

Approved September 17, 2020

**AUDIT COMMITTEE
SLM CORPORATION AND SALLIE MAE BANK**

CHARTER

PURPOSE

The Audit Committee (the “Committee”) has been appointed by the Board of Directors (the “Company Board”) of SLM Corporation, a Delaware corporation (the “Company”), and the Board of Directors (the “Bank Board”) of Sallie Mae Bank, a Utah industrial bank (the “Bank”; the Company and the Bank, hereinafter collectively the “Companies”; and the Company Board and Bank Board, collectively the “Boards”). The Boards respectively delegate to the Committee the authority and responsibilities described herein to assist the Boards in fulfilling their oversight responsibilities to investors and prudential regulators relating to the auditing and integrity of the Companies’ financial statements; accounting and reporting processes established by the Companies’ management; the performance of the Companies’ internal audit function; and the qualifications, performance and independence of the Companies’ independent registered accounting firm (the “External Auditor”).

Management remains responsible for the preparation, presentation and integrity of the Companies’ financial statements and public disclosures regarding the Companies’ financial performance. Management is also responsible for maintaining appropriate accounting and financial policies and internal controls along with procedures designed to assure compliance with accounting standards and applicable laws, regulations and listing standards. The Companies’ internal audit personnel remain responsible for examining and evaluating business processes, including the Companies’ system of internal controls.

COMMITTEE MEMBERSHIP

The Committee shall be comprised of at least three members of the Boards, each of whom shall meet the independence and experience requirements of the Company’s Board Governance Guidelines, the NASDAQ Listing Rules, the rules promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the Federal Deposit Insurance Corporation Improvement Act of 1991 (“FDICIA”). Each Committee member shall be able to read and understand fundamental financial statements, and no Committee member shall have participated in the preparation of the Companies’ financial statements in the past three years. In addition, at least two members of the Committee shall be an “Audit Committee Financial Expert” as defined by Exchange Act rules and regulations, shall have “financial sophistication” as defined by the NASDAQ Listing Rules and shall meet the relevant qualifications under FDICIA.

The Chair and each member of the Committee shall be appointed by the Boards and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal by either Board.

ANNUAL CONFIRMATIONS AND DETERMINATIONS

At least annually, the Boards shall each confirm each Committee member meets the qualifications for membership set forth in this Charter and the Committee's membership collectively meets the requirements set forth in this Charter. The results of, and basis for, these determinations will be documented in the minutes of the meetings at which the determinations are made.

MEETINGS

The Committee shall meet at least four times per year and will report regularly to the Boards. Depending on the matters and decisions to be addressed at any meeting, the Chair and the Committee may elect to convene meetings solely in its capacity representing the Company, the Bank, or on behalf of both. The Chair or at least two other members of the Committee shall have the authority to call a meeting. A majority of the members of the Committee shall constitute a quorum for the transaction of business.

All determinations of the Committee shall be made by a majority of its members present at a duly convened meeting. In lieu of a meeting, the Committee may act by unanimous written consent. The Committee shall meet periodically with the Chief Audit Officer, External Auditor, and management as deemed appropriate in separate executive sessions. The Committee may request any other person (including any other director of the Companies, any officer or employee of the Companies, or the Companies' outside counsel) to attend a meeting of the Committee or meet with any members of, or advisor to, the Committee. The Committee shall periodically meet in executive session without members of the Companies' management present.

The Chair shall preside at all meetings of the Committee. The agendas for the meetings shall be set under the direction of the Chair. In the event the Chair is unable to attend a duly convened meeting, the Chair shall select a member of the Committee to serve as Acting Chair of the meeting.

The Companies' Secretary or an Assistant Secretary (or the designee of the Secretary) will keep minutes of all of the Committee's meetings and shall retain such minutes with the Companies' corporate records. The minutes shall be circulated in draft form to all Committee members and shall be considered for approval by the Committee at a subsequent meeting. The Chair shall report the Committee's actions, recommendations or findings to the Boards promptly following a Committee meeting.

COMMITTEE AUTHORITY AND RESPONSIBILITIES

In carrying out the Purposes set forth above, the Committee shall have the following authority and responsibilities:

Financial Statement and Disclosure Matters

- (1) Review the External Auditor's plan (including staffing) and scope for the current year audit and approve proposed audit fees.
- (2) Review and discuss with management and the External Auditor in advance of release or application, as appropriate:
 - (a) major issues regarding critical accounting policies, accounting principles and financial statement presentations, including (i) any significant changes in the selection or application of accounting policies, principles, estimates or judgments, and (ii) any communications between the External Audit team and the External Auditor's national office regarding auditing or accounting issues presented by the engagement;
 - (b) analyses and reports prepared by management and/or the External Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements;
 - (c) the effect of current or proposed regulations and accounting standards on the financial statements of the Company or the Bank;
 - (d) the Company's Quarterly Reports on Form 10-Q, including periodic financial statements and management's bases for making critical accounting estimates and assumptions contained therein; and
 - (e) the Company's periodic earnings press releases and related disclosures of historical and forecasted financial information of the Company, including earnings guidance.
- (3) Discuss the results of the annual audit, any matters identified as critical audit matters by the External Auditor, and any other matter required to be communicated to the Committee by the External Auditor under GAAP, applicable law, regulations and listing standards, including matters required to be discussed by Auditing Standard No. 1301, as adopted by the Public Company Accounting Oversight Board ("PCAOB") and amended from time to time ("AS 1301"). In connection therewith, the Committee may make such inquiries as it deems appropriate to satisfy themselves with the steps being taken by the Company's Chief Executive Officer and Chief Financial Officer to support their certifications to, and confirm that such certifications required under Sections 302 and 906 of the Sarbanes-Oxley Act are timely being filed with, the Securities and Exchange Commission (the "SEC").

- (4) Discuss with the Companies' management, including the Chief Audit Officer and Controller, and the External Auditor the Company's disclosure controls and procedures and review quarterly management's conclusions about the effectiveness of such disclosure controls and procedures.
- (5) Review with management, including the Chief Audit Officer and Controller, and the External Auditor management's annual assessment of the Companies' internal controls over financial reporting and the related report issued by the External Auditor. The Committee shall also review with such parties (a) any significant deficiencies and material weaknesses in the design or operation of the Companies' internal controls over financial reporting, as well as all actions taken by management to resolve the same; (b) any fraud (regardless of materiality) involving management or other employees having a significant role in internal controls over financial reporting; and (c) any changes in the Companies' internal controls over financial reporting during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, such internal controls.
- (6) Review with the External Auditor any issues or difficulties and management's responses, including resolution of any disagreements between management and the External Auditor regarding financial reporting.
- (7) Review and discuss with management and the External Auditor the Company's Annual Report on Form 10-K ("Form 10-K") and the audited consolidated financial statements proposed to be included therein and recommend to the Company Board the inclusion of the annual audited financial statements therein.
- (8) Prepare an audit committee report as required by the rules of the SEC to be included in the Company's annual proxy statement.
- (9) Discuss with the External Auditor the matters required to be discussed by AS 1301 relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

External Auditor

- (10) Annually appoint, retain, compensate, evaluate the performance of, and (when appropriate) terminate the External Auditor.
- (11) Oversee the work of the External Auditor (including resolution of disagreements between management and the External Auditor regarding financial reporting) for the purposes of preparing or issuing an audit report or related work.
- (12) Ensure the External Auditor reports directly to the Committee.

- (13) Pre-approve all audit, audit-related and permitted non-audit services (including the fees and terms therefor) to be performed for the Companies by the External Auditor. If the External Auditor provides non-audit services, the Committee shall pre-approve such services and shall consider whether the provision of non-audit services is compatible with maintaining the External Auditor's independence. The Committee may delegate to the Chair the authority to pre-approve fees and terms for audit, audit-related, and permitted non-audit services upon the terms and conditions set forth in a resolution adopted by the Committee.
- (14) At least annually, evaluate the qualifications, performance and independence of the External Auditor. In conducting its review, the Committee shall obtain and review a report from the External Auditor at least annually regarding:
 - (a) the External Auditor's internal quality control procedures;
 - (b) any material issues raised by the most recent internal quality-control review, or peer review of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and
 - (c) any relationship between the External Auditor and the Company, consistent with PCAOB Rule 3526, "Communications with Audit Committee Concerning Independence". The Committee shall review and evaluate such report and engage in a dialogue with the External Auditor with respect to any disclosed relationship or services that may impact the External Auditor's objectivity and independence and take appropriate action in response to the External Auditor's report to satisfy itself of the auditor's independence.
- (15) Monitor corporate hiring policies for the Companies' hiring of employees or former employees of the External Auditor to ensure the policies are clear and in compliance with applicable laws and regulations.
- (16) Periodically meet with the External Auditor to discuss the planning, scope, and staffing of the audit, including proposed audit fees, and monitor the plan's progress and results during the year.
- (17) Ensure compliance with any law, regulation or listing standard that requires the rotation of External Auditor partners and consider whether there should be regular rotation of the External Auditor.

Internal Audit Function

- (18) Oversee the Companies' internal audit function and annually review and approve its budget, charter, annual internal audit plan, use of outsourced and other internal audit staffing, and significant operating policies, as well as any material changes thereto.

- (19) Review the appointment, performance and replacement of the Chief Audit Officer and make recommendations to the Boards regarding the responsibilities, retention or termination of such executive. Work with the Nominations, Governance and Compensation Committee of the Boards to concur on compensation for the executive.
- (20) Review with the Chief Audit Officer the scope of the annual internal audit plan and risk assessment methodology and receive, on a periodic basis, audit reports from completed audits or summaries thereof, progress reports on the annual audit plan and a status report detailing actions taken, or to be taken, by management to address outstanding issues or findings for the Companies and their affiliates.
- (21) Review the results of any quality assessment review required by the Institute of Internal Auditors.
- (22) Periodically review with the External Auditor the extent of their reliance on the internal audit function.
- (23) Review the impartiality and independence of the internal audit function.

General Oversight Responsibilities

- (24) Review the Companies' procedures for the receipt, retention and handling of complaints regarding accounting, internal controls and auditing matters, including procedures for the confidential, anonymous submission of complaints by employees about accounting and auditing matters.
- (25) Discuss with the Companies' management, the Chief Audit Officer, General Counsel and External Auditor any regulatory examination reports, correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Companies' financial statements or accounting policies.
- (26) Discuss with the Companies' General Counsel and/or External Auditor legal matters that may have a material impact on the financial statements.

RESOURCES AND REPORTING

The Committee shall have authority to retain such search firms, outside counsel, consultants, experts and other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve related fees and retention terms.

In performing their duties and responsibilities, Committee members are entitled to rely in good faith on information, opinions, reports or statements prepared or presented by persons and organizations from which the Committee receives information.

The Committee shall annually conduct a self-evaluation of the Committee's performance and effectiveness and report the results to the Boards. The Committee shall have access to all information necessary or appropriate to carry out its responsibilities herein, including information regarding perquisites and other personal benefits provided to executive management. The Committee shall review at least annually the adequacy of this Charter and recommend any proposed changes to the Boards for approval.

DELEGATION OF AUTHORITY

To the extent permitted by applicable law, rules or regulations, as appropriate, the Committee may form and delegate all or a portion of its authority to subcommittees comprised of one or more members of the Committee or members of the Companies' management. Each subcommittee shall have the full power and authority of the Committee, as to matters delegated to it.