has previously furnished copies thereof to such Agent. The Company and each Agent agree that it would not be just and equitable if contribution pursuant to this subdivision (d) were determined by per capita allocation (even if all Agents were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subdivision (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subdivision (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subdivision (d), no Agent shall be required to contribute any amount in excess of the amount by which the total price at which the Notes purchased by or through such Agent were sold exceeds the amount of any damages which such Agent has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled

to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of each of the Agents under this subdivision (d) to contribute are several in proportion to the respective purchases made by or through it to which such loss, claim, damage or liability (or action in respect thereof) relates and are not joint.

(e) The obligations of the Company under this Section 7 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Agent within the meaning of the Securities Act; and each Agent's obligations under this Section 7 shall be in addition to any liability which such Agent may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of the Securities Act.

8. In soliciting offers to purchase Notes from the Company and in performing the other obligations of such Agent hereunder (other than in respect of any purchase by an Agent as principal, pursuant to a Terms Agreement or otherwise), each Agent is acting solely as agent for the Company and not as principal. Each Agent will make reasonable efforts to assist the Company in obtaining performance by each purchaser whose offer to purchase Notes from the Company was solicited by such Agent and has been accepted by the Company, but such Agent shall not have any liability to the Company in the event such purchase is not consummated for any reason. If the Company shall default on its obligation to deliver Notes to a purchaser whose offer it has accepted, the Company shall (i) hold each Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (ii) notwithstanding such default, pay to the Agent that solicited the offer any commission to which it would otherwise be entitled in connection with such sale.

9. The respective indemnities, agreements, representations, warranties and other statements by any Agent and the Company set forth in or made pursuant to this Agreement shall remain in full force and effect regardless of any investigation (or any statement as to the results thereof) made by or on

behalf of any Agent, the Company, or any officer or director or any controlling person of the Company or any Agent, and shall survive each delivery of and payment for any of the Notes.

10. The provisions of this Agreement relating to the solicitation of offers to purchase Notes from the Company may be suspended or may be terminated at any time by the Company as to any or all Agents or by any Agent, insofar as this Agreement relates to such Agent, upon the giving of written notice of such suspension or termination to such Agent or the Company, as the case may be. Unless otherwise agreed by the respective parties, any such suspension or termination shall be effective immediately with respect to the party giving such notice and, in the case of the party receiving such notice, at the close of business on the first business day following the receipt of such notice. In the event of such suspension or termination with respect to any Agent:

(x) this Agreement shall remain in full force and effect with respect to any Agent as to which such suspension or termination has not occurred;

(y) this Agreement shall remain in full force and effect with respect to the rights and obligations of any party which had previously accrued or which relate to Notes which are already issued, agreed to be issued or the subject of a pending offer at the time of such suspension or termination; and

(z) the Company shall not have any liability to such Agent and such Agent shall not have any liability to the Company, except as provided in any Terms Agreement, in the fifth paragraph of Section 2(a) and Sections 4(a)(vii), 4(b), 5, 7, 8 and 9 of this Agreement.

11. This Agreement or any Terms Agreement or other agreement by an Agent to purchase Notes as principal may be terminated by any Agent upon written notice to the Company if the Company makes an amendment or supplement to the Registration Statement or the Prospectus related to the Notes after the date of any Terms Agreement or other agreement by such Agent to purchase Notes as principal and prior to the related Time of Delivery which shall be disapproved by such Agent. In the event of such termination with respect to any Agent:

(x) this Agreement and any Terms Agreement or other agreement by an Agent to purchase Notes as principal shall remain in full force and effect with respect to any Agent as to which such termination has not occurred;

(y) this Agreement and any Terms Agreement or other agreement by an Agent to purchase Notes as principal shall remain in full force and effect with respect to the rights and obligations of any party which had previously accrued or which relate to Notes which are already issued, agreed to be issued or the subject of a pending offer at the time of such termination; and

(z) the Company shall not have any liability to such Agent and such Agent shall not have any liability to the Company, except as provided in the fifth paragraph of Section 2(a) and Sections 4(a)(vii), 4(b), 5, 7, 8 and 9 of this Agreement.

12. This Agreement may be amended or supplemented if, but only if, such amendment or supplement is in writing and is signed by the Company and each Agent. The foregoing notwithstanding, the Company may from time to time, on two (2) business days prior written notice to the Agents but without the consent of any Agent, add as a party hereto one or more additional firms registered under the Exchange Act, pursuant to the execution of a counterpart original of this Agreement by the Company and the additional firm, which when taken together with all other counterpart originals executed by the Company and the Agents shall constitute one document. Upon the execution of the counterpart original of this Agreement by the additional firm, such firm shall be a party to this Agreement and shall have all of the rights and obligations of an Agent under this Agreement.

13. Except as otherwise specifically provided herein or in the Procedures, all statements, requests, notices and advice hereunder shall be in writing, or by telephone if promptly confirmed in writing, and

if to an Agent shall be sufficient in all respects when delivered or sent by facsimile transmission or mail to such Agent at the address or facsimile transmission number set forth in the Appointment and Acceptance of Agent relating to the appointment of such Agent, and if to the Company shall be sufficient in all respects when delivered or sent by facsimile transmission or mail to the Company at 11600 Sallie Mae Drive, Reston, Virginia 20193, Attention: Vice President, Finance, Facsimile Transmission No. (703) 810-7655 with a copy to the Company, Attention: Marianne M. Keler, General Counsel, Facsimile Transmission No.

(703) 810-7695. Upon request of any party hereto, any statements, requests, notices and advices transmitted by facsimile shall be promptly followed by delivery of executed documents by mail.

14. This Agreement and any Terms Agreement shall be binding upon, and inure solely to the benefit of, each Agent and the Company, and to the extent provided in Section 7, Section 8 and Section 9 hereof, the officers and directors of the Company and any person who controls any Agent or the Company, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement or any Terms Agreement. No purchaser of a Note through or from any Agent hereunder shall be deemed a successor or assign by reason merely of such purchase.

15. Time shall be of the essence in this Agreement and any Terms Agreement. As used herein, the term "business day" means a Monday, Tuesday, Wednesday, Thursday or Friday on which commercial banks in any of New York, New York or Wilmington, Delaware and, (i) if the Notes are denominated in a currency other than U.S. dollars, in the capital of the country of the currency specified in the pricing supplement for those Notes, or (ii) if the Notes are denominated in Euros, in Brussels, are not required or authorized to be closed.

16. This Agreement and each Terms Agreement shall be governed by, and construed in accordance with, the internal laws of the State of New York.

17. This Agreement (including such appointments and acceptances of Agent as may be executed and delivered by the Company and accepted by one or more Agents from time to time) and any Terms Agreement may be executed by any one or more of the parties hereto and thereto in any number of counterparts, each of which shall be an original, but all of such respective counterparts shall together constitute one and the same instrument.

18. Each agent designated below is hereby appointed as an Agent on the terms and conditions set forth in the Distribution Agreement. Upon acceptance of such appointment by signing and returning to us three counterparts hereof, the Distribution Agreement shall constitute a binding agreement between the Company and each such Agent in accordance with its terms.

Very truly yours,

SLM CORPORATION

By: /s/ JOHN F. REMONDI
Name: John F. Remondi
Title: Executive Vice President and
Chief Financial Officer

APPOINTMENT AND ACCEPTANCE OF AGENT

Accepted as of the date set forth on the first page of the Distribution Agreement:

ABN AMRO INCORPORATED

By: /s/ LINDA A. DAWSON
Name: Linda A. Dawson
Title: Managing Director

Address: 55 E. 52nd Street
New York, NY 10055

Facsimile Transmission No.: 212-409-7840

APPOINTMENT AND ACCEPTANCE OF AGENT

Accepted as of the date set forth on the first page of the Distribution Agreement:

By: /s/ LILY CHANG
Name: Lily Chang
Title: Principal

Address: 9 West 57th Street
New York, NY

Facsimile Transmission No.: 212-933-2625

APPOINTMENT AND ACCEPTANCE OF AGENT

Accepted as of the date set forth on the first page of the Distribution Agreement:

BANC ONE CAPITAL MARKETS, INC.

By: /s/ KATHERINE COKIC
Name: Katherine Cokic
Title: Associate Director

Address: Banc One Capital Markets, Inc.
1 Bank One Plaza, Suite IL1-0595
Chicago, IL 60670

Facsimile Transmission No.: 312-732-4773

APPOINTMENT AND ACCEPTANCE OF AGENT

Accepted as of the date set forth on the first page of the Distribution Agreement:

BARCLAYS CAPITAL INC.

By: /s/ MICHAEL EVELYN
Name: Michael Evelyn
Title: Managing Director

Address: 200 Park Avenue
New York, NY 10166

Facsimile Transmission No.:

APPOINTMENT AND ACCEPTANCE OF AGENT

Accepted as of the date set forth on the first page of the Distribution Agreement:

CREDIT SUISSE FIRST BOSTON CORPORATION

By: /s/ HELENA WILLNER
Name: Helena Willner
Title: Director

Address: 11 Madison Avenue
5th Floor
New York, NY 10010

Facsimile Transmission No.: 212-743-5825

APPOINTMENT AND ACCEPTANCE OF AGENT

Accepted as of the date set forth on the first page of the Distribution Agreement:

DEUTSCHE BANK SECURITIES INC.

By: /s/ PETER BURGER
Name: Peter Burger
Title: Director

Address: 31 West 52nd Street
3rd Floor
NY, NY

Facsimile Transmission No.:

APPOINTMENT AND ACCEPTANCE OF AGENT

Accepted as of November 18, 2002:

FIRST TENNESSEE SECURITIES CORPORATION

By: /s/ VICKI HUGGINS
Name: Vicki Huggins
Title: Vice President

Address: 845 Crossover Lane
150
Memphis, Tennessee 38117

Facsimile Transmission No.: 901-537-7523

APPOINTMENT AND ACCEPTANCE OF AGENT

Accepted as of the date set forth on the first page of the Distribution Agreement:

GOLDMAN, SACHS & CO.

By: /s/ GOLDMAN, SACHS & CO.
Name: _____

Title: _____

Address: _____

_____

_____

Facsimile Transmission No.:

APPOINTMENT AND ACCEPTANCE OF AGENT

Accepted as of the date set forth on the first page of the Distribution Agreement:

J.P. MORGAN SECURITIES INC.

By: /s/ JOSÉ C. PADILLA
Name: José C. Padilla
Title: Vice President

Address:

270 Park Avenue, 8th Floor
New York, NY 10017

Facsimile Transmission No.: 212-834-6081

APPOINTMENT AND ACCEPTANCE OF AGENT

Accepted as of the date set forth on the first page of the Distribution Agreement:

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

By: /s/ SCOTT G. PRIMROSE
Name: Scott G. Primrose
Title: Authorized Signatory

Address: 4 World Financial Center Floor 15
New York, NY 10080

Facsimile Transmission No.: 212-449-2234

APPOINTMENT AND ACCEPTANCE OF AGENT

Accepted as of the date set forth on the first page of the Distribution Agreement:

MORGAN STANLEY & CO. INCORPORATED

By: /s/ HAROLD J. HENDERSHOT III
Name: Harold J. Hendershot III
Title: Executive Director

Address: 1585 Broadway, 2nd Floor
New York, NY 10036
Attn: Manager, Continuously Offered Products

Facsimile Transmission No.: 212-761-0780

APPOINTMENT AND ACCEPTANCE OF AGENT

Accepted as of the date set forth on the first page of the Distribution Agreement:

SALOMON SMITH BARNEY INC.

By: /s/ MARTHA D. BAILEY
Name: Martha D. Bailey
Title: Senior Vice President

Address: 388 Greenwich Street
New York, NY 10013

Facsimile Transmission No.: 212-816-0949

APPOINTMENT AND ACCEPTANCE OF AGENT

Accepted as of November 18, 2002:

UBS WARBURG LLC

By: /s/ JEFFREY B. CRAIG
Name: Jeffrey B. Craig
Title: Director

Address: 677 Washington Boulevard
Stamford, CT 06901

Facsimile Transmission No.: 203-719-7139

APPOINTMENT AND ACCEPTANCE OF AGENT

Accepted as of the date set forth on the first page of the Distribution Agreement:

WACHOVIA SECURITIES, INC.

By: /s/ WILLIAM INGRAM
Name: William Ingram
Title: Managing Director

Address: 301 South College Street
One First Union Center, DC-8
Charlotte, NC 28288

Facsimile Transmission No.: 704-383-9165

ANNEX I

SLM CORPORATION

Medium Term Notes, Series A

$ Notes

Due , 200

TERMS AGREEMENT

, 200

Ladies and Gentlemen:

SLM Corporation (the "Company") proposes, subject to the terms and conditions stated herein and in the Amended and Restated Distribution Agreement, dated September 13, 2002 (the "Distribution Agreement"), between the Company, on the one hand and the Agents named therein, on the other, to issue and sell to you the securities specified in the Schedule hereto (the "Purchased Notes"). Each of the provisions of the Distribution Agreement not specifically related to the solicitation by such firms, as agents of the Company, of offers to purchase Notes is incorporated herein by reference in its entirety, and shall be deemed to be part of this Agreement to the same extent as if such provisions had been set forth in full herein, provided that for purposes of this Agreement all references in the Distribution Agreement to the "Agents" shall be deemed to refer to you alone. Nothing contained herein or in the Distribution Agreement shall make any party hereto an agent of the Company or make such party subject to the provisions in the Distribution Agreement relating to the solicitation of offers to purchase securities from the Company, solely by virtue of its execution of this Terms Agreement. Each of the representations and warranties set forth therein shall be deemed to have been made at and as of the date of this Terms Agreement, except that each representation and warranty in Section 1 of the Distribution Agreement which makes reference to the Prospectus shall be deemed to be a representation and warranty as of the date of the Distribution Agreement in relation to the Prospectus (as therein defined), and also a representation and warranty as of the date of this Terms Agreement in relation to the Prospectus as amended and supplemented to relate to the Purchased Notes. Unless otherwise defined herein, terms defined in the Distribution Agreement are used herein as therein defined.

An amendment to the Registration Statement, or a supplement to the Prospectus, as the case may be, relating to the Purchased Notes, in the form heretofore delivered to you is now proposed to be filed with the Commission.

Subject to the terms and conditions set forth herein and in the Distribution Agreement incorporated herein by reference, the Company agrees to issue and sell to you and you agree to purchase from the Company the Purchased Notes, at the time and place, in the principal amount and at the purchase price set forth in the

Schedule hereto.

If the foregoing is in accordance with your understanding, please sign and return to us three counterparts hereof, and upon acceptance hereof by you, this letter and such acceptance hereof, including those provisions of the Distribution Agreement incorporated herein by reference, shall constitute a binding agreement between you and the Company.

SLM CORPORATION

By: _____

Name: _____

Title: _____

Accepted:
[ ]

By: _____

Name: _____

Title: _____

FORM OF PRICING SUPPLEMENT

SUBJECT TO COMPLETION DATED

Pricing Supplement No. dated: , 200
to Prospectus dated: , 200
and Prospectus Supplement dated: , 200

$

SLM CORPORATION

MEDIUM TERM NOTES, SERIES A

Principal Amount:	Floating Rate Note: o	Fixed Rate Note: o
Original Issue Date:	Certificated Notes: o	Book Entry Notes: o
Closing Date:	Specified Currency:	CUSIP Number:
Maturity Date:	Option to Extend Maturity: No o Yes o	If Yes, Final Maturity Date:
Redeemable: No o Yes o		Redemption Price:
Optional Repayment Date(s):		Optional Repayment Price(s):

Applicable to Fixed Rate Notes Only:

Interest Rate:	Interest Payment Date(s):
Interest Accrual Method:	

Applicable to Floating Rate Notes Only:

Floating Rate Index:

o CD Rate	Index Maturity:

o Commercial Paper Rate

o CMT Rate — Spread (plus or minus):

o Federal Funds Rate

o LIBOR Telerate — Interest Rate Reset Date:

o LIBOR Reuters

o Prime Rate — Interest Rate Reset Period:

o 91-Day Treasury Bill Rate

Initial Interest Rate: — Interest Payment Date(s):

Interest Determination Date: — Interest Payment Period:

Lock-in Period Start Date: — Interest Accrual Method:

Maximum Interest Rate: — Minimum Interest Rate:

Denominations:

Listing:

Clearance and Settlement:

UNDERWRITING AND OTHER INFORMATION:

Concession: %

Reallowance: %

ANNEX II

SLM CORPORATION

ADMINISTRATIVE PROCEDURES

Medium term notes (the "Notes") in the aggregate initial offering price of up to $13,000,000,000 (plus increases from time to time under Rule 462(b) of the General Rules and Regulations under the Securities Act of 1933, as amended) are to be offered from time to time by SLM Corporation (the "Company") through agents of the Company (each an "Agent" and together, in such capacity, the "Agents"). Each Agent has agreed to use its reasonable efforts to solicit offers to purchase Notes directly from the Company (an Agent, in relation to a purchase of a particular Note by a purchaser solicited by such Agent, being herein referred to as the "Selling Agent") and may also purchase Notes from the Company as principal (an Agent, in relation to a purchase of a Note by such Agent as principal, being herein referred to as the "Purchasing Agent"). The Notes are being sold pursuant to an Amended and Restated Distribution Agreement, dated September 13, 2002, as amended or supplemented (the "Distribution Agreement"), between the Company and the Agents, to which these Administrative Procedures are attached as Annex II.

The Notes will be issued pursuant to an Indenture, dated as of October 1, 2000, as amended or supplemented from time to time (the "Indenture"), between the Company and The Chase Manhattan Bank, as Trustee (the "Trustee"). Unless otherwise defined herein, terms defined in the Indenture or the Notes shall be used herein as therein defined.

In the case of purchases of Notes by any Agent as principal, the relevant terms and settlement details related thereto, including the Time of Delivery referred to in paragraph 2(b) of the Distribution Agreement, will (unless the Company and such Agent otherwise agree) be set forth in a Terms Agreement entered into between such Agent and the Company pursuant to the Distribution Agreement.

The procedures to be followed during, and the specific terms of, the solicitation of offers by the Agents and the sale as a result thereof by the Company are explained below. The procedures are subject, and are qualified in their entirety by reference, to all of the respective provisions of the Distribution Agreement and the Indenture.

The Company will advise each Agent in writing of those persons handling administrative responsibilities ("Designated Persons") with whom such Agent is to communicate regarding offers to purchase Notes and the details of their delivery.

I. General Procedures

Registration: Notes will be issued only in fully registered form and will be either (a) Book-Entry Notes represented by one or more global notes (each a "Global Note") held by the Trustee, as agent for The Depository Trust Company ("DTC") and recorded in the book-entry system maintained by DTC or (b) Certificated Notes

delivered in certificated form to the Selling Agent or Purchasing Agent. All Notes will be issued as Book-Entry Notes except as otherwise approved in advance by the Company and except that non-U.S. dollar denominated Notes will be issued as Certificated Notes only unless otherwise specified in a Prospectus Supplement or Pricing Supplement.

Maturities:	Each Note will mature on a date, selected by the Agents and/or the purchaser, as the case may be, and agreed to by the Company, which will be at least nine months, but not more than thirty years, from the date of original issuance by the Company of such Note (the "Settlement Date").
Price to Public:	Each Note will be issued at the percentage of principal amount specified in the Prospectus (as defined in Section 1(a) of the Distribution Agreement) relating to the Notes.
Currencies:	Notes will be denominated in U.S. dollars or in such other currency or currency unit as is specified in the Prospectus (the "Specified Currency").
Denominations:	The denomination of any Book-Entry, Global or Certificated Note will be a minimum of U.S. $1,000 or any amount in excess thereof in integral multiples of $1,000 or the equivalent, as determined pursuant to the provisions of the Indenture, of U.S. $1,000 (rounded down to an integral multiple of 1,000 units of such Specified Currency) and any amounts in excess thereof.
Interest Payments:	As specified in the Indenture and the Form of Note.
Acceptance of Offers:	Each Agent will promptly advise the Company by telephone or other appropriate means of offers to purchase Notes received by it other than those rejected by such Agent. Each Agent may, in its discretion reasonably exercised, reject any offer received by it in whole or in part. Each Agent also may make offers to the Company to purchase Notes as a Purchasing Agent in accordance with Section 3(b) of the Distribution Agreement. The Company will have the sole right to accept offers to purchase Notes and may reject any such offer. If the Company accepts an offer to purchase Notes, it will confirm such acceptance in writing to the Selling Agent or Purchasing Agent, as the case may be. If the Company rejects an offer, it will promptly notify the Agent involved.
Filing and Delivery of Prospectus:	If the Company accepts an offer to purchase a Note, the Company will prepare a Pricing Supplement reflecting the terms of such Note and will arrange to have a Pricing Supplement filed with the Securities and Exchange Commission (the "Commission") as soon as practicable after the preparation thereof and will supply at least one such Pricing Supplement to the Selling Agent or the Purchasing Agent, as the case may be, not later than 5:00 p.m., New York City time, on the Business Day following the date of acceptance of such offer. With respect to each Note sold pursuant to the Distribution Agreement, the Selling Agent shall send a copy of the Prospectus as most recently amended or supplemented (together with the Pricing Supplement relating to such Note) to the purchaser or its agent prior to or together with the delivery of (a) the written confirmation of sale (including, in the case of a book-entry security, the confirmation through DTC's Institutional Delivery System) or (b) the delivery of such Note, whichever is earlier.

Confirmation:	For each offer accepted by the Company, the Selling Agent will issue a written confirmation to each purchaser containing the Sale Information (as defined below), plus delivery and payment instructions.
Currency Swaps:	Unless otherwise requested by the Company, each time an Agent advises the Company of an offer to purchase Notes denominated in a currency or currency unit other than U.S. dollars, such Agent will provide the Company information with respect to currency swap or forward arrangements that, as of the time the offer is communicated to the Company, such Agent is prepared to enter into or arrange with a third party to enter into in order to exchange amounts to be received from the purchaser of such Note at the Settlement Date and to exchange amounts to be paid by the Company on the interest payment dates and at maturity.
Settlement—Sales as Principal:	In the event of a purchase of Notes by an Agent or Agents, as principal or underwriter (other than as Purchasing Agent), appropriate settlement details will be set forth in the applicable Terms Agreement to be entered into between such Agent or Agents and the Company pursuant to the Distribution Agreement.
Settlement—Sales as Agent:	All offers solicited by the Agents and accepted by the Company will be settled on the third Business Day after the date of acceptance unless otherwise agreed by the purchaser and the Company and the Settlement Date shall be specified upon acceptance of such offer.
Communication of Sale Information to the Company by Selling Agent:	For each offer accepted by the Company, the Selling Agent or Purchasing Agent, as the case may be, will

provide (unless provided by the purchaser directly to the Company) to a Designated Person by facsimile transmission or other acceptable means the following information (the "Sale Information"):

(1) If a Certificated Note, exact name of the registered owner,

(2) If a Certificated Note, exact address of the registered owner,

(3) If a Certificated Note, taxpayer identification number of the registered owner (if available),

(4) If a Book-Entry Note, the DTC Participant Number of the institution through which the customer will hold the beneficial interest in the Global Note,

(5) Principal amount of the Note,

(6) Date of Note,

(7) If a Fixed Rate Note, the interest rate,

(8) Settlement Date,

(9) Maturity date,

(10) Currency or currency unit in which the Note is to be denominated and, if other than U.S. dollars, the applicable Exchange Rate for such currency or currency unit,

(11) Indexed Currency, the Base Rate and the Exchange Rate Determination Date, if applicable,

(12) Issue Price,

(13) Selling Agent's commission or Purchasing Agent's discount, as the case may be (to be paid upon settlement as a discount from gross proceeds of sale except as provided below under "Delivery of Notes and Cash Payment"),

(14) Net proceeds to the Company,

(15) If a redeemable or repayable Note with a Redemption Date or Redemption Dates, such of the following as are applicable:

(i) the Redemption Date or Redemption Dates,

(ii) whether the Note is redeemable or repayable at the option of the Company or the Holder or both,

(iii) the Redemption Price (% of par) on each Redemption Date,

(iv) the notice period during which the option to redeem may be exercised, and

(v) the method by which notice of redemption is to be given,

(16) If a Floating Rate Note, such of the following as are applicable:

(i) Interest Rate Basis,

(ii) Index Maturity,

(iii) Spread,

(iv) Spread Multiplier,

(v) Maximum Rate,

(vi) Minimum Rate,

(vii) Initial Interest Determination Date,

(viii) Interest Reset Dates,

(ix) Calculation Dates,

(x) Interest Determination Dates, and

(xi) Calculation Agent,

(17) Interest Payment Dates,

(18) Regular Record Dates,

(19) Denomination of certificates to be delivered at settlement,

(20) That the Note is a Certificated Note (if applicable),

(21) To the extent known to the Agent, any information not otherwise expressly set forth in the Prospectus Supplement which is required pursuant to Item 501(c)(7)or 508 of Regulation S-K promulgated by the Commission, including, but not limited to, the initial public offering price of the Notes, if other than 100% of the principal amount, and

(22) If an Agent purchases Notes as a principal, the extent, if any, to which the items specified in Sections 8(c), 8(d) and 8(h) of the Distribution Agreement are required to be furnished as of the Time of Delivery.

In addition, the Selling Agent will use its reasonable efforts to provide in writing the following information to the Company and the Trustee:

One of the following:

a. In the case of a foreign registered owner (other than a Financial Institution (as defined below)), an IRS Form W-8 that has been duly and properly signed by the registered owner.

b. In the case of a registered owner which is a Financial Institution, a statement from the Financial Institution signed under penalties of perjury stating that the Financial Institution has received from the beneficial owner an IRS Form W-8 that has been duly and properly signed by the registered owner together with a copy of such Form W-8.

c. In the case of a registered owner who is a United States person, an IRS Form W-9 that has been duly and properly signed by the registered owner.

A "Financial Institution" is a securities clearing organization, a bank, or another financial institution that holds customers' securities in the ordinary course of its trade or business which holds a Note for a beneficial owner who is a foreign person.

After receiving the Sale Information, the Company will, after recording the Sale Information and any necessary calculations, provide appropriate documentation to the Trustee necessary for the preparation, authentication and delivery of such Note.

Change in Interest Rate, Maturity or Currency Denomination: The Company and the Agents will discuss from time to time the rates of interest per annum to be borne by, and the maturity and currency denomination of, Notes that may be sold as a result of the solicitation of offers by the Agents.

Suspension of Solicitation; Amendment or Supplement: The Company may instruct the Agents to suspend solicitation of offers to purchase Notes at any time, whereupon the Agents will as promptly as possible (but in any event not later than one business day after receipt of such instruction) suspend solicitation until such time as the Company has advised the Agents that solicitation of offers to purchase Notes may be resumed. If the Company proposes to amend or supplement the Registration Statement or the Prospectus relating to the Notes (except in the case of a Pricing Supplement), it will promptly advise the Agents and will furnish to the Agents such proposed amendment or supplement and, after the Agents have been afforded a reasonable opportunity to review such amendment or supplement, will cause such amendment or supplement to be filed with the Commission. The Company will promptly provide the Agents with copies of any such amendment or supplement and confirm to the Agents that such amendment or supplement has been filed with the Commission.

In the event that at the time the Agents suspend solicitation of offers to purchase Notes there shall be any outstanding offers to purchase Notes that have been accepted by the Company but for which settlement has not occurred, the Company, consistent with its obligations under the Distribution Agreement, promptly will advise the Agents whether such sales may be settled and whether copies of the Prospectus as supplemented at the time of the suspension may be delivered in connection with the settlement of such sales. The Company will have the sole responsibility for such decision and for any arrangements which may be made in the event that the Company determines that such sales may not be settled or that copies of such Prospectus may not be so delivered.

Authenticity of Signatures: The Trustee will furnish the Agents from time to time with the specimen signatures of each of the Trustee's

officers, employees or agents who have been authorized by the Trustee to authenticate Notes, but the Agents will have no obligation or liability to the Company or the Trustee in respect of the authenticity of the signature of any officer, employee or agent of the Company or the Trustee on any Note.

Advertising Cost: The Company will determine with the Agents the amount of advertising that may be appropriate in the solicitation of offers to purchase the Notes. Advertising expenses will be paid by the Agents.

II. Book-Entry Procedures

In connection with the qualification of Book-Entry Notes for eligibility in the book-entry system maintained by DTC, the Trustee will perform the custodial, document control and administrative functions described below, in accordance with its obligations under a Letter of Representations from the Company and the Trustee to DTC, dated as of October 31, 2001, and a Medium Term Note Certificate Agreement, dated as of December 1, 1998 between the Trustee and DTC (the "Certificate Agreement"), and the Trustee's obligations as a participant in DTC including DTC's Same-Day Funds Settlement System ("SDFS").

Issuance: All Fixed Rate Notes which have the same original issue date, redemption or repayment provisions, Interest Payment Dates, Regular Record Dates, interest rate, Specified Currency and maturity date (collectively, the "Fixed Rate Terms") will be represented initially by a single Global Note in fully registered form without coupons.

All Floating Rate Notes which have the same original issue date, redemption or repayment provisions, Interest Payment Dates, Regular Record Dates, Interest Rate Basis, Interest Determination Dates, Interest Reset Dates, Calculation Dates, Index Maturity, Spread or Spread Multiplier, if any, Minimum Rate, if any, Maximum Rate, if any, Specified Currency and maturity date (collectively, the "Floating Rate Terms") will be represented initially be a single Global Note in fully registered form without coupons.

Identification: The Company has received from the CUSIP Service Bureau of Standard & Poor's Corporation (the "CUSIP Service Bureau") a series of approximately 900 CUSIP numbers for future assignment to Global Notes, and the Company has delivered to the Trustee and DTC such list of such CUSIP numbers. The Trustee will assign CUSIP numbers to Global Notes as described below. DTC will notify the CUSIP Service Bureau periodically of the CUSIP numbers that have been assigned to Global Notes. The Trustee will notify the Company at any time when fewer than 10 of the reserved CUSIP numbers remain unassigned to Global Notes, and, if it deems necessary, the Company will reserve additional CUSIP numbers for assignment to Global Notes. Upon obtaining such additional CUSIP numbers, the Company will deliver a list of such additional numbers to the Trustee and DTC.

Registration: Each Global Note will be registered in the name of Cede & Co., as nominee for DTC, on the Security Register maintained under the Indenture. The beneficial owner of a Book-Entry Note (or one or more indirect participants in DTC designated by such owner) will designate one or more participants in DTC (the "Participants") to act as agent or agents for such owner in connection with the book-entry system maintained by DTC, and DTC will record in book-entry form, in accordance with instructions provided by such Participants, a credit balance with respect to such Book-Entry Note in the account of such Participants. The ownership interest of such beneficial owner in such Book-Entry Note will be recorded through the records of such Participants or through the separate records of such Participants and one or more indirect participants in DTC.

Transfers: Transfers of a Book-Entry Note will be accomplished by book entries made by DTC and, in turn, by Participants (and in certain cases, one or more indirect participants in DTC) acting on behalf of beneficial transferors and transferees of such Book-Entry Note.

Exchanges: The Trustee, at the Company's request, may deliver to DTC and the CUSIP Service Bureau at any time a written notice of consolidation specifying (a) the CUSIP numbers of two or more outstanding Global Notes having the same Fixed Rate Terms or Floating Rate Terms, as the case may be (except that original issue dates need not be the same), and for which interest has been paid to the same date; (b) a date, occurring at least 30 days after such written notice is delivered and at least 30 days before the next Interest Payment Date for the related Book-Entry Notes, on which such Global Notes shall be exchanged for a single replacement Global Note; and (c) a new CUSIP number to be assigned to such replacement Global Note. Upon receipt of such a notice, DTC will send to its participants (including the Trustee) a written reorganization notice to the effect that such exchange will occur on such date.

Prior to the specified exchange date, the Trustee will deliver to the CUSIP Service Bureau written notice setting forth such exchange date and the new CUSIP number and stating that, as of such exchange date, the CUSIP numbers of the Global Notes to be exchanged will no longer be valid.

On the specified exchange date, the Trustee will exchange such Global Notes for a single Global Note bearing the new CUSIP number. The CUSIP numbers of the exchanged Global Notes will, in accordance with CUSIP Service Bureau procedures, be cancelled and not immediately reassigned.

Notwithstanding the foregoing, if the Global Notes to be exchanged exceed $500,000,000 in aggregate principal amount, one replacement Global Note will be authenticated and issued to represent each $500,000,000 of principal amount of the exchanged Global Notes and an additional Global Note will be authenticated and issued to represent any remaining principal amount of such Global Notes, subject to the minimum denomination restrictions described in General Procedures —Denominations (see "Denominations" below).

Denominations: Global Notes representing Book-Entry Notes will be denominated in principal amounts not in excess of $500,000,000. If one or more Book-Entry Notes having an aggregate principal amount in excess of $500,000,000 would, but for the preceding sentence, be represented by a single Global Note, then one Global Note will be issued to represent each $500,000,000 principal amount of such Book-Entry Note or Book-Entry Notes and an additional Global Note will be issued to represent any remaining principal amount of such Book- Entry Note or Book-Entry Notes, subject to the minimum denomination restrictions described in General Procedures —Denominations. In such a case, each of the Global Notes representing such Book-Entry Note or Notes shall be assigned the same CUSIP number.

Interest: DTC will arrange for each pending deposit message described under Settlement Procedure B below to be transmitted to Standard & Poor's Corporation, which will use the message to include certain terms of the related Global Note in the appropriate daily bond report published by Standard & Poor's Corporation.

Payments of Principal:

Premium, if any, and Interest Payments of Interest Only: Promptly after each Regular Record Date (or as soon thereafter as such information is determined), the Trustee will deliver to the Company and DTC a written notice specifying by CUSIP number the amount of interest to be paid on each Global Note on the following Interest Payment Date (other than an Interest Payment Date coinciding with the Maturity) and the total of such amounts. DTC will confirm the amount payable on each Global Note on such Interest Payment Date by reference to the daily bond reports published by Standard & Poor's Corporation. On such Interest Payment Date, the Company will pay to the Trustee, and the Trustee in turn will pay to DTC, such total amount of interest due (other than at Maturity), at the times and in the manner set forth below under "Manner of Payment."

Payments at Maturity: On or about the first Business Day of each month (or as soon thereafter as such information is determined), the Trustee will deliver to the Company and DTC a written list of principal, premium, if any, and interest to be paid on each Global Note maturing or subject to redemption or repayment in the following month. The Trustee, the Company and DTC will confirm the amounts of such principal, premium (if any) and interest payments with respect to each such Global Note on or about the fifth Business Day preceding the maturity date of such Global Note. At such maturity date, the Company will pay to the Trustee, and the Trustee in turn will pay to DTC, the principal of and premium, if any, on such Global Note, together with interest due at such maturity date, at the times and in the manner set forth below under "Manner of Payment." Promptly after payment to DTC of the principal, premium, if any, and interest due at maturity of all Book-Entry Notes represented by a particular Global Note, the Trustee will cancel such Global Note, make appropriate entries in its records and dispose of such Global Note as provided in the Indenture.

Manner of Payment: The total amount of any principal, premium and interest due on Global Notes on any Interest Payment Date or at maturity shall be paid by the Company to the Trustee in funds immediately available for use by the Trustee as of noon, New York City time, on such date. The Company will make such payment on such Global Notes by wire transfer to the Trustee or by instructing the Trustee to withdraw funds from an account maintained by the Company at the Trustee. The Company will confirm any such instructions in writing to the Trustee. For maturity, redemption and other principal payments, prior to 1:00 p.m., New York City time, on each such date or as soon as possible thereafter following receipt of such funds from the Company, the Trustee will pay by separate wire transfer (using Fedwire message entry instructions in a form previously specified by DTC) to an account at the Federal Reserve Bank of New York previously specified by DTC, in funds available for immediate use by DTC, each payment of interest, principal and premium, if any, due on Global Notes on such date; and for interest payments, the Trustee will pay DTC in same day funds on the Interest Payment Date in accordance with existing arrangements between the Trustee and DTC. Thereafter on each such date, DTC will pay, in accordance with its SDFS operating procedures then in effect, such amounts in funds available for immediate use to the respective Participants with payments in amounts proportionate to their respective holdings in principal amount of beneficial interest in such Global Note as are recorded in the book-entry system maintained by DTC. Once payment has been made to DTC, neither the Company nor the Trustee shall have any responsibility or liability for the payment by DTC of the principal of, or premium, if any, or interest on, the Book-Entry Notes to such Participants.

Withholding Taxes: The amount of any taxes required under applicable law to be withheld from any interest payment on a Book-Entry Note will be determined and withheld by the Participant, indirect participant in DTC or other

Person responsible for forwarding payments and materials directly to the beneficial owner of such Book-Entry Note, or as applicable law may otherwise require.

Settlement Procedures

Settlement Procedures with regard to each Book-Entry Note sold by each Agent will be as follows:

A. Upon receiving the Sale Information, the Company will, as soon as practicable, advise the Trustee by facsimile transmission of the Sale Information and the name of such Agent.

B. The Trustee will assign a CUSIP number to the Global Note representing such Book-Entry Note and will communicate to DTC and the Agent through DTC's Participant Terminal System, a pending deposit message specifying such of the following Settlement information as applicable:

1. The following information:

(a) Principal amount of the purchase.

(b) In the case of a Fixed Rate Note, the interest rate, or, in the case of a Floating Rate Note, the initial interest rate, the Interest Reset Dates, the Interest Payment Dates, the Interest Rate Basis, Index Maturity, Spread or Spread Multiplier, if any, and the Minimum Rate and Maximum Rate, if any.

(c) Settlement date.

(d) Maturity date.

(e) Price.

(f) DTC Participant Number of the institution through which the customer will hold the beneficial interest in the Global Note.

2. The numbers of the participant accounts maintained by DTC on behalf of the Trustee and the Agent.

3. Identification as a Fixed Rate Note or a Floating Rate Note.

4. The initial Interest Payment Date for such Note, number of days by which such date succeeds the related DTC record date (which term means the Regular Record Date, or in the case of Floating Rate Notes which reset weekly, the date five calendar days immediately preceding the applicable Interest Payment Date) and, for Fixed Rate Notes, the amount of interest payable on such Interest Payment Date per $1,000 principal amount of Note.

5. The frequency of interest payments.

6. The frequency of interest rate resets.

7. The CUSIP number of the Global Note representing such Book-Entry Notes.

8. Whether such Global Note represents any other Book-Entry Notes issued or to be issued.

The Trustee will also orally notify the Agent of the CUSIP number assigned to the Global Note.

C. The Trustee will prepare a Global Note representing such Book-Entry Note in a form that has been approved by the Company.

D. The Trustee will authenticate the Global Note representing such Book-Entry Note and maintain possession of such Global Note.

E. DTC will credit such Book-Entry Note to the participant account of the Trustee maintained by DTC.

F. The Trustee will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC to (i) debit such Book-Entry Note to the Trustee's participant account and credit such Book-Entry Note to the participant account of the Agent maintained by DTC and (ii) debit the settlement account of the Agent and credit the settlement account of the Trustee maintained by DTC, in an amount equal to the price of such Book-Entry Note less the Agent's commission. The entry of such a deliver order shall be deemed to constitute a representation and warranty by the Trustee to DTC that (a) the Global Note representing such Book-Entry Note has been issued and authenticated and (b) the Trustee is holding such Global Note pursuant to the Certificate Agreement.

G. The Agent will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC to (i) debit such Book-Entry Note to the Agent's participant account and credit such Book-Entry Note to the participant accounts of the Participants to whom such Book-Entry Note is to be credited maintained by

DTC and (ii) debit the settlement accounts of such Participants and credit the settlement account of the Agent maintained by DTC, in an amount equal to the initial public offering price of the Book-Entry Note so credited to their accounts.

H. Transfers of funds in accordance with SDFS deliver orders described in Settlement Procedures F and G will be settled in accordance with SDFS operating procedures in effect on the Settlement Date.

I. The Trustee will credit to an account of the Company maintained at funds available for immediate use in an amount equal to the amount credited to the Trustee's DTC settlement account in accordance with Settlement Procedure F.

J. The Agent will confirm the purchase of each Book-Entry Note to the purchaser thereof either by transmitting to the Participant to whose account such Note has been credited a confirmation order through DTC's Participant Terminal System or by mailing a written confirmation to such purchaser. In all cases the Prospectus as most recently amended or supplemented (including the applicable Pricing Supplement) must accompany or precede such confirmation.

Timetable: For offers accepted by the Company, Settlement Procedures A through J shall occur no later than the respective times (New York City time) listed below:

Settlement Procedure	Time
A	11:00 a.m. on the Business Day following the date of acceptance.
B	2:00 p.m. on the Business Day following the date of acceptance.
C	5:00 p.m. on the Business Day before the Settlement Date.
D	9:00 a.m. on the Settlement Date.
E	10:00 a.m. on the Settlement Date.
F	2:00 p.m. on the Settlement Date.
G	4:45 p.m. on the Settlement Date.
H	5:00 p.m. on the Settlement Date.

Settlement Procedure H is subject to extension in accordance with any extension of Fedwire closing deadlines and in the other events specified in the SDFS operating procedures in effect on the Settlement Date.

If Settlement of a Book-Entry Note is rescheduled or cancelled, the Trustee will deliver to DTC, through DTC's Participant Terminal System, a cancellation message to such effect by no later than 2:00 p.m., New York City time, on the Business Day immediately preceding the scheduled Settlement Date.

Failures: If the Trustee has not entered an SDFS deliver order with respect to a Book-Entry Note pursuant to Settlement Procedure F (which may be evidenced by facsimile transmission), the Trustee, at the Company's direction, shall deliver to DTC, through DTC's Participant Terminal System, as soon as practicable, but no later than 2:00 p.m. on any business day, a withdrawal message instructing DTC to debit such Book-Entry Note to the participant account of the Trustee maintained at DTC. DTC will process the withdrawal message, provided that such participant account contains a principal amount of the Global Note representing such Book-Entry Note that is at least equal to the principal amount of such Book-Entry Note to be debited. If withdrawal messages are processed with respect to all the Book-Entry Notes issued or to be issued represented by a Global Note, the Trustee will void such Global Note, make appropriate entries in its records and, unless otherwise directed by the Company, destroy the Certificate. The CUSIP number assigned to such Global Note shall, in accordance with CUSIP Service Bureau procedures, be cancelled and not immediately reassigned. If withdrawal messages are processed with respect to a portion of the Book-Entry Notes represented by a Global Note, the Trustee will exchange such Global Note for two Global Notes, one of which shall represent such Book-Entry Notes (which shall be cancelled immediately after issuance), and the other of which shall represent the remaining Book-Entry Notes previously represented by the surrendered Global Note and shall bear the CUSIP number of the surrendered Global Note. If the purchase price for any Book-Entry Note is not timely paid to the Participants with respect to such Note by the beneficial purchaser (other than a Purchasing Agent) thereof (or a person, including an indirect participant in DTC, acting on behalf of such purchaser), such Participants and, in turn, the related Agent may enter SDFS deliver orders through DTC's Participant Terminal System debiting such Note free to such Agent's Participant Account and crediting such Note free to the Participant Account of the Trustee and shall notify the Trustee and the Company thereof. Thereafter, the Trustee, (i) will immediately notify the Company, once the Trustee has confirmed that such Note has been credited to its Participant Account, and the Company shall transfer by Fedwire (immediately available funds) to such Agent an amount equal to the price of such Note which was previously sent by wire transfer to the account of the Company maintained at The Chase Manhattan Bank in accordance with settlement procedure I, and (ii) the Trustee will deliver the withdrawal message and take the related actions described in the preceding sentences of this paragraph. Such debits and credits will be made on the Settlement Date, if possible, and in any event not later than 5:00 p.m. on the following Business Day. If such failure shall have occurred for any reason other than default by the Agent in the performance of its obligations hereunder or under the Distribution Agreement, the Company will reimburse the Agent on an equitable basis for its loss of the use of funds during the period when they were credited to the account of the Company. In addition, if such failure shall have occurred by reason of a default by the Company in the performance of its obligations under the Distribution Agreement, the Company will pay the Selling Agent any commission to which it would have been entitled in connection with such sale.

Notwithstanding the foregoing, upon any failure to settle with respect to a Book-Entry Note, DTC may take any actions in accordance with its SDFS operating procedures then in effect. In the event of a failure to settle with respect to a Book-Entry Note that was to have been represented by a Global Note also representing other Book-Entry Notes, the Trustee will provide, in accordance with Settlement Procedures C and D, for the authentication and issuance of a Global Note representing such other Book-Entry Notes and will make appropriate entries in its records.

Trustee Not to Risk Funds: Nothing herein shall be deemed to require the Trustee to risk or expend its own funds in connection with any payment to the Company, or the Agents or DTC, it being understood by all parties that payments made by the Trustee to either the Company, DTC or the Agents shall be made only to the extent that funds are provided to the Trustee for such purpose.

Settlement Procedures with regard to each Certificated Note sold by each Agent will be as follows:

Payment at Maturity: As specified in the Indenture and the Form of Note.

Settlement: Prior to 3:00 p.m., New York City time, on the Business Day prior to the Settlement Date, the Company will instruct the Trustee or its agent by facsimile transmission or other acceptable written means to authenticate and deliver the Certificated Notes no later than 2:15 p.m., New York City time, on the Settlement Date.

If the Settlement Date is the same day as the date of acceptance, then prior to 11:00 a.m., New York City time, on the Settlement Date the Company will instruct the Trustee or its agent by facsimile transmission or other acceptable written means to authenticate and deliver the Certificated Notes no later than 2:15 p.m., New York time, on the Settlement Date. Certificated Notes denominated in a currency or currency unit other than U.S. dollars shall have a Settlement Date not less than two Business Days after the acceptance of the offer by the Company.

Delivery of Notes and Cash Payment: Upon receipt of appropriate documentation and instructions, the Company will cause the Trustee to prepare and authenticate each Note and appropriate receipts.

Each Certificated Note shall be authenticated and dated on the Settlement Date therefor. The Trustee will deliver each authenticated Certificated Note to the Selling Agent for the benefit of the purchaser in accordance with written instructions (or oral instructions confirmed in writing (which may be given by telex or telecopy) on the next business day) from the Company.

Delivery by the Trustee of each Certificated Note will be made against a receipt therefor: Upon verification by the Selling Agent that a Certificated Note has been prepared and properly authenticated and delivered by the Trustee and registered in the name of the purchaser in the proper principal amount and other terms in accordance with the Sale Information, payment will be made to the Company's account at The Chase Manhattan Bank, on behalf of the Company by the Selling Agent on behalf of the purchaser the same day as the Selling Agent's receipt of such Certificated Note in immediately available funds.

If either (i) the Certificated Note is denominated in U.S. dollars or (ii) the Certificated Note is denominated in a currency or currency unit other than U.S. dollars and, at or prior to the Settlement Date, the Company and the Selling Agent have entered into, or the Selling Agent has arranged for the Company to enter into, a contract with respect to the sale of the Specified Currency, the amount payable by the Selling Agent pursuant to the preceding sentence shall be the issue price of the Certificated Note (or the U.S. dollar equivalent pursuant to such contract) less the Selling Agent's commission determined in accordance with Section 3(a) of the Distribution Agreement. In all other cases, the Selling Agent's commission shall not be discounted from the gross proceeds but shall be paid separately by the Company in U.S. dollars in immediately available funds on the Settlement Date. The payment by the Selling Agent shall be made only upon prior receipt by such Agent of immediately available funds from or on behalf of the purchaser in the Specified Currency unless such Agent decides, at its option, to advance its own funds for such payment against subsequent receipt of funds from the purchaser.

Upon delivery of a Certificated Note to the Selling Agent and the verification provided in the preceding paragraph, the Selling Agent shall promptly deliver such Certificated Note to the purchaser or its agent.

Failures: In the event that a purchaser (other than a Purchasing Agent) shall fail to accept delivery of and make payment for any Certificated Note, the Selling Agent will forthwith notify the Trustee and the Company's Executive Vice President and Chief Financial Officer by telephone or by facsimile transmission. If the Certificated Note has been delivered to the Selling Agent on behalf of the purchaser, the Selling Agent will immediately return the Certificated Note to the Trustee. If funds have been advanced by the Selling Agent for the purchase of such Note, the Trustee will, upon instruction by the Company and upon receipt of the

Certificated Note, debit the account of the Company in an amount equal to the amount previously credited thereto in respect of the Note and will either credit the account of or return such funds to the Selling Agent. Such debits and credits or returns will be made on the Settlement Date if possible and, in any event, not later than the business day following the Settlement Date. If such failure shall have occurred for any reason other than default by the Selling Agent in the performance of its obligations under the Distribution Agreement, the Company will reimburse the Selling Agent on an equitable basis for its loss of the use of the funds during the period when they were credited to the account of the Company. In addition, if such failure shall have occurred by reason of a default by the Company in the performance of its obligations under the Distribution Agreement, the Company will pay the Selling Agent any commission to which it would have been entitled in connection with such sale.

Immediately upon receipt of the certificate representing the Note in respect of which the failure occurred, the Trustee will void such Certificated Note, make appropriate entries in its records and, unless otherwise instructed by the Company, destroy the certificate.

ANNEX III

Pursuant to Section 6(c)(iv) of the Distribution Agreement, the Company's independent certified public accountants shall furnish letters to the effect that:

(i) They are independent certified public accountants with respect to the Company and its consolidated subsidiaries within the meaning of the Securities Act and the applicable published rules and regulations of the Commission thereunder and the answer to Item 10 of the Registration Statement is correct insofar as it relates to them;

(ii) In their opinion, the financial statements and schedules and the additional financial information examined by them and included or incorporated by reference in the Registration Statement or the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Securities Act or the Exchange Act, as applicable, and the published rules and regulations thereunder;

(iii) On the basis of limited procedures, not constituting an examination in accordance with generally accepted auditing standards, including a reading of the unaudited financial statements and schedules and other information referred to below, a reading of the latest available interim financial statements of the Company and certain of its subsidiaries, inspection of the minute books of the Company and certain of its subsidiaries since the date of the latest audited financial statements included or incorporated by reference in the Prospectus, inquiries of officials of the Company and its subsidiaries responsible for financial and accounting matters and such other inquiries and procedures as may be specified in such letter, nothing came to their attention that caused them to believe that:

(A) the unaudited consolidated statements of income, consolidated statements of financial position and consolidated statements of changes in financial position of the Company and its consolidated subsidiaries included or incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Exchange Act and the published rules and regulations thereunder; or

(B) as of a specified date not more than five business days prior to the date of delivery of such letter, there have been any changes in the capital stock accounts, long-term debt, short- term debt, or any decreases in net assets or other items specified by the Agents, in each case as compared with amounts shown or included in the latest statement of financial position of the Company included or incorporated by reference in the Prospectus, except in each case for changes, increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(iv) In addition to the examination referred to in their report(s) included or incorporated by reference in the Prospectus and the limited procedures, inspection of minute books, inquiries and other procedures referred to in clause (iii) above, they have carried out certain specified procedures, not constituting an audit, with respect to certain amounts, percentages and financial information specified by the Agents which are derived from the general accounting records of the Company and its subsidiaries, which appear in the Prospectus (excluding documents incorporated by reference), or in Part II of, or in exhibits and schedules to, the Registration Statement specified by the Agents or in documents incorporated by reference in the Prospectus specified by the Agents, and have compared certain of such amounts, percentages and financial information with the accounting records of the Company and its subsidiaries and have found them to be in agreement.

All references in this Annex III to the Prospectus shall be deemed to refer to the Prospectus as amended or supplemented (including the documents incorporated by reference therein) as of the Commencement Date referred to in Section 6(c) thereof and to the Prospectus as amended or supplemented (including the documents incorporated by reference therein) as of the date of the amendment, supplement, incorporation or the Time of Delivery relating to the Terms Agreement or other agreement by an Agent to purchase Notes as principal requiring the delivery of such letter under Section 6(c) thereof.

QuickLinks

Exhibit 1.3

AMENDED AND RESTATED DISTRIBUTION AGREEMENT
ANNEX I TERMS AGREEMENT
ANNEX II ADMINISTRATIVE PROCEDURES
ANNEX III

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 4.4

Delaware

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THAT "SLM CORPORATION" IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE NOT HAVING BEEN CANCELLED OR DISSOLVED SO FAR AS THE RECORDS OF THIS OFFICE SHOW AND IS DULY AUTHORIZED TO TRANSACT BUSINESS.

THE FOLLOWING DOCUMENTS HAVE BEEN FILED:

CERTIFICATE OF INCORPORATION, FILED THE THIRD DAY OF FEBRUARY, A.D. 1997, AT 11 O'CLOCK A.M.

RESTATED CERTIFICATE, FILED THE FIFTH DAY OF MAY, A.D. 1997, AT 3 O'CLOCK P.M.

RESTATED CERTIFICATE, FILED THE SIXTH DAY OF AUGUST, A.D. 1997, AT 12:30 O'CLOCK P.M.

CERTIFICATE OF DESIGNATION, FILED THE TWELFTH DAY OF NOVEMBER, A.D. 1999, AT 9 O'CLOCK A.M.

CERTIFICATE OF AMENDMENT, FILED THE EIGHTEENTH DAY OF MAY, A.D. 2000, AT 11:30 O'CLOCK A.M.

CERTIFICATE OF OWNERSHIP, CHANGING ITS NAME FROM "SLM HOLDING CORPORATION" TO "USA EDUCATION, INC.", FILED THE THIRTY-FIRST OF JULY, A.D. 2000, AT 2 O'CLOCK P.M.

CERTIFICATE OF AMENDMENT, FILED THE TENTH DAY OF MAY, A.D. 2001, AT 12:45 O'CLOCK P.M.

CERTIFICATE OF OWNERSHIP, CHANGING ITS NAME FROM "USA EDUCATION, INC." TO "SLM CORPORATION", FILED THE TWENTY-SECOND DAY OF FEBRUARY, A.D. 2002, AT 9 O'CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF OWNERSHIP IS THE SEVENTEENTH DAY OF MAY, A.D. 2002, AT 9 O'CLOCK A.M.

CERTIFICATE OF AMENDMENT, FILED THE FIFTEENTH DAY OF MAY, A.D. 2003, AT 4:26 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CERTFICATES ARE THE ONLY CERTIFICATES ON RECORD OF THE AFORESAID CORPORATION.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

[SEAL]

/s/ HARRIET SMITH WINDSOR

Harriet Smith Windsor, Secretary of State

2693555 8310

AUTHENTICATION: 2528209

030462740

DATE: 07-15-03

Delaware

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED ARE TRUE AND CORRECT COPIES OF ALL DOCUMENTS FILED FROM AND INCLUDING THE RESTATED CERTIFICATE OF "SLM CORPORATION" AS RECEIVED AND FILED IN THIS OFFICE.

THE FOLLOWING DOCUMENTS HAVE BEEN CERTIFIED:

RESTATED CERTIFICATE, FILED THE SIXTH DAY OF AUGUST, A.D. 1997, AT 12:30 O'CLOCK P.M.

CERTIFICATE OF DESIGNATION, FILED THE TWELFTH DAY OF NOVEMBER, A.D. 1999, AT 9 O'CLOCK A.M.

CERTIFICATE OF AMENDMENT, FILED THE EIGHTEENTH DAY OF MAY, A.D. 2000, AT 11:30 O'CLOCK A.M.

CERTIFICATE OF OWNERSHIP, CHANGING ITS NAME FROM "SLM HOLDING CORPORATION" TO "USA EDUCATION, INC.", FILED THE THIRTY-FIRST OF JULY, A.D. 2000, AT 2 O'CLOCK P.M.

CERTIFICATE OF AMENDMENT, FILED THE TENTH DAY OF MAY, A.D. 2001, AT 12:45 O'CLOCK P.M.

CERTIFICATE OF OWNERSHIP, CHANGING ITS NAME FROM "USA EDUCATION, INC." TO "SLM CORPORATION", FILED THE TWENTY-SECOND OF FEBRUARY, A.D. 2002, AT 9 O'CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF OWNERSHIP IS THE SEVENTEENTH DAY OF MAY, A.D. 2002, AT 9 O'CLOCK A.M.

CERTIFICATE OF AMENDMENT, FILED THE FIFTEENTH DAY OF MAY, A.D. 2003, AT 4:26 O'CLOCK P.M.

[SEAL] /s/ HARRIET SMITH WINDSOR

Harriet Smith Windsor, Secretary of State

2693555 8100X AUTHENTICATION: 2528208

030462740 DATE: 07-15-03

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF

SLM HOLDING CORPORATION

SLM Holding Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), hereby certifies as follows:

(1) The name of the Corporation is SLM Holding Corporation.

(2) The name under which the Corporation was originally incorporated was SLM Holding Corporation and the original Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on February 3, 1997.

(3) This Amended and Restated Certificate of Incorporation was duly adopted by the Board of Directors of the Corporation and by the sole stockholder of the Corporation in accordance with the provisions of Sections 228, 242 and 245 of the General Corporation Law of the State of Delaware.

(4) This Amended and Restated Certificate of Incorporation restates and integrates and further amends the Amended and Restated Certificate of Corporation.

(5) The Amended and Restated Certificate of Incorporation of the Corporation, upon its filing with the Secretary of State of the State of Delaware, shall read in its entirety as follows:

FIRST: The name of the Corporation is SLM Holding Corporation (hereinafter the "Corporation").

SECOND: The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at that address is The Corporation Trust Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of the State of Delaware as set forth in Title 8 of the Delaware Code (the "GCL").

FOURTH: The total number of shares of stock which the Corporation shall have authority to issue is 270,000,000 shares of capital stock, consisting of (i) 250,000,000 shares of common stock, par value $.20 per share (the "Common Stock"), and (ii) 20,000,000 shares of preferred stock, par value $.20 per share (the "Preferred Stock").

a. **Common Stock.** The powers, preferences and rights, and the qualifications, limitations and restrictions, of the Common Stock are as follows:

(1) *Voting.* Except as otherwise expressly required by law or provided in this Certificate of Incorporation, and subject to any voting rights provided to holders of Preferred Stock at any time outstanding, at each annual or special meeting stockholders, each holder of record of shares of Common Stock on the relevant record date shall be entitled to cast one vote in person or by proxy for each share of the Common Stock standing in such holder's name on the stock transfer records of the Corporation; *provided*, *however*, that at all elections of directors of the Corporation, each holder of record of shares of Common Stock on the relevant record date shall be entitled to cast as many votes, in person or by proxy, which (except for this provision) such holder would be entitled to cast for the election of directors with respect to its shares of stock multiplied by the number of directors to be elected at such election, and that such holder may cast all such votes for a single director or may distribute them among the number to be voted for, or for any two or more of them as such holder sees fit.

(2) *Dividends.* Subject to the rights of the holders of Preferred Stock, and subject to any other provisions of this Certificate of Incorporation, as it may be amended from time to time, holders of shares of Common Stock shall be entitled to receive such dividends and other

distributions in cash, stock or property of the Corporation when, as and if declared thereon by the Board of Directors from time to time out of assets or funds of the Corporation legally available therefor.

(3) *Liquidation, Dissolution, etc.* In the event of any liquidation, dissolution or winding up (either voluntary or involuntary) of the Corporation, the holders of shares of Common Stock shall be entitled to receive the assets and funds of the Corporation available for distribution after payments to creditors and to the holders of any Preferred Stock of the Corporation that may at the time be outstanding, in proportion to the number of shares held by them.

(4) *No Preemptive or Subscription Rights.* No holder of shares of Common Stock shall be entitled to preemptive or subscription rights.

b. **Preferred Stock.** The Board of Directors is hereby expressly authorized to provide for the issuance of all or any shares of the Preferred Stock in one or more classes or series, and to fix for each such class or series such voting powers, full or limited, or no voting powers, and such designations, preferences and relative, participating, optional or other special rights and such qualifications, limitations or restrictions thereof, as shall be stated and expressed in the resolution or resolutions adopted by the Board of Directors providing for the issuance of such class or series, including, without limitation, the authority to provide that any such class or series may be (i) subject to redemption at such time or times and at such price or prices; (ii) entitled to receive dividends (which may be cumulative or non-cumulative) at such rates, on such conditions, and at such times, and payable in preference to, or in such relation to, the dividends payable on any other class or classes or any other series; (iii) entitled to such rights upon the dissolution of, or upon any distribution of the assets of, the Corporation; or (iv) convertible into, or exchangeable for, shares of any other class or classes of stock, or of any other series of the same or any other class or classes of stock, of the Corporation at such price or prices or at such rates of exchange and with such adjustments; all as may be stated in such resolution or resolutions.

c. **Power to Sell and Purchase Shares.** Subject to the requirements of applicable law, the Corporation shall have the power to issue and sell all or any part of any shares of any class of stock herein or hereafter authorized to such persons, and for such consideration, as the Board of Directors shall from time to time, in its discretion, determine, whether or not greater consideration could be received upon the issue or sale of the same number of shares of another class, and as otherwise permitted by law. Unless approved by the affirmative vote of not less than a majority of the voting power of the shares of capital stock of the Corporation then entitled to vote at an election of directors, the Corporation shall not take any action that would result in the acquisition by the Corporation, directly or indirectly, from any person or "group" (as defined in Section 13(d) of the Securities Exchange Act of 1934) of five percent or more of the shares of Common stock issued and outstanding, at a price in excess of the prevailing market price of such Common Stock, other than pursuant to a tender offer made to all stockholders or to all stockholders owning less than 100 shares of Common Stock.

d. **Limitation on Stockholder Rights Plan.** Notwithstanding any other powers set forth in this Certificate of Incorporation, the Board of Directors shall not adopt a stockholders "rights plan" (which for this purpose shall mean any arrangement pursuant to which, directly or indirectly, Common Stock or Preferred Stock purchase rights may be distributed to stockholders that provide all stockholders, other than persons who meet certain criteria specified in the arrangement, the right to purchase the Common Stock or Preferred Stock at less than the prevailing market price of the Common Stock or Preferred Stock), unless (i) such rights plan is ratified by the affirmative vote of a majority of the voting power of the shares of capital stock of the Corporation then entitled to vote at an election of directors at the next meeting (annual or special) of stockholders;

(ii) by its terms, such rights plan expires within thirty-seven (37) months from the date of its adoption, unless extended by the affirmative vote of a majority of the voting power of the shares of capital stock of the Corporation then entitled to vote at an election of directors; and (iii) at any time the rights issued thereunder will be redeemed by the Corporation upon the affirmative vote of a majority of the voting power of the shares of capital stock of the Corporation then entitled to vote at an election of directors.

FIFTH: Reserved.

SIXTH: The following provisions are inserted for the management of the business and the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and of its directors and stockholders:

a. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.

b. The directors shall have concurrent power with the stockholders to make, alter, amend, change, add to or repeal the By-Laws of the Corporation.

c. (1) (i) The number of directors of the Corporation shall be fifteen (15). The number of directors of the Corporation shall be changed only by the affirmative vote of not less than a majority of the voting power of the shares of capital stock of the Corporation then entitled to vote at an election of directors. Election of directors need not be by written ballot unless the By-Laws so provide.

(ii) Directors may be removed with or without cause by a vote of the holders of shares entitled to vote at an election of directors at a duly called meeting of such holders, provided that no director shall be removed for cause except by the affirmative vote of not less than a majority of the voting power of the shares then entitled to vote at an election of directors, and provided further that if less than the entire board of directors is to be removed, no director may be removed without cause if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire board of directors.

(iii) Notwithstanding the foregoing, whenever the holders of any one or more classes or series of Preferred Stock issued by the Corporation shall have the right, voting separately by class or series, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of this Certificate of Incorporation applicable thereto.

(2) A director shall hold office until the succeeding annual meeting (or special meeting in lieu thereof) and until his or her successor shall be elected and shall qualify, subject, however, to prior death, resignation, retirement, disqualification or removal from office.

(3) Any vacancy on the Board of Directors, regardless of whether resulting from death, resignation, retirement, disqualification, removal from office or otherwise, may be filled only by stockholders of the Corporation.

d. No director shall be personally liable to the Corporation or any of its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the GCL or (iv) for any transaction from which the director derived an improper personal benefit. Any repeal or modification of this Article SIXTH by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation

existing at the time of such repeal or modification with respect to acts or omissions occurring prior to such repeal or modification.

e. In addition to the powers and authority hereinbefore or by statute expressly conferred upon them, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, subject, nevertheless, to the provisions of the GCL, this Certificate of Incorporation, and any By-laws adopted by the stockholders; provided, however, that no such action by the Board of Directors, unless approved by a majority of the voting shares of capital stock of the Corporation then entitled to vote at an election of directors, shall amend, alter, change or repeal the right of stockholders as provided for in the By-Laws to call a special meeting of stockholders; and provided further that no By-Laws hereafter adopted by the stockholders shall invalidate any prior act of the directors which would have been valid if such By-Laws had not been adopted.

SEVENTH: Meetings of stockholders may be held within or without the State of Delaware, as the By-Laws may provide. The books of the Corporation may be kept (subject to any provision contained in the GCL) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the By-Laws of the Corporation.

EIGHTH: Any action required to be taken at any annual or special meeting of stockholders, or any action which may be taken at any annual or special meeting of stockholders, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation delivery to its registered office, its principal place of business or an officer or director of the Corporation having custody of the book in which proceeding of meetings of members are recorded.

NINTH: Pursuant to §203(b)(1) of the GCL, the Corporation hereby expressly opts not to be governed by GCL §203.

TENTH: Any action by the Board of Directors to make, alter, amend, change, add to or repeal this Certificate of Incorporation shall be approved by the affirmative vote of not less than a majority of the voting power of the shares of capital stock of the Corporation then entitled to vote at an election of directors. The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

IN WITNESS WHEREOF, the Corporation has caused this Amended and Restated Certificate of Incorporation to be executed on its behalf this 6th day of August, 1997.

SLM HOLDING CORPORATION

By: /s/ ALBERT L. LORD

Albert L. Lord
Chief Executive Officer

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 09:00 AM 11/12/1999
991481270 — 2693555

SLM HOLDING CORPORATION

CERTIFICATE OF DESIGNATION, POWERS, PREFERENCES, RIGHTS, PRIVILEGES, QUALIFICATIONS, LIMITATIONS, RESTRICTIONS, TERMS AND CONDITIONS

of

6.97% CUMULATIVE REDEEMABLE PREFERRED STOCK, SERIES A

I, Mary F. Eure, Secretary of SLM Holding Corporation, a Delaware corporation (the "Corporation"), do hereby certify that, pursuant to Section 151 of the Delaware General Corporation Law and Article Fourth of the Corporation's Amended and Restated Certificate of Incorporation, (a) on September 23, 1999 the board of directors of the Corporation (the "Board of Directors") appointed a Preferred Stock Issuance Committee of the Board of Directors and delegated authority to such committee to create and designate one or more series of preferred stock of the Corporation and, to the extent that the powers, preferences and other special rights of such series, and the qualifications, limitations and restrictions thereof, are not stated and expressed in the Corporation's Amended and Restated Certificate of Incorporation, to fix the powers, preferences and other special rights of such series and the qualifications, limitations and restrictions and other terms and conditions thereof, and (b) on November 10, 1999, the Preferred Stock Issuance Committee adopted the resolutions shown immediately below,

which resolutions of the Board of Directors and the Preferred Stock Issuance Committee are now, and at all times since their respective dates of adoption have been, in full force and effect.

RESOLVED, that the Preferred Stock Issuance Committee does hereby create, authorize and provide for the issuance of the 6.97% Cumulative Redeemable Preferred Stock, Series A, par value $0.20 per share, with the following designation, powers, preferences, rights, privileges, qualifications, limitations, restrictions, terms and conditions:

1. Designation, Par Value, Number of Shares and Seniority

The series of preferred stock of the Corporation created hereby (the "Series A Preferred Stock") shall be designated "6.97% Cumulative Redeemable Preferred Stock, Series A," shall have a par value of $0.20 per share and shall consist of 3,450,000 shares. Subject to the requirements of applicable law and the terms and conditions of the Corporation's Amended and Restated Certificate of Incorporation, the Board of Directors shall be permitted to increase the authorized number of shares of such series at any time. The Series A Preferred Stock shall rank, both as to dividends and upon liquidation, prior to the common stock of the Corporation (the "Common Stock") to the extent provided in this Certificate and the Corporation's Amended and Restated Certificate of Incorporation and shall rank, both as to dividends and upon liquidation, on a parity with any other class or series of preferred stock the Corporation may from time to time issue (the "Parity Preferred Stock").

2. Dividends

(a) The holders of outstanding shares of Series A Preferred Stock shall be entitled to receive, ratably, when, as and if declared by the Board of Directors, in its sole discretion, out of funds legally available therefor, cumulative, cash dividends at the annual rate of 6.97%, or $3.485, per share of

Series A Preferred Stock. Dividends on the Series A Preferred Stock shall accrue from but not including November 16, 1999 and are payable when, as and if declared by the Board of Directors quarterly in arrears on January 31, April 30, July 30 and October 31 of each year (each, a "Dividend Payment Date") commencing on January 31, 2000. If a Dividend Payment Date is not a "Business Day," the related dividend shall be paid on the next Business Day with the same force and effect as though paid on the Dividend Payment Date, without any increase to account for the period from such Dividend Payment Date through the date of actual payment. For these purposes, "Business Day" means a day other than (i) a Saturday or Sunday, (ii) a day on which New York City banks are closed or (iii) a day on which the offices of the Corporation are closed.

The "Dividend Period" relating to a Dividend Payment Date shall be the period from but not including the preceding Dividend Payment Date (or from but not including November 16, 1999, in the case of the first Dividend Payment Date) through and including the related Dividend Payment Date. If declared, the dividend payable in respect of the first Dividend Period will be $0.7357 per share. The amount of dividends payable in respect of any quarterly Dividend Period other than the first Dividend Period shall be computed at a rate equal to 6.97% divided by 4; the amount of dividends payable in respect of any shorter period shall be computed on the basis of twelve 30-day months and a 360-day year. Each such dividend shall be paid to the holders of record of outstanding shares of the Series A Preferred Stock as they appear in the books and records of the Corporation on such record date as shall be fixed in advance by the Board of Directors, not to be earlier than 45 days nor later than 10 days preceding the applicable Dividend Payment Date.

No dividends shall be declared or paid or set apart for payment on the Common Stock or any other class or series of stock ranking junior to or (except as hereinafter provided) on a parity with the Series A Preferred Stock with respect to the payment of dividends unless all accrued and unpaid dividends have been declared and paid or set apart for payment on the outstanding Series A Preferred Stock in respect of all prior Dividend Periods. In the event that the Corporation shall not pay any one or more dividends or any part thereof on the Series A Preferred Stock, the holders of that Series A Preferred Stock shall not have any cause of action against the Corporation in respect of such non-payment as long as no dividend is paid on any junior or parity stock in violation of the next preceding sentence.

No Common Stock or any other stock of the Corporation ranking junior to or on a parity with the Series A Preferred Stock as to dividends may be redeemed, purchased or otherwise acquired for any consideration (or any payment be made to or available for a sinking fund for the redemption of any shares of such stock) unless all accrued and unpaid dividends have been declared and paid or set apart for payment on the outstanding Series A Preferred Stock in respect of all prior Dividend Periods; provided, however, that any moneys theretofore deposited in any sinking fund with respect to any such stock in compliance with the provision of such sinking fund may thereafter be applied to the purchase or redemption of such stock in accordance with the terms of such sinking fund, regardless of whether at the time of such application full cumulative dividends upon the Series A Preferred Stock outstanding to the most recent Dividend Payment Date shall have been paid or declared and set apart for payment by the Corporation; provided that, if and when authorized by the Board of Directors, any such junior or parity stock or Common Stock may be converted into or exchanged for stock of the Corporation ranking junior to the Series A Preferred Stock as to dividends.

(b) If, prior to May 16, 2001, one or more amendments to the Internal Revenue Code of 1986, as amended (the "Code"), are enacted that reduce the percentage of the dividends-received deduction (70% as of November 10, 1999) as specified in section 243(a)(1) of the Code or any successor provision (the "Dividends-Received Percentage"), certain adjustments may be made in respect of the dividends payable by the Corporation, and Post Declaration Date Dividends and Retroactive Dividends (as such terms are defined below) may become payable, as described below. Notwithstanding anything to the

contrary herein, the Corporation will make no adjustment for any amendments to the Code on or after May 16, 2001 that reduce the Dividends-Received Percentage.

The amount of each dividend payable (if declared) per share of Series A Preferred Stock for dividend payments made on or after the effective date of such change in the Code will be adjusted by multiplying the amount of the dividend payable pursuant to clause (a) of this Section 2 (before adjustment) by a factor, which shall be the number determined in accordance with the following formula (the "DRD Formula"), and rounding the result to the nearest cent (with one-half cent rounded up):

1 - .35 (1 - .70)

- ----------

1 - .35 (1 - DRP)

For the purposes of the DRD Formula, "DRP" means the Dividends-Received Percentage (expressed as a decimal) applicable to the dividend in question; *provided, however*, that if the Dividends-Received Percentage applicable to the dividend in question is less than 50%, then the DRP will equal .50. No amendment to the Code, other than a change in the percentage of the dividends-received deduction set forth in section 243(a)(1) of the Code or any successor provision, or a change in the percentage of the dividends-received deduction for certain categories of stock, which change is applicable to the Series A Preferred Stock, will give rise to an adjustment.

Notwithstanding the foregoing provisions, if, with respect to any such amendment, the Corporation receives an unqualified opinion of nationally recognized independent tax counsel selected by the Corporation or a private letter ruling or similar form of assurance from the Internal Revenue Service (the "IRS") to the effect that such an amendment does not apply to a dividend payable on the Series A Preferred Stock, then such amendment shall not result in the adjustment provided for pursuant to the DRD Formula with respect to such dividend. The opinion referenced in the previous sentence shall be based upon the legislation amending or establishing the DRP upon a published pronouncement of the IRS addressing such legislation. Unless the context otherwise requires, references to dividends herein shall means dividends as adjusted by the DRD Formula. The Corporation's calculation of the dividends payable as so adjusted shall be final and not subject to review absent manifest error.

Notwithstanding the foregoing, if any such amendment to the Code is enacted after the dividend payable on a Dividend Payment Date has been declared but before such dividend is paid, the amount of the dividend payable on such Dividend Payment Date shall not be increased. Instead, additional dividends (the "Post Declaration Date Dividends"), equal to the excess, if any, of (x) the product of the dividend paid by the Corporation on such Dividend Payment Date and the DRD Formula (where the DRP used in the DRD Formula would be equal to the greater of the Dividends-Received Percentage applicable to the dividend in question and .50) over (y) the dividend paid by the Corporation on such Dividend Payment Date, shall be payable (if declared) to holders of Series A Preferred Stock on the record date applicable to the next succeeding Dividend Payment Date, or, if the Series A Preferred Stock is called for redemption prior to such record date, to holders of Series A Preferred Stock on the applicable redemption date, as the case may be, in addition to any other amounts payable on such date. Notwithstanding the foregoing provisions, if, with respect to any such amendment, the Corporation receives either an unqualified opinion of nationally recognized independent tax counsel selected by the Corporation or a private letter ruling or similar form of assurance from the IRS to the effect that such amendment does not apply to a dividend so payable on the Preferred Stock, then such amendment will not result in the payment of Post Declaration Date Dividends. The opinion referenced in the previous sentence must be based upon the legislation amending or establishing the DRP or upon a published pronouncement of the IRS addressing such legislation.

If any such amendment to the Code is enacted and the reduction in the Dividends-Received Percentage retroactively applies to a Dividend Payment Date as to which the Corporation previously paid dividends on the Series A Preferred Stock (each, an "Affected Dividend Payment Date"), the Corporation shall pay (if declared) additional dividends (the "Retroactive Dividends") to holders of the Series A Preferred Stock on the record date applicable to the next succeeding Dividend Payment Date (or, if such amendment is enacted after the dividend payable on such Dividend Payment Date has been declared, to holders on the record date applicable to the second succeeding Dividend Payment Date following the date of enactment) in an amount equal to the excess of (x) the product of the dividend paid by the Corporation on each Affected Dividend Payment Date and the DRD Formula (where the DRP used in the DRD Formula would be equal to the greater of the Dividends-Received Percentage and .50 applied to each Affected Dividend Payment Date) over (y) the sum of the dividend paid by the Corporation on each Affected Dividend Payment Date. The Corporation will make only one payment of Retroactive Dividends for any such amendment. Notwithstanding the foregoing provisions, if, with respect to any such amendment, the Corporation receives either an unqualified opinion of nationally recognized independent tax counsel selected by the Corporation or a private letter ruling or similar form of assurance from the IRS to the effect that such amendment does not apply to a dividend payable on an Affected Dividend Payment Date for the Series A Preferred Stock, then such amendment will not result in the payment of Retroactive Dividends with respect to such Affected Dividend Payment Date. The opinion referenced in the previous sentence must be based upon the legislation amending or establishing the DRP or upon a published pronouncement of the IRS addressing such legislation.

In the event that the amount of dividends payable per share of the Series A Preferred Stock is adjusted pursuant to the DRD Formula and/or Post Declaration Date Dividends or Retroactive Dividends are to be paid, the Corporation will give notice of each such adjustment and, if applicable, any Post Declaration Date Dividends and Retroactive Dividends to be paid as soon as practicable to the holders of Series A Preferred Stock.

(c) Notwithstanding any other provision of this Certificate, the Board of Directors, in its discretion, may choose to pay dividends on the Series A Preferred Stock without the payment of any dividends on the Common Stock or any other class or series of stock from time to time outstanding ranking junior to the Series A Preferred Stock with respect to the payment of dividends.

(d) No dividend shall be declared or paid or set apart for payment on any shares of the Series A Preferred Stock if at the same time any arrears or default exists in the payment of dividends on any outstanding class or series of stock of the Corporation ranking prior to or (except as provided herein) on a parity with the Series A Preferred Stock with respect to the payment of dividends.

(e) Holders of shares of the Series A Preferred Stock shall not be entitled to any dividends, in cash or in property, other than as herein provided and shall not be entitled to interest, or any sum in lieu of interest, on or in respect of any dividend payment.

3. Optional Redemption

(a) The Series A Preferred Stock shall not be redeemable prior to November 16, 2009. Subject to this limitation and to any further limitations imposed by law, the Corporation may redeem the Series A Preferred Stock, in whole or in part, at any time or from time to time, out of funds legally available therefor, at the redemption price of $50.00 per share plus an amount, determined in accordance with Section 2 above, equal to the amount of the dividend accrued and unpaid for all prior Dividend Periods and for the then-current Dividend Period to but not including the date of such redemption. If less than all of the outstanding shares of the Series A Preferred Stock are to be redeemed, the Corporation shall select shares to be redeemed from the outstanding shares not previously called for redemption by lot or pro rata (as nearly as possible) or by any other method which the Corporation in its sole discretion deems equitable.

(b) In the event the Corporation shall redeem any or all of the Series A Preferred Stock as aforesaid, notice of such redemption shall be given by the Corporation by first class mail, postage prepaid, mailed not less than 30 and not more than 60 days prior to the redemption date, to each holder of record of the shares of the Series A Preferred Stock being redeemed, at such holder's address as the same appears in the books and records of the Corporation. Each such notice shall state the number of shares being redeemed, the redemption price, the redemption date and the place at which such holder's certificate(s) representing shares of the Series A Preferred Stock must be presented for cancellation or exchanges, as the case may be, upon such redemption. Any notice that is so mailed shall be conclusively presumed to have been duly given, whether or not the stockholder received such notice. Failure to duly give notice, or any defect in the notice or in the mailing thereof, to any holder of the Series A Preferred Stock shall not affect the validity of the proceedings for the redemption of any other shares of Series A Preferred Stock being redeemed.

(c) If any redemption date is not a Business Day, then payment of the redemption price may be made on the next Business Day with the same force and effect as if made on the redemption date, and no interest, additional dividends or other sums will accrue on the amount payable from the redemption date to the next Business Day.

(d) Notice having been mailed as aforesaid, from and after the redemption date specified therein and upon payment of the consideration set forth in Section 3(a) above, said shares of the Series A Preferred Stock shall no longer be deemed to be outstanding, and all rights of the holders thereof as holders of the Series A Preferred Stock shall cease, with respect to shares so redeemed.

(e) Subject to applicable law, any shares of the Series A Preferred Stock which shall have been redeemed shall, after such redemption, no longer have the status of authorized, issued or outstanding shares.

(f) The shares of Series A Preferred Stock shall not be subject to any sinking fund or to any mandatory redemption.

4. Preferred Stock Board Committee; Limited Rights to Vote and Elect Board Observers

At the first regularly scheduled meeting of the Board of Directors after the issuance of the Series A Preferred Stock, the Board of Directors shall form a committee (the "Preferred Stock Committee") of the Board of Directors whose purpose shall be to monitor and evaluate proposed actions of the Corporation that may impact the rights of holders of Series A Preferred Stock, including the payment of dividends on the Series A Preferred Stock, and to report to the Board of Directors thereon. The Board of Directors shall designate from among its "independent directors" (as such term is defined (i) by the Corporation's Bylaws as then in effect or (ii) by New York Stock Exchange rules) at least three directors to serve on the Preferred Stock Committee. In designating the independent directors to serve on the Preferred Stock Committee, the Board of Directors may, in its sole discretion, apply either of the foregoing definitions. The Preferred Stock Committee shall meet at least once a year.

Except as set forth in this Section 4 and in Section 9(h) below, the shares of the Series A Preferred Stock shall not have any voting powers, either general or special. Whenever dividends on any shares of Series A Preferred Stock are in arrears for four or more quarterly Dividend Periods, whether or not consecutive:

(a) The holders of the Series A Preferred Stock, voting together as single class with all other classes or series of capital stock of the Corporation upon which like voting rights have been conferred and are exercisable and which are entitled to vote as a class with the Series A Preferred Stock in the election of two observers to the board of directors, will be entitled to vote for the election of a total of two board observers at a special meeting called by an officer of the Corporation at the request of holders of record of at least 10% of the outstanding Series A Preferred Stock or by the holders of any such other class or series of capital stock of the Corporation and at each subsequent annual meeting of

stockholders, until all dividends accumulated on the Series A Preferred Stock for all prior Dividend Periods and the then current Dividend Period have been fully paid.

(b) if and when full cumulative dividends on the Series A Preferred Stock for all prior Dividend Periods and the then current Dividend Period have been paid in full or declared and a sum sufficient for the payment thereof set aside for payment in full, the right of holders of Series A Preferred Stock to elect those two board observers will cease and, unless there are other classes and series of capital stock of the Corporation upon which like voting rights have been conferred and are exercisable, all rights of each of the two board observers will immediately and automatically terminate.

(c) The Corporation shall provide to the board observers notice, and a detailed agenda (to the extent prepared for any member of the Board of Directors), of all meetings of the Board of Directors and any committee of the Board of Directors which has been delegated responsibility for matters relating to the payment or nonpayment of dividends, including the Preferred Stock Committee. The Corporation shall also provide to the board observers copies of all materials that may in any way be related to the payment or nonpayment of dividends that are provided to the Board of Directors and to the members of any such committees. The board observers shall be subject to the same confidentiality obligations with respect to such materials as bind the Board of Directors. The board observers may attend any meeting of the Board of Directors or any committee thereof which has been delegated responsibility for matters relating to the payment or nonpayment of dividends, including the Preferred Stock Committee; the board observers may participate in any such meeting, include statements in the minutes of such meetings, and present information and make recommendations to, and ask questions of, the Board of Directors or the Preferred Stock Committee with respect to all matters.

If a special meeting of the holders of the Series A Preferred Stock for the election of the board observers is not called by an officer of the Corporation within 30 days after request, then the holders of record of at least 10% of the outstanding shares of Series A Preferred Stock may designate a holder of Series A Preferred Stock to call that meeting at the Corporation's expense. The Corporation will pay all costs and expenses of calling and holding any meeting and of electing board observers as described above.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required will be effected, all outstanding shares of Series A Preferred Stock have been redeemed or called for redemption and sufficient funds have been deposited in trust to effect such redemption.

In any matter in which the Series A Preferred Stock is entitled to vote, including any action by written consent, each share of the Series A Preferred Stock shall be entitled to one vote, except that when shares of any other class or series of capital stock of the Corporation have the right to vote with the Series A

Preferred Stock as a single class on any matter, the Series A Preferred Stock and the shares of each such other class or series will have one vote for each $50.00 of liquidation preference (excluding accrued dividends).

5. No Conversion or Exchange Rights

The holders of shares of Series A Preferred Stock shall not have any right to convert such shares into or exchange such shares for any other class or series of stock or obligations of the Corporation.

6. No Preemptive Rights

No holder of the Series A Preferred Stock shall as such holder have any preemptive right to purchase or subscribe for any other shares, rights, options or other securities of any class of the Corporation which at any time may be sold or offered for sale by the Corporation.

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7. Liquidation Rights and Preference

(a) Except as otherwise set forth herein, upon the voluntary or involuntary dissolution, liquidation or winding up of the Corporation, after payment of or provision for the liabilities of the Corporation and the expenses of such dissolution, liquidation or winding up, the holders of the outstanding shares of the Series A Preferred Stock shall be entitled to receive out of the assets of the Corporation available for distribution to stockholders, before any payment or distribution shall be made on the Common Stock or any other class or series of stock of the Corporation ranking junior to the Series A Preferred Stock upon liquidation, the amount of $50.00 per share plus an amount, determined in accordance with Section 2 above, equal to all accrued and unpaid dividends for all prior Dividend Periods and for the then-current Dividend Period through and including the date of payment in respect of such dissolution, liquidation or winding up, and the holders of the outstanding shares of any class or series of stock of the Corporation ranking on a parity with the Series A Preferred Stock upon liquidation shall be entitled to receive out of the assets of the Corporation available for distribution to stockholders, before any such payment or distribution shall be made on the Common Stock or any other class or series of stock of the Corporation ranking junior to the Series A Preferred Stock and to such parity stock upon liquidation, any corresponding preferential amount to which the holders of such parity stock may, by the terms thereof, be entitled; provided, however, that if the assets of the Corporation available for distribution to stockholders shall be insufficient for the payment of the full amounts to which the holders of the outstanding shares of the Series A Preferred Stock and the holders of the outstanding shares of such parity stock shall be entitled to receive upon such dissolution, liquidation or winding up of the Corporation as aforesaid, then all of the assets of the Corporation available for distribution to stockholders shall be distributed to the holders of outstanding shares of the Series A Preferred Stock and to the holders of outstanding shares of such parity stock pro rata, so that the amounts so distributed to holders of the Series A Preferred Stock and to holders of such classes or series of such parity stock, respectively, shall bear to each other the same ratio that the respective distributive amounts to which they are so entitled (including any adjustment due to changes in the Dividends- Received Percentage) bear to each other. After the payment of the aforesaid amounts to which they are entitled, the holders of outstanding shares of the Series A Preferred Stock and the holders of outstanding shares of any such parity stock shall not be entitled to any further participation in any distribution of assets of the Corporation.

(b) Neither the sale of all or substantially all of the property or business of the Corporation, nor the merger, consolidation or combination of the Corporation into or with any other corporation or entity, shall be deemed to be a dissolution, liquidation or winding up for the purpose of this Section 7.

8. Additional Classes or Series of Stock

The Board of Directors shall have the right at any time in the future to authorize, create and issue, by resolution or resolutions, one or more additional classes or series of stock of the Corporation, and to determine and fix the distinguishing characteristics and the relative rights, preferences, privileges and other terms of the shares thereof. Any such class or series of stock may rank on a parity with or junior to the Series A Preferred Stock as to dividends or upon liquidation or otherwise. No such class or series of stock of the Corporation may rank prior to the Series A Preferred Stock as to dividends or upon liquidation or otherwise.

9. Miscellaneous

(a) Any stock of any class or series of the Corporation shall be deemed to rank:

(i) on a parity with shares of the Series A Preferred Stock, either as to dividends or upon liquidation, whether or not the dividend rates or amounts, dividend payment dates or redemption of liquidation prices per share, if any, be different from those of the Series A Preferred Stock, if the holders of such class or series shall be entitled to the receipt of dividends or of amounts

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distributable upon dissolution, liquidation or winding up of the Corporation, as the case may be, in proportion to their respective dividend rates or amounts or liquidation prices, without preference or priority, one over the other, as between the holders of such class or series and the holders of shares of the Series A Preferred Stock; and

(ii) junior to shares of the Series A Preferred Stock, either as to dividends or upon liquidation, if such class or series shall be Common Stock, or if the holders of shares of the Series A Preferred Stock shall be entitled to receipt of dividends or of amounts distributable upon dissolution, liquidation or winding up of the Corporation, as the case may be, in preference or priority to the holders of shares of such class or series.

(b) The Corporation and any agent of the Corporation may deem and treat the holder of a share or shares of Series A Preferred Stock, as shown in the Corporation's books and records, as the absolute owner of such share or shares of Series A Preferred Stock for the purpose of receiving payment of dividends in respect of such share or shares of Series A Preferred Stock and for all other purposes whatsoever, and neither the Corporation nor any agent or the Corporation shall be affected by any notice to the contrary. All payments made to or upon the order of any such persons shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge liabilities for moneys payable by the Corporation on or with respect to any such share or shares of Series A Preferred Stock.

(c) The shares of the Series A Preferred Stock, when duly issued, shall be fully paid and non-assessable.

(d) For purposes of this Certificate, the term "the Corporation" means SLM Holding Corporation any any successor thereto by operation of law or by reason of a merger, consolidation or combination.

(e) Any notice, demand or other communication which by any provision of this Certificate is required or permitted to be given or served to or upon the Corporation shall be given or served in writing addressed (unless and until another address shall be published by the Corporation) to SLM Holding Corporation, 11600 Sallie Mae Drive, Reston, Virginia 20193, Attn: General Counsel's Office. Such notice, demand or other communication to or upon the Corporation shall be deemed to have been sufficiently given or made only upon actual receipt of a writing by the Corporation. Any notice, demand or other communication which by any provision of this Certificate is required or permitted to be given or served by the Corporation hereunder may be given or served by being deposited first class, postage prepaid, in the United States mail addressed (i) to the holder as such holder's name and address may appear at such time in the books and records of the Corporation or (ii) to a person or entity other than a holder of record of the Series A Preferred Stock, to such person or entity at such address as appears to the Corporation to be appropriate at such time. Such notice, demand or other communication shall be deemed to have been sufficiently given or made, for all purposes, upon mailing.

(h) The Corporation, by or under the authority of the Board of Directors, may amend, alter, supplement or repeal any provision of this Certificate pursuant to applicable law and the following terms and conditions:

(i) The consent of the holders of at least $66^{2}/_{3}$% of all of the shares of the Series A Preferred Stock at the time outstanding, given in person or by proxy, either in writing or by a vote at a meeting called for the purpose at which the holders of shares of the Series A Preferred Stock shall vote together as a class, shall be necessary for authorizing, effecting or validating the amendment, alteration, supplementation or repeal of the provisions of this Certificate if such amendment, alteration, supplementation or repeal would materially and adversely affect the powers, preferences, rights, privileges, qualifications, limitations, restrictions, terms or conditions of the Series A Preferred Stock. The creation and issuance of any other class or series of stock, or the issuance of additional shares of any existing class or series of stock of the Corporation (including

the Series A Preferred Stock), whether ranking on parity with or junior to the Series A Preferred Stock, shall not be deemed to constitute such an amendment, alteration, supplementation or repeal.

(ii) Holders of the Series A Preferred Stock shall be entitled to one vote per share on matters on which their consent is required pursuant to subparagraph (i) of this paragraph (h). In connection with any meeting of such holders, the Board of Directors shall fix a record date, neither earlier than 60 days nor later than 10 days prior to the date of such meeting, and holders of record of shares of the Series A Preferred Stock on such record date shall be entitled to notice of and to vote at any such meeting and any adjournment. The Board of Directors, or such person or persons as it may designate, may establish reasonable rules and procedures as to the solicitation of the consent of holders of the Series A Preferred Stock at any such meeting or otherwise, which rules and procedures shall conform to the requirements of any national securities exchange on which the Series A Preferred Stock may be listed at such time.

(i) RECEIPT AND ACCEPTANCE OF A SHARE OR SHARES OF THE SERIES A PREFERRED STOCK BY OR ON BEHALF OF A HOLDER SHALL CONSTITUTE THE UNCONDITIONAL ACCEPTANCE BY THE HOLDER (AND ALL OTHERS HAVING BENEFICIAL OWNERSHIP OF SUCH SHARE OR SHARES) OF ALL OF THE TERMS AND PROVISIONS OF THIS CERTIFICATE. NO SIGNATURE OR OTHER FURTHER MANIFESTATION OF ASSENT TO THE TERMS AND PROVISIONS OF THIS CERTIFICATE SHALL BE NECESSARY FOR ITS OPERATION OR EFFECT AS BETWEEN THE CORPORATION AND THE HOLDER (AND ALL SUCH OTHERS).

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the Corporation this 10th day of November, 1999.

[seal]

/s/ MARY F. EURE

Mary F. Eure, Secretary

FIRST AMENDMENT TO
AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
SLM CORPORATION
(Pursuant to Section 242 of the Delaware General Corporation Law)

SLM Holding Corporation, a Delaware corporation (the "Corporation"), hereby certifies as follows:

FIRST: The Board of Directors of the Corporation unanimously adopted the following resolution at a meeting duly called and held on March 16, 2000:

1. ARTICLE SIXTH, Section c.(1)(i), which begins "The number of directors. . .", is hereby deleted in its entirety and replaced with the following:

c. (1) (i) The number of directors of the Corporation shall be not less than eleven (11), no more than seventeen (17) for election at the 2000 annual meeting of shareholders; no more than sixteen (16) at the 2001 annual meeting of shareholders; and no more than fifteen (15) thereafter.

2. ARTICLE SIXTH, Section c.(3), which begins "Any vacancy on the Board of Directors. . .", is hereby deleted in its entirety and replaced with the following:

(3) Any vacancy on the Board of Directors, regardless of whether resulting from death, resignation, retirement, disqualification, removal from office, increase in the size of the Board or otherwise, may be filled by the affirmative vote of a majority of directors then in office, but any vacancy filled

in such manner shall be filled only until the next annual meeting of stockholders.

SECOND: The above resolution was approved by a majority of the oustanding stock entitled to vote thereon at the annual stockholders meeting which was duly called and held on May 18, 2000.

IN WITNESS WHEREOF, this First Amendment to Amended and Restated Certificate of Incorporation has been duly adopted in accordance with the provisions of Section 242 of the Delaware General Corporation Law and has been executed by a duly authorized officer of the Corporation this 18th day of May, 2000.

SLM HOLDING CORPORATION

By: /s/ MARY F. EURE

Mary F. Eure, Secretary

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 11:30 AM 05/18/2000
001253142 — 2693555

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 02:00 PM 07/31/2000
001385426 — 2693555

CERTIFICATE OF OWNERSHIP AND MERGER

MERGING

SLM MERGER CORPORATION

WITH AND INTO

SLM HOLDING CORPORATION

Pursuant to Section 253 of the
General Corporation of Law of the State of Delaware

SLM Holding Corporation, a Delaware corporation (the "Corporation"), does hereby certify to the following facts relating to the merger (the "Merger") of SLM Merger Corporation, a Delaware corporation (the "Subsidiary"), with and into the Corporation, with the Corporation remaining as the surviving corporation under the name of USA Education, Inc.:

FIRST: The Corporation is incorporated pursuant to General Corporation Law of the State of Delaware (the "DGCL"). The Subsidiary is incorporated pursuant to the DGCL.

SECOND: The Corporation owns all of the outstanding shares of each class of capital stock of the Subsidiary.

THIRD: The Board of Directors of the Corporation, by the following resolutions duly adopted on July 20, 2000, determined to merge the Subsidiary with and into the Corporation pursuant to Section 253 of the DGCL:

WHEREAS, SLM Holding Corporation, a Delaware corporation (the "Corporation"), owns all of the outstanding shares of the capital stock of SLM Merger Corporation, a Delaware corporation ("Subsidiary"); and

WHEREAS, the Board of Directors of the Corporation (the "Board") has deemed it advisable that the Subsidiary be merged with and into the Corporation pursuant to Section 253 of the General Corporation Law of the State of Delaware;

NOW THEREFORE BE IT RESOLVED, that the Subsidiary be merged with and into the Corporation (the "Merger") at such time as the proper officers of the Corporation deem advisable; and

FURTHER RESOLVED, that by virtue of the Merger and without any action on the part of the holder thereof, each then outstanding share of common stock of the Corporation shall remain unchanged and continue to remain outstanding as one share of common stock of the Corporation, held by the person who was the holder of such share of common stock of the Corporation immediately prior to the Merger; and

FURTHER RESOLVED, that by virtue of the Merger and without any action on the part of the holder thereof, each then outstanding share of common stock of the Subsidiary shall be cancelled and no consideration shall be issued in respect thereof; and

FURTHER RESOLVED, that the certificate of incorporation of the Corporation as in effect immediately prior to the effective time of the Merger shall be the certificate of incorporation of the surviving corporation, except that Article FIRST thereof shall be amended to read in its entirety as follows:

FIRST: The name of the corporation is USA Education, Inc. (hereinafter the "Corporation").

FURTHER RESOLVED, that the proper officers of the Corporation be and they hereby are authorized and directed to make, execute and acknowledge, in the name and under the corporate seal of the Corporation, a certificate of ownership and merger for the purpose of effecting the Merger and to file the same in the office of the Secretary of State of the State of Delaware, and to do all other acts and things that may be necessary to carry out and effectuate the purpose and intent of the resolutions relating to the Merger.

FOURTH: The Corporation shall be the surviving corporation of the Merger.

FIFTH: The certificate of incorporation of the Corporation as in effect immediately prior to the effective time of the Merger shall be the certificate of incorporation of the surviving corporation, except that Article I thereof shall be amended to read in its entirety as follows:

FIRST: The name of the corporation is USA Education, Inc. (hereinafter the "Corporation").

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Ownership and Merger to be executed by its duly authorized officer this 31st day of July, 2000.

SLM HOLDING CORPORATION

By: /s/ CAROL R. RAKATANSKY

Name: Carol R. Rakatansky
Title: Assistant Secretary

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 12:45 PM 05/10/2001
010226677 — 2693555

SECOND AMENDMENT TO
AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
USA EDUCATION, INC.
(Pursuant to Section 242 of the Delaware General Corporation Law)

USA Education, Inc., a Delaware corporation (the "Corporation"), hereby certifies as follows:

FIRST: The Board of Directors of the Corporation unanimously adopted the following resolution at a meeting duly called and held on May 10, 2001:

1. ARTICLE FOURTH, which begins "The total number of shares of stock. . .", is hereby deleted in its entirety and replaced with the following:

FOURTH: The total number of shares of stock which the Corporation shall have authority to issue is 395,000,000 shares of capital stock, consisting of (i) 375,000,000 shares of common stock, par value $.20 per share (the "Common Stock"), and (ii) 20,000,000 shares of preferred stock, par value $.20 per share (the "Preferred Stock").

SECOND: The above resolution was approved by a majority of the oustanding stock entitled to vote thereon at the annual stockholders meeting which was duly called and held on May 10, 2001.

IN WITNESS WHEREOF, this Second Amendment to Amended and Restated Certificate of Incorporation has been duly adopted in accordance with the provisions of Section 242 of the Delaware General Corporation Law and has been executed by a duly authorized officer of the Corporation this 10th day of May, 2001.

USA EDUCATION, INC.

By: /s/ MARY F. EURE

Mary F. Eure, Secretary

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 09:00 AM 02/22/2002
020117401 — 2693555

CERTIFICATE OF OWNERSHIP AND MERGER

MERGING

USA MERGER CORPORATION

WITH AND INTO

USA EDUCATION, INC.

Pursuant to Section 253 of the
General Corporation of Law of the State of Delaware

USA Education, Inc., a Delaware corporation (the "Corporation"), does hereby certify to the following facts relating to the merger (the "Merger") of USA Merger Corporation, a Delaware corporation (the "Subsidiary"), with and into the Corporation, with the Corporation remaining as the surviving corporation under the name of SLM Corporation:

FIRST: The Corporation is incorporated pursuant to General Corporation Law of the State of Delaware (the "DGCL"). The Subsidiary is incorporated pursuant to DGCL.

SECOND: The Corporation owns all of the outstanding shares of each class of capital stock of the Subsidiary.

THIRD: The Board of Directors of the Corporation, by the following resolutions duly adopted on October 25, 2001, determined to merge the Subsidiary with and into the Corporation pursuant to Section 253 of the DGCL:

WHEREAS, USA Education, Inc., a Delaware corporation (the "Corporation"), owns all of the outstanding shares of the capital stock of USA Merger Corporation, a Delaware corporation ("Subsidiary"); and

WHEREAS, the Board of Directors of the Corporation (the "Board") has deemed it advisable that the Subsidiary be merged with and into the Corporation pursuant to Section 253 of the General Corporation Law of the State of Delaware;

NOW THEREFORE BE IT RESOLVED, that the Subsidiary be merged with and into the Corporation (the "Merger") at such time as the proper officers of the Corporation deem advisable; and

FURTHER RESOLVED, that by virtue of the Merger and without any action on the part of the holder thereof, each then outstanding share of common stock of the Corporation shall remain unchanged and continue to remain outstanding as one share of common stock of the Corporation, held by the person who was the holder of such share of common stock of the Corporation immediately prior to the Merger; and

FURTHER RESOLVED, that by virtue of the Merger and without any action on the part of the holder thereof, each then outstanding share of common stock of the Subsidiary shall be cancelled and no consideration shall be issued in respect thereof; and

FURTHER RESOLVED, that the certificate of incorporation of the Corporation as in effect immediately prior to the effective time of the Merger shall be the certificate of incorporation of the surviving corporation, except that Article FIRST thereof shall be amended to read in its entirety as follows:

FIRST: The name of the corporation is SLM Corporation (hereinafter the "Corporation").

FURTHER RESOLVED, that the proper officers of the Corporation be and they hereby are authorized and directed to make, execute and acknowledge, in the name and under the corporate seal of the Corporation, a certificate of ownership and merger for the purpose of effecting the Merger and to file the same in the office of the Secretary of State of the State of Delaware, and to do all other acts and things that may be necessary to carry out and effectuate the purpose and intent of the resolutions relating to the Merger.

FOURTH: The Corporation shall be the surviving corporation of the Merger.

FIFTH: The certificate of incorporation of the Corporation as in effect immediately prior to the effective time of the Merger shall be the certificate of incorporation of the surviving corporation, except that Article I thereof shall be amended to read in its entirety as follows:

FIRST: The name of the corporation is SLM Corporation (hereinafter the "Corporation").

SIXTH: This Certificate of Ownership and Merger shall be effective at 9:00 a.m. Eastern Standard Time on May 17, 2002.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Ownership and Merger to be executed by its duly authorized officer this 18th day of February, 2002.

USA EDUCATION, INC.

By: /s/ MARY F. EURE

Name: Mary F. Eure
Title: Secretary

THIRD AMENDMENT TO
AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF

SLM CORPORATION
(Pursuant to Section 242 of the Delaware General Corporation Law)

SLM Corporation, a Delaware corporation (the "Corporation"), hereby certifies as follows:

FIRST: The Board of Directors of the Corporation unanimously adopted the following resolution at a meeting duly called and held on March 20, 2003:

1. ARTICLE FOURTH, which begins "The total number of shares of stock. . .", is hereby deleted in its entirety and replaced with the following:

> FOURTH: The total number of shares of stock which the Corporation shall have authority to issue is 1,145,000,000 shares of capital stock, consisting of (i) 1,125,000,000 shares of common stock, par value $.20 per share (the "Common Stock"), and (ii) 20,000,000 shares of preferred stock, par value $.20 per share (the "Preferred Stock").

SECOND: The above resolution was approved by a majority of the oustanding stock entitled to vote thereon at the annual stockholders meeting which was duly called and held on May 15, 2003.

IN WITNESS WHEREOF, this Third Amendment to Amended and Restated Certificate of Incorporation has been duly adopted in accordance with the provisions of Section 242 of the Delaware General Corporation Law and has been executed by a duly authorized officer of the Corporation this 15th day of May, 2003.

SLM CORPORATION

By: /s/ MARY F. EURE

Mary F. Eure, Secretary

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
DELIVERED 04:54 PM 05/15/2003
FILED 04:26 PM 05/15/2003
030315906 — 2693555 FILE

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Exhibit 5.1

July 31, 2003

SLM Corporation
11600 Sallie Mae Drive
Reston, Virginia 20193

Ladies and Gentlemen:

I am Executive Vice President and General Counsel of SLM Corporation (the "Corporation"), and, as such, I have acted as counsel for the Corporation in the preparation of a Registration Statement on Form S-3 (File No. 333-107132) (the "Registration Statement") filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act") in connection with the proposed offer and sale of the following securities from time to time (the "Securities") of the Corporation: (i) debt securities (the "Debt Securities"), (ii) preferred stock, par value $.20 per share (the "Preferred Stock"), (iii) common stock, par value $.20 per share (the "Common Stock"), of the Corporation issuable upon conversion of Debt Securities or Preferred Stock, or upon exercise of warrants or in connection with the settlement of privately negotiated equity forward purchase contracts, and (iv) warrants to purchase Debt Securities, Preferred Stock, or Common Stock; warrants or other rights relating to foreign currency exchange rates; or warrants for the purchase or sale of debt securities of, or guaranteed by, the United States government or its agencies, units of a stock index or stock basket or a commodity or a unit of a commodity index (collectively, the "Warrants"). The Securities may be offered separately or as part of units with other Securities, in separate series, in amounts, at prices, and on terms to be set forth in the prospectus and one or more supplements to the prospectus (collectively, the "Prospectus") constituting a part of the Registration Statement, and in the Registration Statement.

The Debt Securities are to be issued under an Indenture, dated October 1, 2000, as amended or supplemented from time to time, between the Corporation and JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank, as the trustee (the "Indenture"), filed with the Securities and Exchange Commission as Exhibit 4.1 to the Corporation's Current Report on Form 8-K, dated October 5, 2000. The Indenture permits there to be more than one trustee under the Indenture with respect to different series of debt securities. Each series of Preferred Stock is to be issued under the Certificate of Incorporation, as amended, (the "Certificate of Incorporation") of the Corporation and a certificate of designations (a "Certificate of Designations") to be approved by the board of directors of the Corporation or a committee thereof and filed with the Secretary of State of the State of Delaware (the "Delaware Secretary of State") in accordance with section 151 of the General Corporation Law of the State of Delaware. The Common Stock is to be issued under the Certificate of Incorporation. The Warrants are to be issued under a warrant agreement in the form to be filed with the Securities and Exchange Commission, with appropriate insertions (the "Warrant Agreement"), to be entered into by the Corporation and a warrant agent to be named by the Corporation. Certain terms of the Securities to be issued by the Corporation from time to time will be approved by the Board of Directors of the Corporation or a committee thereof or certain authorized officers of the Corporation as part of the corporate action taken and to be taken (the "Corporate Proceedings") in connection with issuance of the Securities.

I have examined or am otherwise familiar with the Certificate of Incorporation, the By-Laws of the Corporation, as amended, the Registration Statement, such of the Corporate Proceedings as have occurred as of the date hereof, and such other documents, records, and instruments as I have deemed necessary or appropriate of the purposes of this opinion.

Based on the foregoing, I am of the opinion that (i) the Indenture is the legal, valid, and binding obligation of the Corporation, (ii) upon the execution and delivery of the Warrant Agreement, the completion of all required Corporate Proceedings, and the execution, issuance, and delivery, and the authentication by a duly appointed trustee, of the Debt Securities and the Warrants, respectively, pursuant to such agreements, such Warrant Agreement and any Debt Securities issuable under the

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Indenture will be legal, valid, and binding obligations of the Corporation, and any Preferred Stock (assuming completion of the actions referred to in clause (iii) below) or Common Stock (assuming completion of the actions referred to in clause (iv) below) issuable thereunder will be duly and validly authorized and issued, fully paid, and nonassessable; (iii) upon the authorization, execution, acknowledgment, delivery, and filing with, and recording by, the Delaware Secretary of State of the applicable Certificate of Designations, the completion of all required Corporate Proceedings and the execution, issuance and delivery of the Preferred Stock pursuant to such Certificate of Designations, the Preferred Stock will be duly and validly authorized and issued, fully paid, and nonassessable; and (iv) upon the authorization of issuance of the Common Stock, the completion of all required Corporate Proceedings, and the execution, issuance, and delivery of the Common Stock, the Common Stock will be duly and validly authorized and issued, fully paid, and nonassessable; except in each case as enforcement of provisions of such instruments and agreements may be limited by bankruptcy or other laws of general application affecting the enforcement of creditors' rights and by general equity principles. The foregoing opinions assume that (a) the consideration designated in the applicable Corporate Proceedings for any Preferred Stock or Common Stock shall have been received by the Corporation in accordance with applicable law; (b) the Indenture and Warrant Agreement shall have been duly authorized, executed, and delivered by all parties thereto other than the Corporation; (c) the Registration Statement shall have become effective under the Securities Act and will continue to be effective; (d) the Indenture shall have become duly qualified under the Trust Indenture Act of 1939, as amended; and (e) that, at the time of the authentication and delivery of the Securities, the Corporate Proceedings related thereto will not have been modified or rescinded, there will not have occurred any change in the law affecting the authorization, execution, delivery, validity or enforceability of such Securities, none of the particular terms of such Securities will violate any applicable law and neither the issuance and sale thereof nor the compliance by the Corporation with the terms thereof will result in a violation of any agreement or instrument then binding upon the Corporation or any order of any court or governmental body having jurisdiction over the Corporation.

I have also assumed (a) the accuracy and truthfulness of all public records of the Corporation and of all certifications, documents and other proceedings examined by me that have been produced by officials of the Corporation acting within the scope of their official capacities, without verifying the accuracy or truthfulness of such representations, and (b) the genuineness of such signatures appearing upon such public records, certifications, documents and proceedings. I express no opinion as to the laws of any jurisdiction other than the laws of the District of Columbia, the General Corporation Law of the State of Delaware, and the federal laws of the United States of America. I express no opinion as to whether, or the extent to which, the laws of any particular jurisdiction apply to the subject matter hereof, including, without limitation, the enforceability of the governing law provision contained in the Indenture and the Warrant Agreement (the "Agreements"). Because the governing law provision of the Agreements may relate to the law of a jurisdiction as to which I express no opinion, the opinion set forth in clauses (i) and (ii) of the preceding paragraph are given as if the law of the District of Columbia governs the Agreements.

I hereby consent to the filing of this opinion as an exhibit to the Registration Statement (and all further amendments, including any post-effective amendments thereto and any additional registration statement related thereto permitted by Rule 462(b) promulgated under the Securities Act (and all further amendments, including post-effective amendments to such additional registration statement) and to being named in the Prospectus included therein under the caption "Legal Matters" with respect to the matters stated therein without implying or admitting that I am an "expert" within the meaning of the Securities Act, or other rules and regulations of the Securities and Exchange Commission issued thereunder with respect to any part of the Registration Statement, including this exhibit.

Very truly yours,

/s/ MARIANNE M. KELER
Marianne M. Keler

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EXHIBIT 23.2

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated January 15, 2003 relating to the financial statements which appears in SLM Corporation's Annual Report on Form 10-K for the year ended December 31, 2002. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

McLean, VA
July 31, 2003

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